

St. Mary's College Of Maryland Foundation, Inc.

Financial Report
June 30, 2008

McGladrey & Pullen
Certified Public Accountants

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McGladrey & Pullen

Certified Public Accountants

Independent Auditor's Report

To the Board of Directors
St. Mary's College of Maryland Foundation, Inc.
St. Mary's City, Maryland

We have audited the accompanying balance sheet of St. Mary's College of Maryland Foundation, Inc. (the Foundation) as of June 30, 2008, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year's summarized comparative information has been derived from the 2007 financial statements and, in our report dated October 24, 2007, we expressed an unqualified opinion on those statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the 2008 financial statements referred to above present fairly, in all material respects, the financial position of St. Mary's College of Maryland Foundation, Inc. as of June 30, 2008, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

McGladrey & Pullen, LLP

Gaithersburg, Maryland
September 15, 2008

St. Mary's College Of Maryland Foundation, Inc.

Balance Sheet

June 30, 2008

(With Comparative Totals For 2007)

Assets	2008	2007
Cash	\$ 767,362	\$ 761,878
Investments	25,536,824	28,498,229
Investments – Gift Annuity	880,285	903,649
Receivables	86,844	77,872
Prepaid Expenses	-	536
Promises to Give, net	1,972,164	2,137,082
Property and Equipment, net	391,583	396,962
Art Collection (Note 1)	-	-
	<u>\$ 29,635,062</u>	<u>\$ 32,776,208</u>

Liabilities And Net Assets

Liabilities		
Accounts payable and accrued expenses	\$ 195,043	\$ 219,466
Gift annuity	715,139	730,326
	<u>910,182</u>	<u>949,792</u>
Net Assets		
Unrestricted	932,822	947,053
Temporarily restricted	7,805,560	12,172,611
Permanently restricted	19,986,498	18,706,752
	<u>28,724,880</u>	<u>31,826,416</u>
	<u>\$ 29,635,062</u>	<u>\$ 32,776,208</u>

See Notes To Financial Statements.

St. Mary's College Of Maryland Foundation, Inc.

Statement Of Activities
 Year Ended June 30, 2008
 (With Comparative Totals For 2007)

	2008				2007 Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	
Support and revenue:					
Contributions	\$ 258,640	\$ 409,809	\$ 1,279,746	\$ 1,948,195	\$ 2,318,285
Event revenue	370,630	16,946	-	387,576	433,192
Donated services	352,544	-	-	352,544	332,072
Sponsorship	213,750	-	-	213,750	218,500
Investment income	(78,664)	(2,594,005)	-	(2,672,669)	3,662,834
Other revenues	180,123	-	-	180,123	81,579
Net assets released from restrictions	2,199,801	(2,199,801)	-	-	-
Total support and revenue	3,496,824	(4,367,051)	1,279,746	409,519	7,046,462
Expenses:					
Program services:					
Support to St. Mary's College of Maryland:					
Scholarships	889,926	-	-	889,926	907,043
Athletics	280,158	-	-	280,158	162,492
Academic chair	159,482	-	-	159,482	144,804
Library	130,882	-	-	130,882	133,500
President	94,715	-	-	94,715	56,872
Center for Democracy	90,603	-	-	90,603	77,760
Choir fund	49,868	-	-	49,868	38,519
Art alliance	43,454	-	-	43,454	24,528
Alumni activities	38,918	-	-	38,918	42,542
Lectureship series	18,368	-	-	18,368	5,505
Waterfront	16,198	-	-	16,198	20,713
Alba campus	12,741	-	-	12,741	8,633
Safe Ride	11,295	-	-	11,295	-
Slackwater	10,426	-	-	10,426	5,015
Faculty Support	10,000	-	-	10,000	-
Sailing	4,825	-	-	4,825	1,415
Crew team	4,119	-	-	4,119	11,728
College Department/Division Support	4,000	-	-	4,000	4,000
Artist house	375	-	-	375	372,815
Research assistance	-	-	-	-	1,800
Holocaust Summer Program	-	-	-	-	440
	1,870,353	-	-	1,870,353	2,020,124
River Concert Series	416,587	-	-	416,587	458,977
Other programs	104,629	-	-	104,629	103,737
College relations	92,083	-	-	92,083	91,318
Governor's Cup	67,132	-	-	67,132	74,691
Gift annuities	44,921	-	-	44,921	22,681
Community connection	39,999	-	-	39,999	29,007
Facility/events	7,787	-	-	7,787	2,376
Family Weekend	4,825	-	-	4,825	17,730
Total program services	2,648,316	-	-	2,648,316	2,820,641
Supporting services:					
Management and general	494,649	-	-	494,649	697,778
Fundraising	368,090	-	-	368,090	350,368
Total supporting services	862,739	-	-	862,739	1,048,146
Total expenses	3,511,055	-	-	3,511,055	3,868,787
Change in net assets	(14,231)	(4,367,051)	1,279,746	(3,101,536)	3,177,675
Net assets:					
Beginning	947,053	12,172,611	18,706,752	31,826,416	28,648,741
Ending	\$ 932,822	\$ 7,805,560	\$ 19,986,498	\$ 28,724,880	\$ 31,826,416

See Notes To Financial Statements.

St. Mary's College Of Maryland Foundation, Inc.

Statement Of Cash Flows
 Year Ended June 30, 2008
 (With Comparative Totals For 2007)

	2008	2007
Cash Flows From Operating Activities		
Change in net assets	\$ (3,101,536)	\$ 3,177,675
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Contributions received for endowment	(1,279,746)	(768,949)
Depreciation	10,688	14,834
Realized and unrealized losses (gains) on investments	3,727,835	(2,670,759)
Discount and allowance on promises to give	(658,282)	(147,434)
Uncollectible promise to give expense	-	300,924
Donated securities	(135,809)	(84,913)
Loss on sale of property and equipment	1,462	1,623
Changes in assets and liabilities		
(Increase) decrease in:		
Receivables	(8,972)	(3,645)
Prepaid expenses	536	306
Promises to give	823,200	607,535
Increase (decrease) in:		
Accounts payable and accrued expenses	(24,423)	(50,089)
Gift annuity	(15,187)	(13,248)
Net cash (used in) provided by operating activities	(660,234)	363,860
Cash Flows From Investing Activities		
Purchase of investments	(9,876,171)	(6,107,153)
Proceeds from sale of investments	9,268,914	5,304,870
Purchase of property and equipment	(7,721)	-
Proceeds from sale of property and equipment	950	-
Net cash used in investing activities	(614,028)	(802,283)
Cash Flows From Financing Activities		
Contributions received for endowment	1,279,746	768,949
Net cash provided by financing activities	1,279,746	768,949
Net increase in cash	5,484	330,526
Cash		
Beginning	761,878	431,352
Ending	\$ 767,362	\$ 761,878
Supplemental Schedule Of Noncash Investing Activities		
Donated securities	\$ 135,809	\$ 84,913

See Notes To Financial Statements.

St. Mary's College Of Maryland Foundation, Inc.

Notes To Financial Statements

Note 1. Nature Of Activities And Significant Accounting Policies

Nature of activities: St. Mary's College of Maryland Foundation (the Foundation) is a not-for-profit corporation founded in Maryland in 1971. The Foundation's principal activity is to provide support for the faculty and students of St. Mary's College of Maryland (the College). The Foundation raises funds and receives, holds, invests, manages, uses, disposes of, and administers property, as appropriate. All funds are used for the furtherance of the mission of the College.

A summary of the Foundation's significant accounting policies follows:

Basis of accounting: The accompanying financial statements are prepared on the accrual basis of accounting, whereby, revenues are recognized when earned and expenses are recorded when incurred.

Basis of presentation: The financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, the Foundation is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets.

Cash: At June 30, 2008, the Foundation had restricted cash of \$530,634. Amounts are restricted for specific purposes, specified by donors.

All cash and investments, regardless of maturity, held by investment advisor, are considered investments.

Financial risk: The Foundation maintains its cash balances in bank deposit accounts which, at times, may exceed federally insured limits. The Foundation has not experienced any losses in such accounts and believes it is not exposed to any significant financial risk on cash.

The Foundation invests in a professionally managed portfolio that contains corporate bonds, mutual funds, and common shares of publicly-traded companies and government securities. Such investments are exposed to various risks such as market and credit. Due to the level of risk associated with such investments and the level of uncertainty related to changes in the value of such investments, it is at least reasonably possible that changes in risks in the near term could materially affect investment balances and the amounts reported in the financial statements.

Investments: Investments with readily determinable fair values are reflected at fair market value. To adjust the carrying value of the investments, unrealized gains and losses are reported in the statement of activities as a part of investment income.

Investment pools: The Foundation maintains master investment accounts for its donor-restricted and board-designated endowments. Realized and unrealized gains and losses from securities in the master investment accounts are allocated quarterly to the individual endowments based on the relationship of the market value of each endowment to the total market value of the master investments accounts, as adjusted for additions to or deductions from those accounts.

St. Mary's College Of Maryland Foundation, Inc.

Notes To Financial Statements

Note 1. Nature Of Activities And Significant Accounting Policies (Continued)

Receivables and promises to give: Unconditional promises to give are recognized as revenue or gains in the period acknowledged. Conditional promises to give are only recognized when the conditions on which they depend are substantially met. Unconditional promises to give are carried at fair value less an estimate made for doubtful promises based on a review of all outstanding promises on a monthly basis. Management determines the allowance for doubtful promises by using the historical experience applied to an aging of promises. Promises are written off when deemed uncollectible. The provision for doubtful promises based on management's evaluation of the collection of promises at June 30, 2008, was 4% of the gross value of the promises due beyond the year ending June 30, 2009.

Receivables are carried at original invoice amounts, less an estimate made for doubtful accounts based on a review of outstanding amounts on a monthly basis. Management determines the allowance for doubtful accounts by identifying troubled accounts and by using the historical experience applied to an aging of accounts. Receivables are written off when deemed uncollectible. Recoveries of receivables previously written off are recorded when received. Interest is not recorded on any past due balances. There was no provision for doubtful accounts, based on management's evaluation of the collection of receivables at June 30, 2008.

Property and equipment: Property and equipment are recorded at cost. Donated property and equipment are recognized at appraised value when received. Depreciation is provided using the straight-line method over estimated useful lives of the assets ranging from five to ten years. The Foundation capitalizes all property and equipment purchased with a cost of \$1,500.

Impairment of long-lived assets: The Foundation accounts for the valuation of long-lived assets under SFAS No. 144, *Accounting for the Impairment or Disposal of Long-Lived Assets*. SFAS No. 144 requires that long-lived assets and certain identifiable intangible assets be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of the long-lived asset is measured by a comparison of the carrying amount of the assets to future undiscounted net cash flows expected to be generated by the assets. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the estimated fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or fair value, less costs to sell.

Art Collection: Art Collection owned by the Foundation was acquired through contributions in the fiscal year ended June 30, 2004. These items are not included as assets in the balance sheet because these assets will be transferred to the College or otherwise disposed. The cost of these properties is not readily available, and the Foundation is of the opinion that, because of the intrinsic value of the properties, it is impractical to assign values to the components. Proceeds from sale or insurance recoveries are reflected as increases in the appropriate net asset classes.

Gift annuities payable: Carrying amounts represent the present value of the contractual payments over the estimated remaining term.

Revenue recognition: Contributions received are recorded as permanently restricted, temporarily restricted, or unrestricted revenue, depending on the existence and/or nature of any donor restrictions.

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes.

St. Mary's College Of Maryland Foundation, Inc.

Notes To Financial Statements

Note 1. Nature Of Activities And Significant Accounting Policies (Continued)

Unconditional promises to give that are expected to be collected within one year are recorded at their net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts are computed using risk-free interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. Conditional promises to give are not included as support until the conditions are met.

Donated services and facilities: Donated services are recorded as revenue and expense in the financial statements for services received from the College. Donated services from the College are principally related to shared staff time. Contributed office space and facilities are also recorded at their estimated fair value.

Service fees: The Foundation applies an annual service fee of up to 2% on the total value of its endowed funds. The actual service fee rate is fixed annually at a level that is sufficient to cover the core Foundation expenses, including, but not limited to, insurance, accounting, legal, and investment management.

Functional expenses: The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities.

Other support to College expenditures consists of funds from endowed and restricted accounts for lectures, internships, Study Abroad, Christmas in April, St. Mary's Art Projects and Women's Studies, and funds from unrestricted accounts for College events and various departmental needs.

Income taxes: The Foundation is exempt from federal income tax under the provisions of Section 501(c)(3) of the Internal Revenue Code. The Foundation is subject to income taxes on revenue generated from sources unrelated to its exempt purpose. There was no income tax for the year ended June 30, 2008. In addition, the Foundation has been determined by the Internal Revenue Service (IRS) not to be a private foundation.

Estimates: Management uses estimates and assumptions in preparing these financial statements in accordance with accounting principles generally accepted in the United States of America. These estimates and assumptions affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities, and the reported revenues and expenses. Accordingly, actual results could differ from the estimates that were used.

Prior year information: The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Foundation's financial statements for the year ended June 30, 2007, from which the summarized information was derived.

Recent and upcoming accounting pronouncements: In July 2006, the Financial Accounting Standards Board ("FASB") issued Interpretation No. 48, *Accounting for Uncertainty in Income Taxes* ("FIN 48"). FIN 48 prescribes a minimum threshold for financial statement recognition of the benefit of a tax position taken or expected to be taken by a filer in the filer's tax return. FIN 48 will become effective for the fiscal years beginning after December 15, 2007. The Foundation has not yet determined the impact of the adoption of FIN 48 on its financial statements.

St. Mary's College Of Maryland Foundation, Inc.

Notes To Financial Statements

Note 1. Nature Of Activities And Significant Accounting Policies (Continued)

In September 2006, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards No. 157, *Fair Value Measurements* ("FAS 157"). This standard defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurement. FAS 157 also emphasizes that fair value is a market based measurement, not an entity-specific measurement, and sets out a fair value hierarchy with the highest priority being quoted prices in active markets. Under FAS 157, fair value measurements are disclosed by level within that hierarchy. FAS 157 is effective for fiscal years beginning after November 15, 2007, except for non-financial assets and non-financial liabilities that are recognized or disclosed at fair value in the financial statements on a nonrecurring basis for which delayed application is permitted until fiscal years beginning after November 15, 2008. The Foundation has not yet completed its analysis of the effects of these interpretations and has not determined if the adoption of FAS 157 will have a material impact on its financial statements.

Note 2. Investments

Investments consist of the following at June 30, 2008:

Equities	\$ 14,613,085
Fixed income	5,808,782
Cash equivalents	5,032,152
Gift annuities	880,285
Cash surrender value of life insurance	82,805
	<u>\$ 26,417,109</u>

Investments of \$880,285 at June 30, 2008, are related to gift annuities. Investments of \$82,805 at June 30, 2008, are related to cash surrender values stemming from life insurance policies owned by the Foundation.

During 2000, the Foundation became a named beneficiary to one-fourth of a trust held by a third party. The trust is restricted to scholarships. Under the terms of the trust, the Foundation will receive a distribution each year of approximately one-fourth of 5% of the value of the trust, even if the 5% is to be paid from the principal. The Foundation records one-fourth of the annual changes in market value of the trust as investment income. The value of the Foundation's share of the trust was \$1,436,649 as of June 30, 2008. The Foundation did not receive a distribution during the year ended June 30, 2008.

Investment income consists of the following for the year ended June 30, 2008:

	Unrestricted	Temporarily Restricted	Total
Interest and dividends	\$ 41,507	\$ 1,013,659	\$ 1,055,166
Realized and unrealized (losses)	(120,171)	(3,607,664)	(3,727,835)
	<u>\$ (78,664)</u>	<u>\$ (2,594,005)</u>	<u>\$ (2,672,669)</u>

St. Mary's College Of Maryland Foundation, Inc.

Notes To Financial Statements

Note 3. Receivables

Receivables consist of the following at June 30, 2008:

Accrued interest	\$	74,150
Trade receivables		12,694
	\$	<u>86,844</u>

Note 4. Promises To Give

Promises to give consist of the following at June 30, 2008:

Planned gifts	\$	2,025,000
Restricted to other programs		1,147,288
Restricted to endowed scholarships		482,359
Restricted for the Center of Democracy		323,700
Restricted to scholarships		90,199
Restricted to endowment funds		<u>36,090</u>
Unconditional promises to give before unamortized discount and allowance for uncollectibles		4,104,636
Less unamortized discount at 6% and allowance for uncollectibles at 4%		<u>2,132,472</u>
Total promises to give	\$	<u>1,972,164</u>

Promises to give are due to be collected in the following periods:

Less than one year	\$	638,834
One to five years		1,440,802
Five to ten years		-
More than ten years		<u>2,025,000</u>
	\$	<u>4,104,636</u>

Amounts due after June 30, 2009, have been discounted to their estimated present value using a discount rate of 6%.

St. Mary's College Of Maryland Foundation, Inc.

Notes To Financial Statements

Note 5. Property And Equipment

Property and equipment and accumulated depreciation are as follows at June 30, 2008:

Asset Category	Estimated Lives	Cost	Accumulated Depreciation	Net	Depreciation Expense
Paintings	-	\$ 343,418	\$ -	\$ 343,418	\$ -
Boat and marine equipment	5 – 10 years	484,914	439,714	45,200	8,329
Office equipment and other	3 – 7 years	121,682	118,717	2,965	2,359
		<u>\$ 950,014</u>	<u>\$ 558,431</u>	<u>\$ 391,583</u>	<u>\$ 10,688</u>

The Foundation owns boats that are used in the College's sailing education programs. Boats were typically received in prior years by donation. The Foundation no longer accepts boat donations.

Note 6. Assets Held In Charitable Gift Annuities

The Foundation has established 22 gift annuity programs. The programs allow the Foundation to accept a gift from a donor in exchange for the Foundation agreeing to pay the donor's annuity payments until the donor's death. The Foundation evaluates each potential annuity prior to acceptance with the consideration of the age of the donor, terms of the annuity payments, required payments terms, and the gift acceptance policy.

Upon execution of the charitable gift annuities, the Foundation records an asset for the fair market value of charitable gift annuities, and a liability based upon the actuarial present value of amounts expected to be paid to the donors. The net of the gift annuity asset and liability is the remainder interest, the residual amount the Foundation expects to receive from the annuities. The present value is readjusted annually, with the value based on an actuarial calculation as summarized below:

Gift annuities remainder interest expected to be paid out (based on life expectancy tables) in:	
Less than one year	\$ 60,108
One to five years	300,540
Over five years	354,491
Total	<u>\$ 715,139</u>

The following table summarizes activity in the gift annuities for the year ended June 30, 2008:

Charitable gift annuities balance at July 1, 2006	\$ 730,326
Contributions	115,287
Annuity payments	(60,108)
Increase in liability	8,177
Change in value	(78,543)
Charitable gift annuities balance at June 30, 2007	<u>\$ 715,139</u>

Pursuant to charitable gift annuity regulations COMAR 31.09.07, the Foundation maintains sufficient assets to equal the sum of the reserves on its outstanding annuity agreements, as noted above.

St. Mary's College Of Maryland Foundation, Inc.

Notes To Financial Statements

Note 6. Assets Held In Charitable Gift Annuities (Continued)

The reserves on the outstanding annuity agreements are consistent with the assumptions underlying the respective rates adopted by the American Council on Gift Annuities which were in effect at the time of the issuance of the respective annuity contracts.

The liabilities are determined based upon the donor's life expectancy and using discount rates between 5% and 9% at June 30, 2008, provided by IRS valuation tables. At the time of the donor's death, any remaining unamortized liability is recorded as additional donations.

Note 7. Restricted Net Assets

Temporarily restricted net assets consist of the following at June 30, 2008:

	Balance at June 30, 2007	Additions	Investment Activity	Restriction Accomplished	Transfer to Permanently Restricted	Balance at June 30, 2008
Scholarships and awards	\$ 6,091,327	\$ 127,661	\$ (1,725,542)	\$ (1,136,954)	\$ (69,900)	\$ 3,286,592
Waterfront	2,164,123	69,954	53,128	(16,198)	-	2,271,007
Library support	1,040,194	300	(278,087)	(180,666)	-	581,741
Endowed chairs	854,900	-	(384,488)	(211,129)	-	259,283
Choir support	194,084	18,954	460	(49,868)	-	163,630
Gift annuity	97,041	-	-	-	-	97,041
Washington, D.C. program	83,792	2,230	-	-	-	86,022
Slackwater	61,300	-	1,489	(10,426)	-	52,363
Center for Democracy	307,762	17,071	(113,122)	(177,480)	-	34,231
Arts alliance	27,106	36,629	672	(43,454)	-	20,953
Community connections	34,779	24,750	163	(40,171)	-	19,521
Aldom-Plansoen President's Endowment	45,320	-	(23,558)	(17,286)	-	4,476
Other programs	1,170,883	129,206	(125,120)	(163,308)	(82,961)	928,700
	<u>\$ 12,172,611</u>	<u>\$ 426,755</u>	<u>\$ (2,594,005)</u>	<u>\$ (2,046,940)</u>	<u>\$ (152,861)</u>	<u>\$ 7,805,560</u>

Scholarships and awards are restricted contributions to assist the students of the College based on merit and/or financial need.

The waterfront program provides recreational and athletic opportunities to the College students.

Library support funds are restricted to support library acquisitions and other library resources.

Funds for the endowed chairs are restricted to support faculty with academic distinction in their professions.

Choir funds provide students with the opportunity to travel to Italy every summer to study under professional musicians.

Washington, D.C. program funds opportunities for students, faculty, and guest academicians to live and learn as they pursue internships, research, and academic programs.

Center for Democracy offers academic and community service opportunities unique to the legacy of the College.

St. Mary's College Of Maryland Foundation, Inc.

Notes To Financial Statements

Note 7. Restricted Net Assets (Continued)

Other programs include support for various funds, including but not limited to the Art Department, Women's Studies, Christmas in April and Facilities and Events.

During the year ended June 30, 2008, net assets were released from donor restriction when expenses satisfying the restricted purposes were incurred, or by occurrence of other events specified by donors.

On September 29, 2008, the Foundation transferred \$2,018,695, of temporarily restricted net assets, to the St. Mary's College of Maryland for the River Center.

The \$152,861, transferred from temporarily restricted net assets to permanently restricted net assets, was at the requests of the donors.

Certain unrestricted net assets have been designated by the Board of Directors and consist of the Lectureship series (Goodpastor) in the amount of \$95,000.

Permanently restricted net assets represent donor-restricted contributions in which the donor has stipulated that the principle be maintained intact. Unless otherwise stated by the donor, investment income is recorded into temporarily restricted net assets to be used for specific purposes.

	2007	Additions	Transfer From Temporarily Restricted	2008
Scholarships and awards	\$ 11,381,509	\$ 348,397	\$ 69,900	\$ 11,799,806
Endowed chairs	2,894,696	143,464	-	3,038,160
Library support	1,784,896	250	-	1,785,146
Other programs	2,645,651	634,774	82,961	3,363,386
	<u>\$ 18,706,752</u>	<u>\$ 1,126,885</u>	<u>\$ 152,861</u>	<u>\$ 19,986,498</u>

Note 8. Related Party Transactions

The Foundation receives services from various individuals whose salaries and benefits are paid by the College. In addition, the College provided the Foundation available administrative office space and use of facilities totaled \$352,544 for the year ended June 30, 2008. Such amounts are recorded as both donated services revenue and supporting services expenses.