RICHEY MAY
RICHEY, MAY & CO., LLP

Clover Park Technical College Foundation

Financial Statements
As of and for the Years Ended December 31, 2025 and 2024



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Independent Auditors' Report

To the Board of Directors
Clover Park Technical College Foundation
Lakewood, Washington

Opinion

We have audited the accompanying financial statements of Clover Park Technical College Foundation (a nonprofit organization), which comprise the statement of financial position as of December 31, 2025, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Clover Park Technical College Foundation as of December 31, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Clover Park Technical College Foundation and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Clover Park Technical College Foundation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Clover Park Technical College Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Clover Park Technical College Foundation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited Clover Park Technical College Foundation's 2024 financial statements, and we expressed an unmodified opinion on those audited financial statements in our report dated June 6, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Richey, May & Co., LLP

Tacoma, Washington
October 19, 2026

RICHEY MAY
RICHEY, MAY & CO., LLP

Clover Park Technical College Foundation
Statements of Financial Position

	December 31, 2025	December 31, 2024
Assets:		
Current assets		
Cash and cash equivalents	$ 1,306,684	$ 1,168,026
Accounts receivable	1,562	1,358
Total current assets	1,308,246	1,169,384
Other assets		
Donated goods inventory	42,069	41,819
Cash restricted to endowment	-	1,934
Investments	2,768,311	2,369,774
Total other assets	2,810,380	2,413,527
Total assets	$ 4,118,626	$ 3,582,911
Liabilities and net assets:		
Accrued expenses	$ 831	$ -
Total liabilities	831	-
Net assets without donor restrictions		
Undesignated	629,749	568,330
Board-designated	908,504	751,610
Total net assets without donor restrictions	1,538,253	1,319,940
Net assets with donor restrictions	2,579,542	2,262,971
Total net assets	4,117,795	3,582,911
Total liabilities and net assets	$ 4,118,626	$ 3,582,911

The accompanying notes are an integral part of these financial statements.

Clover Park Technical College Foundation
Statement of Activities with Summarized Comparative Totals for 2024

	Without donor restrictions	With donor restrictions	Total	
			Year ended December 31, 2025	Summarized comparative totals for the year ended December 31, 2024
Support, revenue, and reclassifications:				
Contributions	$ 58,000	$ 339,374	$ 397,374	$ 259,563
Special events, net	49,538	41,310	90,848	72,322
Donated goods	284,168	67,594	351,762	386,640
Investment income, net	-	288,290	288,290	263,838
Interest income	36,070	-	36,070	14,676
Total support and revenue	427,776	736,568	1,164,344	997,039
Net assets released from restriction and reclassifications	419,997	(419,997)	-	-
Total support, revenue and reclassifications	847,773	316,571	1,164,344	997,039
Expenses:				
Program services				
Scholarships and grants	210,771	-	210,771	151,018
Program specific support	268,532	-	268,532	266,062
Total program services	479,303	-	479,303	417,080
Supporting services				
General and administrative	132,154	-	132,154	132,087
Fundraising	18,003	-	18,003	25,198
Total supporting services	150,157	-	150,157	157,285
Total expenses	629,460	-	629,460	574,365
Change in net assets	218,313	316,571	534,884	422,674
Net assets at beginning of year	1,319,940	2,262,971	3,582,911	3,160,237
Net assets at end of year	$ 1,538,253	$ 2,579,542	$ 4,117,795	$ 3,582,911

The accompanying notes are an integral part of these financial statements.

Clover Park Technical College Foundation
Statement of Functional Expenses for the Year Ended December 31, 2025

	Program services		Supporting services		
	Scholarships and grants	Program specific support	General and administrative	Fundraising	Total
Academic program support	$ -	$ 25,928	$ -	$ -	$ 25,928
Bank service charges	-	-	2,658	-	2,658
Board development	-	-	2,221	-	2,221
College promotion	-	24,476	-	-	24,476
Donated goods expense	-	202	-	15,754	15,956
Donated services expense	-	167,037	98,585	18,546	284,168
Donor recognition	-	-	252	437	689
Dues and subscriptions	-	-	556	-	556
Emergency grants	44,267	-	-	-	44,267
Faculty and staff awards	6,000	-	-	-	6,000
Hospitality	-	-	490	-	490
Insurance	-	-	1,484	-	1,484
Meals	-	-	-	878	878
Professional services	-	-	24,750	-	24,750
Purchased services for events	-	-	-	14,319	14,319
Scholarship awards	160,504	-	-	-	160,504
Software maintenance	-	-	-	750	750
Supplies	-	-	892	3,248	4,140
Training	-	-	266	-	266
Donated goods provided to Clover Park Technical College (CPTC)	-	50,889	-	-	50,889
Total expenses	210,771	268,532	132,154	53,932	665,389
Less cost of direct donor benefit reported with special events revenue in the statement of activities	-	-	-	35,929	35,929
Total expenses reported on the statement of activities	$ 210,771	$ 268,532	$ 132,154	$ 18,003	$ 629,460

The accompanying notes are an integral part of these financial statements.

Clover Park Technical College Foundation
Statement of Functional Expenses for the Year Ended December 31, 2024

	Program services		Supporting services		
	Scholarships and grants	Program specific support	General and administrative	Fundraising	Total
Academic program support	$ -	$ 14,134	$ -	$ -	$ 14,134
Bank service charges	-	-	1,575	-	1,575
Board development	-	-	1,258	-	1,258
College promotion	-	8,575	-	-	8,575
Donated goods expense	-	4,285	-	15,815	20,100
Donated services expense	-	160,858	100,436	26,037	287,331
Donor recognition	-	-	921	-	921
Dues and subscriptions	-	-	325	-	325
Emergency grants	39,487	-	-	-	39,487
Faculty and staff awards	5,000	-	-	-	5,000
Hospitality	-	-	501	-	501
Insurance	-	-	1,572	-	1,572
License and permits	-	-	180	-	180
Meals	-	-	-	2,055	2,055
Professional services	-	-	24,400	5,000	29,400
Purchased services for events	-	-	-	14,388	14,388
Scholarship awards	106,531	-	-	-	106,531
Software maintenance	-	-	-	700	700
Supplies	-	-	454	3,514	3,968
Training	-	-	465	-	465
Donated goods provided to Clover Park Technical College (CPTC)	-	78,210	-	-	78,210
Total expenses	151,018	266,062	132,087	67,509	616,676
Less cost of direct donor benefit reported with special events revenue in the statement of activities	-	-	-	42,311	42,311
Total expenses reported on the statement of activities	$ 151,018	$ 266,062	$ 132,087	$ 25,198	$ 574,365

The accompanying notes are an integral part of these financial statements.

Clover Park Technical College Foundation
Statements of Cash Flows

	Years ended December 31, 2025	2024
Cash flows from operating activities:		
Change in net assets	$ 534,884	$ 422,674
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Realized and unrealized gain on investments, net	(241,614)	(204,609)
Dividends and interest, net of investment expenses	(46,676)	(41,643)
Changes in operating assets and liabilities:		
Accounts receivable	(204)	9,982
Donated goods inventory	(250)	4,651
Accrued expenses	831	-
Net cash flows from operating activities	246,971	191,055
Cash flows from investing activities:		
Proceeds from sale of investments	55,688	198,876
Purchases of investments	(165,935)	(83,500)
Net cash flows from investing activities	(110,247)	115,376
Net change in cash, cash equivalents and restricted cash	136,724	306,431
Cash, cash equivalents and restricted cash at beginning of year	1,169,960	863,529
Cash, cash equivalents and restricted cash at end of year (see Note 9)	$ 1,306,684	$ 1,169,960

The accompanying notes are an integral part of these financial statements.

Clover Park Technical College Foundation
Notes to Financial Statements

Note 1 - Organization and Summary of Significant Accounting Policies

Description of Organization

Clover Park Technical College Foundation (the Foundation) is a nonprofit organization dedicated to the needs of Clover Park Technical College (the College) students and programs. Established in 1992, the Foundation is overseen by a volunteer board of at least 10 and up to 24 members from the surrounding community and industries that are served by the College. The Foundation's mission is to raise funds for the College to better enable the College to provide students with the knowledge, skills and values necessary to succeed in the workforce of today and tomorrow. The Foundation's office is located in Lakewood, Washington.

Agreement with Clover Park Technical College

The Foundation operates under a Memorandum of Understanding (MOU), which began in 1993 and was updated in February 2015. The MOU allows the Foundation to raise and hold economic resources for the direct benefit of the College, which is a governmental unit. In exchange, the College provides the Foundation with resources to operate the Foundation (see Note 8). Due to the significance of the financial relationship with the College, in accordance with Governmental Accounting Standards Board (GASB) No. 39, Determining Whether Certain Organizations are Component Units, an amendment to GASB No. 14, the Foundation is included as a component unit in the College's comprehensive annual financial report. Funds of the Foundation are neither subject to the State of Washington appropriation process nor are held in the State treasury and are not owned by the State.

Basis of Presentation

The financial statements are presented in accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) industry topic applicable to Not-for-Profit Entities. In accordance with the FASB ASC topic, the Foundation reports information regarding its financial position and activities according to two classes of net assets:

Net Assets Without Donor Restrictions

Net assets without donor restrictions are available for use in general operations and are not subject to donor restrictions.

Net Assets With Donor Restrictions

Net assets with donor restrictions are subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events as specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

Support and contributions are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Cash and Cash Equivalents

The Foundation considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Accounts Receivable
The Foundation's pledges are contributions from individuals and corporations that are available for general or specific uses. The Foundation provides for expected credit losses on pledges and accounts receivable based on analysis of specific donors or customers, age of past due amounts, and expected impact of future events. It is the Foundation's policy to charge off uncollectible pledges and accounts receivable when management determines the receivable will not be collected. Management has determined that accounts receivable are fully collectible; accordingly, no allowance has been recorded. Accounts receivable totaled $11,341 at December 31, 2023, and was deemed to be fully collectible.

Donated Goods Inventory
Donated goods inventory is recorded at its fair value on the date of donation. Donated goods inventory primarily includes assets that will be transferred, at a later date, to the College for programmatic or administrative use. Donated goods inventory also includes smaller items that will either be consumed or sold by the Foundation.

Investments
Investments are stated at fair value. The Foundation follows the investment objectives and spending guidelines contained in a formal investment policy for the endowment account.

Contributions
Contributions, including unconditional promises to give, are recognized in the period received. Contributions of assets other than cash are recorded at their estimated fair value when originally pledged or donated. Conditional promises to give are not recognized until they become unconditional; that is, when the conditions on which they depend are substantially met.

Endowment Management Fee Income
The Foundation instituted a management fee policy in order to help fund the cost of managing restricted funds. Per the policy, endowment funds are assessed a 1% annual management fee calculated using the three-year rolling average of the market value of each endowed fund. Donor-designated contributions are assessed a one-time fee of 5%, excluding gifts for scholarships.

Donated Services and Facilities
In consideration of the Foundation's efforts on behalf of Clover Park Technical College, the College has agreed to provide the Foundation office space, furniture and equipment, supplies, and the use of certain services available through the College's resources. Clover Park Technical College also provides staff services to the Foundation including the Executive Director and support staff. The College's budgeted value of these support services was $235,000 for both years ended December 31, 2025 and 2024. This may differ from the actual support provided to the Foundation (see Note 8).

The Foundation receives a substantial amount of services from volunteers. No amounts have been reflected in the financial statements for those noncash services since they do not meet the criteria for recognition. However, the volunteer services are an important part of the Foundation's program services and other activities.

Fundraising Activities
Fundraising activities are generally comprised of transactions that include both a contribution and exchange component. The FASB ASC requires that a not-for-profit entity determine the fair value of the exchange portion of the transaction first, and report the remaining portion of the transaction (excess of the resources received by the donor over the fair value of the exchange portion) as a contribution.

Fundraising and special events activities comprise the following for the years ended December 31:

	2025	2024
Special event donations	$ 94,439	$ 92,379
Special event revenue	32,338	22,254
	126,777	114,633
Less cost of direct benefit to donors	(35,929)	(42,311)
Total special events, net	$ 90,848	$ 72,322

Allocation of Functional Expenses
The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs, management and general and fundraising based on the benefits derived. The primary allocated costs are the in-kind services and facilities provided, and are allocated using percentages based on the relative time spent or resources utilized in each function.

Use of Estimates
The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of support, revenues and expenses during the reporting period. Actual results could differ from those estimates.

Federal Income Tax
The Foundation is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. The Foundation has not identified any transactions that are subject to unrelated business income tax.

Reclassifications
Certain prior year amounts and disclosures have been reclassified to conform to the current year presentation. These reclassifications had no impact on the prior year change in net assets.

Subsequent Events
Management has evaluated subsequent events through October 19, 2026, which is the date that the financial statements were available to be issued.

Summarized Information for 2024
The financial statements include certain prior period 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 December 31, 2024, from which the summarized information is derived.

Note 2 - Liquidity and Availability of Financial Assets

The Foundation manages its cash available to meet general expenditures following three guiding principles:

- Operating within a prudent range of financial soundness and stability,
- Maintaining adequate liquid assets, and
- Maintaining sufficient reserves to provide reasonable assurance that obligations under endowments with donor restrictions will continue to be met, ensuring the sustainability of the Foundation.

The Foundation receives contributions with donor restrictions to be used in accordance with the associated purpose restrictions. It also receives gifts to establish endowments that will exist in perpetuity; the income generated from such endowments is used primarily to fund scholarship awards and emergency grants. In addition, the Foundation receives support without donor restrictions. Such support typically does not exceed total annual funding needs.

The Foundation considers investment income without donor restrictions, appropriated earnings from donor-restricted and board-designated endowments, contributions without donor restrictions and contributions with donor restrictions for use in current programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. General expenditures include general and administrative expenses and fundraising expenses expected to be paid in the subsequent year. Annual operations are defined as activities occurring during the Foundation's fiscal year.

The Foundation strives to maintain financial assets available to meet general expenditures at a level that represents 100% of annual expenses for management and general, and fundraising expenses plus an amount that represents the expected payments for scholarships and grants.

The table below presents financial assets available for general expenditures within one year of December 31:

	2025	2024
Cash, cash equivalents, and restricted cash	$ 1,306,684	$ 1,169,960
Accounts receivable	1,562	1,358
Less board-designated reserves (see Note 5)	(58,202)	(51,308)
Total	$ 1,250,044	$ 1,120,010

Note 3 - Fair Value Measurements

The Foundation uses the FASB ASC topic for Fair Value Measurement that establishes a fair value hierarchy for reporting that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority; Level 2 inputs consist of observable units other than quoted prices for identical assets; and Level 3 inputs have the lowest priority. There were no Level 3 inputs applied to the Foundation's accounts.

The Foundation uses appropriate valuation techniques based on the available inputs to measure the fair value of its financial instruments. When available, the Foundation measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value.

Fair values for investments are determined by reference to quoted market prices for similar investments, yield curves and other relevant information.

Note 4 - Investments

The Foundation maintains three "pooled" investment accounts for its donor-restricted endowments at December 31, 2025 and 2024.

Donor-Restricted Endowments
The Foundation's pooled investments primarily consist of named endowment funds, which were established for educational and recognition purposes (see Note 7). As required by the FASB ASC industry topic applicable to Not-for-Profit Entities, net assets associated with the endowments funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of SPMIFA

The Board of Directors has interpreted the Washington State Prudent Management of Institutional Funds Act (SPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as permanently restricted net assets: (a) the original value of gifts donated to the permanent endowment, and (b) the original value of subsequent gifts to the permanent endowment.

In accordance with SPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation or deflation, (5) the expected rate of total return from income and the appreciation of investments, (6) other resources of the Foundation, and (7) the Foundation's investment policy.

From time to time, certain donor-restricted endowment funds may have fair values less than the amount required to be maintained by donors or by law (underwater endowments). The Board of Directors of the Foundation has interpreted SPMIFA to permit spending from underwater endowments in accordance with prudent measures required under law.

Allocation of Investment Income

Realized and unrealized gains and losses from securities in the pooled investment account are allocated to the individual endowments based on the relationship of the fair value of each endowment to the total fair value of the pooled investment account, as adjusted for additions to or deductions from those accounts, such as for scholarships and grants awarded. Investments are stated at their fair value.

Investments consist of the following at December 31:

	Total		Level 1		Level 2		Level 3	
2025	**Cost**	**Fair value**	**Cost**	**Fair value**	**Cost**	**Fair value**	**Cost**	**Fair value**
Equities	$ 643,033	$ 1,143,441	$ 643,033	$ 1,143,441	$ -	$ -	$ -	$ -
Mutual funds	380,207	622,006	380,207	622,006	-	-	-	-
Fixed income funds	206,452	208,869	206,452	208,869	-	-	-	-
Real estate investment trusts	16,214	17,427	16,214	17,427	-	-	-	-
Bonds	775,660	776,568	-	-	775,660	776,568	-	-
Total investments	$ 2,021,566	$ 2,768,311	$ 1,245,906	$ 1,991,743	$ 775,660	$ 776,568	$ -	$ -

	Total		Level 1		Level 2		Level 3	
2024	**Cost**	**Fair value**	**Cost**	**Fair value**	**Cost**	**Fair value**	**Cost**	**Fair value**
Equities	$ 635,288	$ 1,011,830	$ 635,288	$ 1,011,830	$ -	$ -	$ -	$ -
Mutual funds	447,570	541,716	447,570	541,716	-	-	-	-
Fixed income funds	110,230	108,412	110,230	108,412	-	-	-	-
Real estate investment trusts	22,809	23,980	22,809	23,980	-	-	-	-
Bonds	717,778	683,836	-	-	717,778	683,836	-	-
Total investments	$ 1,933,675	$ 2,369,774	$ 1,215,897	$ 1,685,938	$ 717,778	$ 683,836	$ -	$ -

Investment Income

Investment income consists of the following for the years ended December 31:

2025	**Unrestricted**	**Restricted**	**Total**
Dividends and interest	$ -	$ 62,318	$ 62,318
Unrealized gain, net	-	241,614	241,614
Investment fees	-	(15,642)	(15,642)
Total investment income	$ -	$ 288,290	$ 288,290

2024	Unrestricted	Restricted	Total
Dividends and interest	$ -	$ 56,310	$ 56,310
Unrealized gain, net	-	222,195	222,195
Investment fees	-	(14,667)	(14,667)
Total investment income	$ -	$ 263,838	$ 263,838

Investment Policy

The Foundation has an investment committee that is responsible for the management and investment allocation of funds, in accordance with its investment policy. Investments are made to secure financial gains for the benefit of the Foundation and its commitments through consideration of capital preservation and risk aversion. The policy contains guidelines regarding the types of assets to be maintained in the portfolio as well as guidelines about prohibited transactions. In addition, the Foundation has an endowment expenditure policy, which provides procedures to compute annual expenditures, based on a rolling average. If there are no earnings available, no distribution is made.

Composition

Investment composition, by restriction, at year end is as follows at December 31:

	2025	2024
Without donor restrictions (see Note 5)	$ 850,302	$ 700,302
With donor restrictions	1,918,009	1,669,472
Total investments	$ 2,768,311	$ 2,369,774

Reconciliation of Investments

A reconciliation of the assets held in the endowment pooled investment accounts is as follows for the years ended December 31:

	2025	2024
Beginning balance	$ 2,369,774	$ 2,113,339
Distributions	(55,688)	(90,903)
Purchases	165,935	83,500
Dividends and interest	62,318	56,310
Unrealized gain, net	241,614	222,195
Investment fees	(15,642)	(14,667)
Ending balance	$ 2,768,311	$ 2,369,774

Note 5 - Board-Designated Net Assets

The board authorizes certain reserves to be set aside as board-designated, unrestricted net assets. The amounts are set aside for the following purposes at December 31:

	2025	2024
Board-designated endowment funds:		
Adriatic Grill	$ 5,500	$ 5,500
Autobody Craftsman	271	271
Avon and Cecil Sharpe Memorial Fund	15,972	-
Classic Glass Corvette	5,000	5,000
Clover Park Rotary	5,000	-
Dr. Sharon McGavick	11,077	-
Emergency grants	79,131	79,131
Eva Gordon	530,860	530,860
Exceptional Faculty Fund	10,000	-
Goranson Memorial	10,358	-
Hamilton	22,500	-
Harkness Family	30,093	-
Instructional program	36,736	36,736
Jolly-Morse Scholarship	5,000	5,000
KVTI	20,645	20,645
Leila Bushiti Lee	5,000	-
McManus-McGavick	7,030	7,030
Rainier Pacific Bank	10,000	-
Senator Shirley Winsley	10,000	-
South Tacoma Rotary	5,000	5,000
Thomas Kay Parks	2,000	2,000
US West	10,000	-
Washington Resturant Association	10,000	-
WA State Histology Society	1,129	1,129
Woodworth	2,000	2,000
	850,302	700,302
Board-designated reserves (see Note 2)	58,202	51,308
Total	$ 908,504	$ 751,610

The board-designated net assets are held in cash and cash equivalent accounts as well as in pooled investment accounts. The amount held in pooled investment accounts was $850,302 and $700,302 for the years ended December 31, 2025 and 2024, respectively.

Clover Park Technical College Foundation
Notes to Financial Statements

Note 6 - Net Assets with Donor Restrictions

Certain net assets with donor restrictions are available for scholarships, emergency grants and specific program uses as follows at December 31:

	2025	2024
Subject to expenditure or time restriction		
Academic programs and staff/faculty awards	$ 119,213	$ 107,373
Endowment matching fund contributions*	-	150,000
Scholarships and student emergency assistance	505,166	370,525
Donated goods	42,269	42,019
Investment earnings restricted for future scholarships and grants	436,999	278,514
Total subject to expenditure or time restrictions	1,103,647	948,431
Endowments to be held in perpetuity:		
Scholarships, awards and emergency assistance (see Note 7)	1,475,895	1,314,540
Total net assets with donor restrictions	$ 2,579,542	$ 2,262,971

* Funds were received from the U.S. Department of Education in prior years under the Title III program. The funds were made available to the Foundation to grow the endowment, which generates income for scholarships and grants to be made available to eligible applicants. If the funds are used for the intended purpose for 20 years, the original matching Title III grant becomes unrestricted. The Foundation Board provided a commitment to donors, who contributed to the permanently restricted endowment, that once the temporary restriction on the Title III funds was met, the Foundation Board would continue to hold the original Title III award in the endowment account as board-designated net assets. The Title III temporary restriction expired in March 2025 and was released to board-designated net assets accordingly.

Note 7 - Named Endowment Accounts

The Foundation informs its donors that there is a $12,000 minimum amount required before a separate named endowment account may be established. This minimum threshold can be met with both restricted donor contributions and otherwise unrestricted funds (Board designations). All named endowment accounts are pooled together for investment purposes.

Named endowment accounts comprise the following at December 31:

	2025	2024
Adriatic Grill	$ 5,770	$ 5,770
Autobody Craftsman	24,729	24,729
Brenden Emerging Needs	30,499	30,499
Brenden Horticulture and Environmental Science	71,164	71,164
Broxon White	39,500	36,500
Classic Glass Corvette	19,100	19,100
Clifford Lincoln	151,000	51,000
Clover Park/LeMay Restoration	30,000	30,000
Clover Park Rotary	6,400	6,400
Dr. Sharon McGavick	20,423	17,423
Earl C. White Williamson	54,904	54,904
Elliot/Patrick Endowment	48,000	48,000
Emergency Grants	84,887	83,927
Exceptional Faculty	80,000	80,000
Goranson Memorial	10,358	10,358
Greg and Louise Hull	25,000	25,000
Hamilton Family	101,000	101,000
Harkness Family	255,268	225,268
Jeffrey Lee Davis	17,800	17,800
Jolly-Morse Scholarship	13,884	13,004
Kayce JoAnna White	37,000	37,000
Leila Bishuti Lee	7,009	7,009
Lincoln Park Masonic Lodge #80	15,000	15,000
McGranahan	19,065	19,065
McManus-McGavick	22,676	22,676
Mt. Tahoma	21,291	21,186
Nivicky Lee Family Endowment	10,000	10,000
Ott Ladd Endowment	32,000	12,000
Pauline Burton Memorial	11,500	11,500
Rainier Pacific Bank	10,000	10,000
Robert Gary Mustain Endowment	550	-
Schoonmaker, Linda J. and Ronald A.	10,750	10,750
Senator Winsley	10,000	10,000
Sharpe Memorial	15,973	15,973
Sonntag Family Scholarship	14,170	14,170
South Tacoma Rotary	27,000	25,000
Steven W. Hanson Scholarship Endowment	24,000	24,000
Ted James Broussard Endowment for Emergency	20,145	20,145
Thomas Kay Parks Endowment Scholarship	10,000	10,000
US West	20,000	20,000
Washington Restaurant	10,000	10,000
Washington State Histology Society	10,871	10,871
Wendy Joseph Cares	17,209	16,349
Woodworth	10,000	10,000
Total endowments	$ 1,475,895	$ 1,314,540

Note 8 - Affiliated Entity

Agreement

The Foundation operates under an MOU with the College (see Note 1). This agreement is for an indefinite period, but may be terminated by either party with 90 days' advance notice and notification may only be given at the end of the State of Washington's fiscal biennium.

Support Received by College
The College budgeted $235,000 annually for the fair value of office space, furniture and equipment, supplies and related office expenses as well as for professional staff to operate the Foundation for both of the years ended December 31, 2025 and 2024. The value of these services received by the Foundation approximated $284,000 and $287,000 for the years ended December 31, 2025 and 2024, respectively.

Foundation Support Provided to College
The Foundation provided support totaling $479,303 and $417,080 for the years ended December 31, 2025 and 2024, respectively, for student and direct program support, College related functions and general promotion and recognition activities. This support includes donated goods received by the Foundation, which were transferred to the College for use in programs and general operations.

Note 9 - Statements of Cash Flows

Cash and cash equivalents and restricted cash consist of the following at December 31:

	2025	2024
Cash and cash equivalents	$ 1,306,684	$ 1,168,026
Cash restricted to endowments	-	1,934
Cash and cash equivalents and restricted cash as shown on the statements of cash flows	$ 1,306,684	$ 1,169,960

Restricted cash represents amounts received with donor-imposed restrictions that limit the use of the cash to a named endowment account. Such amounts are transferred to the pooled investment account shortly after year-end.

Note 10 - Concentrations

Concentration of Credit Risk
At times, the Foundation may have deposits at financial institutions in excess of federally insured limits. Management has not experienced any losses and believes there is minimal risk associated with these cash balances. At December 31, 2025, bank deposits did not exceed the limit and insured deposits in brokerage accounts exceeded the limit by $782,000.

Support
The Foundation receives the majority of its contributions from staff, faculty, alumni, local businesses, and the community.

The Foundation receives substantially all of its staff and faculty resources through an agreement with the College.

Note 11 - Risks and Uncertainties

The Foundation invests in various investment securities and is the beneficiary of a trust, which invests in various securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such change could materially affect the amounts available for future operations.