

**THE WILLIAM & MARY
ALUMNI ASSOCIATION**

FINANCIAL STATEMENTS

JUNE 30, 2022



ASSURANCE, TAX & ADVISORY SERVICES

THE WILLIAM & MARY ALUMNI ASSOCIATION

TABLE OF CONTENTS

	Page
INDEPENDENT AUDITOR'S REPORT	1 – 2
FINANCIAL STATEMENTS	
Statements of Financial Position	3
Statements of Activities	4 – 5
Statements of Functional Expenses	6 – 7
Statements of Cash Flows	8
Notes to Financial Statements	9 – 21
SUPPLEMENTARY INFORMATION	
Statements of Financial Position by Fund	22 – 23
Statements of Activities by Fund	24 – 27



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
The William & Mary Alumni Association

Opinion

We have audited the financial statements of The William & Mary Alumni Association (Alumni Association), which comprise the statements of financial position as of June 30, 2022 and 2021, the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Alumni Association as of June 30, 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Alumni Association and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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 the Alumni Association's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

Auditor's 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 auditor's 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 GAAS 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 these audits in accordance with GAAS, 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 audits 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 the Alumni Association'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 the Alumni Association'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 audits.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The Statements of financial positions by fund and activities by fund are presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

PBMares, LLP

Newport News, Virginia
January 17, 2023

FINANCIAL STATEMENTS

THE WILLIAM & MARY ALUMNI ASSOCIATION

STATEMENTS OF FINANCIAL POSITION

June 30, 2022 and 2021

	2022	2021
ASSETS		
Cash and Cash Equivalents	\$ 693,699	\$ 820,965
Accounts Receivable	58,671	28,008
Pledges Receivable	37,206	93,582
Inventory	21,482	24,322
Prepaid Expenses and Deposits	8,700	11,610
Investments	10,623,405	12,462,235
Funds Held in Trust by Others	6,077,903	6,449,376
	<u>17,521,066</u>	<u>19,890,098</u>
Property and Equipment		
Furnishings	384,736	384,736
Leasehold improvements	378,914	378,914
	<u>763,650</u>	<u>763,650</u>
Less accumulated depreciation	(670,700)	(655,275)
	<u>92,950</u>	<u>108,375</u>
Total assets	<u><u>\$ 17,614,016</u></u>	<u><u>\$ 19,998,473</u></u>
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable	\$ 79,461	\$ 73,031
Other liabilities	15,636	17,101
Deferred income	40,710	35,539
Total liabilities	<u>135,807</u>	<u>125,671</u>
Net Assets		
Without donor restrictions	12,291,554	14,392,295
With donor restrictions	5,186,655	5,480,507
Total net assets	<u>17,478,209</u>	<u>19,872,802</u>
Total liabilities and net assets	<u><u>\$ 17,614,016</u></u>	<u><u>\$ 19,998,473</u></u>

THE WILLIAM & MARY ALUMNI ASSOCIATION

STATEMENTS OF ACTIVITIES
Years Ended June 30, 2022 and 2021

	2022	2021
Change in Net Assets Without Donor Restrictions		
Revenues, gains (losses), and other support		
Alumni program and event revenue	\$ 313,554	\$ 52,698
Contributions	322,293	285,821
In-kind Salaries and benefits	71,227	67,873
Interest and dividend income	848,268	429,930
Merchandise sales	122,252	38,470
Affinity program royalty revenue	39,427	8,378
Travel program	102,454	10,274
Other revenue (expense)	(3,594)	47
Net realized and unrealized gains (losses) on investments and Funds Held in Trust by Others	(2,696,583)	3,105,829
	<u>(880,702)</u>	<u>3,999,320</u>
Net assets released from restrictions		
Appropriation and expenditure of endowment assets	183,310	88,630
Satisfaction of program and time restrictions	60,735	218,687
	<u>244,045</u>	<u>307,317</u>
Total revenues, gains (losses), and other support without donor restrictions	(636,657)	4,306,637
Expenses		
Program services	1,298,183	266,209
Management and general	142,291	149,177
Fundraising	23,610	23,098
Total expenses	1,464,084	438,484
Change in net assets without donor restrictions	(2,100,741)	3,868,153

THE WILLIAM & MARY ALUMNI ASSOCIATION

STATEMENTS OF ACTIVITIES (Continued)

Years Ended June 30, 2022 and 2021

	2022	2021
Change in Net Assets With Donor Restrictions		
Net realized and unrealized gains (losses) on investments	\$ (198,595)	\$ 1,226,348
Donations and contributions	148,788	64,407
Net assets released from restrictions	(60,735)	(218,687)
Appropriation of endowment assets for expenditure	(183,310)	(88,630)
Change in net assets with donor restrictions	(293,852)	983,438
Change in net assets	(2,394,593)	4,851,591
Net Assets, beginning of year	19,872,802	15,021,211
Net Assets, end of year	\$ 17,478,209	\$ 19,872,802

THE WILLIAM & MARY ALUMNI ASSOCIATION

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended June 30, 2022

	Program Services	Management and General	Fundraising	Total
Accounting	\$ -	\$ 30,308	\$ -	\$ 30,308
Advertising	1,726	-	-	1,726
Awards and Gifts	56,839	-	-	56,839
Bad Debt Expense	20,961	-	-	20,961
Conferences	495	-	-	495
Depreciation	15,425	-	-	15,425
Dues and Subscriptions	3,165	239	-	3,404
Events	149,917	-	-	149,917
Fees	-	2,930	-	2,930
Furnishings	8,019	-	-	8,019
In-kind Salaries and Benefits	11,463	57,461	2,303	71,227
Insurance	20,862	5,394	-	26,256
Meals and Entertainment	800	-	-	800
Meetings	12,829	-	-	12,829
Merchandise	16,020	-	-	16,020
Postage and Delivery	7,742	2,425	3,526	13,693
Printing	31,009	1,865	10,280	43,154
Rentals	189,888	7,180	-	197,068
Repairs and Maintenance	12,373	-	-	12,373
Rooms and Refreshments	539,666	22,320	-	561,986
Sales Tax	6,778	-	-	6,778
Scholarships	48,997	-	-	48,997
Service	46,386	11,531	7,501	65,418
Stewardship	11,646	-	-	11,646
Supplies	66,977	638	-	67,615
Travel	17,995	-	-	17,995
Utilities	205	-	-	205
	\$ 1,298,183	\$ 142,291	\$ 23,610	\$ 1,464,084

THE WILLIAM & MARY ALUMNI ASSOCIATION

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended June 30, 2021

	Program Services	Management and General	Fundraising	Total
Accounting	\$ -	\$ 26,052	\$ -	\$ 26,052
Advertising	6,496	-	-	6,496
Awards and Gifts	11,486	903	-	12,389
Bad Debt Expense	33,711	-	-	33,711
Bonuses and Payroll Taxes	3,039	17,771	702	21,512
Depreciation	8,107	-	-	8,107
Events	5,458	-	-	5,458
Fees	14,058	35,259	4,784	54,101
Furnishings	13,134	-	-	13,134
In-kind Salaries and Benefits	9,587	56,069	2,217	67,873
Insurance	14,548	4,335	-	18,883
Meetings	67	6,221	-	6,288
Merchandise	8,418	-	-	8,418
Postage and Delivery	5,192	2,280	3,203	10,675
Printing	2,268	-	11,183	13,451
Rentals	7,116	-	-	7,116
Repairs and Maintenance	12,471	-	-	12,471
Rooms and Refreshments	9,170	134	-	9,304
Sales Tax	1,855	-	-	1,855
Scholarships	47,000	-	-	47,000
Service	5,096	-	1,009	6,105
Stewardship	4,735	-	-	4,735
Subscriptions and Books	5,113	-	-	5,113
Supplies	38,084	153	-	38,237
	<u>\$ 266,209</u>	<u>\$ 149,177</u>	<u>\$ 23,098</u>	<u>\$ 438,484</u>

THE WILLIAM & MARY ALUMNI ASSOCIATION

STATEMENTS OF CASH FLOWS Years Ended June 30, 2022 and 2021

	2022	2021
Cash Flows from Operating Activities		
Change in net assets	\$ (2,394,593)	\$ 4,851,591
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Contributions restricted for long-term investment	(131,328)	(6,627)
Depreciation	15,425	8,107
Bad debt expense	20,961	33,711
Earnings on investments and Funds Held in Trust by Others	2,204,762	(4,667,021)
Change in:		
Accounts receivable	(30,663)	9
Pledges receivable	35,415	116,486
Inventory	2,840	(12,313)
Prepaid expenses and deposits	2,910	13,426
Accounts payable	6,430	7,558
Other liabilities	(1,465)	2,111
Due to University	-	(179)
Deferred income	5,171	6,116
Net cash provided by (used in) operating activities	(264,135)	352,975
Cash Flows from Investing Activities		
Purchases of investments	(4,252,678)	(4,190,725)
Proceeds from sale of investments	4,258,219	4,221,135
Purchases of property and equipment	-	(52,841)
Net cash provided by (used in) investing activities	5,541	(22,431)
Cash Flows from Financing Activities		
Proceeds from contributions restricted for long-term investment	131,328	6,482
Net cash provided by financing activities	131,328	6,482
Increase (decrease) in cash and cash equivalents	(127,266)	337,026
Cash and Cash Equivalents		
Beginning	820,965	483,939
Ending	\$ 693,699	\$ 820,965

THE WILLIAM & MARY ALUMNI ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Alumni Association and Activities

The William & Mary Alumni Association (Alumni Association) is a private, nonprofit corporation organized under the laws of the Commonwealth of Virginia. The Alumni Association was incorporated by an Act of the Virginia General Assembly approved February 21, 1923. The Alumni Association was formed to aid the College of William & Mary in Virginia (University) in its work, and to promote and strengthen the bonds of interest between and among the University, its alumni, and friends.

Pursuant to a Memorandum of Understanding (MOU) dated June 26, 2014 and amended on June 12, 2015 between the Alumni Association and the University, the parties expressed their intention to integrate the staff responsible for executing alumni engagement activities and services in a newly organized Office of University Advancement of the University (OUA). Accordingly, employees of the Alumni Association became employees of the University; staff responsible for alumni engagement activities and services continue to report to the Alumni Association Executive Director, who also serves as Associate Vice President for Alumni Engagement within the OUA. The Alumni Association retains its 501(c)(3) status, and continues to be managed by its Board of Directors in accordance with its existing Articles of Incorporation and by-laws, including Board oversight of Alumni engagement activities and signature events. The OUA is obligated under the MOU to provide staffing and other resources sufficient to execute the Alumni engagement activities and events. Substantially all financial and other tangible and intangible assets of the Alumni Association remain its property, and the Alumni Association retains the benefit from future alumni engagement activities, including income from endowments, annual gifts, revenue from affinity programs, and net revenue from signature events and activities. The Alumni Association Board, with advice from and in cooperation with the University and OUA, approves the Alumni Association's annual budget to support those alumni engagement and other programs deemed beneficial to its mission.

Note 2. Summary of Significant Accounting Policies

Basis of Accounting: The accounting system is maintained and financial reports are prepared in accordance with the accrual basis of accounting.

Basis of Presentation: Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 958, *Not-for-Profit Entities*, establishes standards for external financial reporting by not-for-profit Alumni Associations. Resources are reported for accounting purposes in separate classes of net assets based on the existence or absence of donor-imposed restrictions. In the accompanying financial statements, net assets that have similar characteristics have been combined into categories, as follows:

Net Assets Without Donor Restriction – Net assets without donor restriction generally result from receiving unrestricted support, unrealized and realized gains and losses on investments held by the Alumni Association and held in trust by the William & Mary Foundation (Foundation), and revenue from programs related to Alumni Association activities.

THE WILLIAM & MARY ALUMNI ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

Note 2. Summary of Significant Accounting Policies (Continued)

Net Assets With Donor Restriction - Net assets with donor restrictions result from contributions and other inflows of assets whose use by the Alumni Association is limited by donor-imposed stipulations that either expire by the passage of time or can be fulfilled and removed by actions of the Alumni Association pursuant to those stipulations. Net assets with donor restrictions also include the historical cost (market value at date of gift) of contributions and other inflows of assets whose use by the Alumni Association is limited by donor-imposed stipulations that neither expire by the passage of time nor can be fulfilled or otherwise removed by the Alumni Association.

Funds Held in Trust by Others: Funds held in trust by others include permanent endowment funds and funds functioning as an endowment ("quasi-endowments") held by the Foundation. These endowment funds represent resources either not in the possession or not under control of the Alumni Association; however, the Alumni Association derives income from such funds. The permanent endowment funds are reported as net assets with donor restrictions. Quasi-endowments are reported as net assets without donor restrictions. With respect to the funds held in trust by others, the Alumni Association follows the same endowment policies as implemented by the Foundation as described below and in Note 6.

In accordance with the FASB ASC Topic 958, *Not-for-Profit Entities*, and the Uniform Prudent Management of Institutional Funds Act ("UPMIFA"), net assets associated with endowments and funds functioning as endowments are classified and reported based on the existence or absence of donor-imposed restrictions. The Commonwealth of Virginia adopted UPMIFA effective July 1, 2008.

The Board of the Foundation has interpreted UPMIFA as requiring preservation of the fair value, as of the gift date, of gifts to a donor-restricted endowment fund explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as net assets with donor restrictions (a) the original value of all gifts donated to the permanent endowment, and (b) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

In accordance with UPMIFA, the Foundation considers the following factors in making a determination, in the aggregate, to appropriate for expenditure or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the endowment fund;
- (2) The purposes of the institution and the endowment fund;
- (3) General economic conditions;
- (4) The possible effect of inflation or deflation;
- (5) The expected total return from income and the appreciation of investments;
- (6) Other resources of the institution; and
- (7) The investment policy of the institution.

THE WILLIAM & MARY ALUMNI ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

Note 2. Summary of Significant Accounting Policies (Continued)

Funds Held in Trust by Others (continued): Funds held in trust by others are pooled on a fair value basis by the Foundation. Each individual fund purchases or disposes of units on the basis of the fair value per unit at the beginning of the calendar quarter within which the transaction takes place. This method approximates the net asset value (NAV) method, and is considered a practical expedient for measuring the fair value of these investments. As necessary, income (including realized net gains) is distributed pro rata based upon the number of units owned by each fund. These amounts are either expendable at the discretion of the board of the Alumni Association or according to donor restrictions.

The fair value of the Foundation's investments, private placements and other securities for which values are not readily available, are determined in good faith by the investment advisors of the respective entities, and may not reflect amounts that could be realized upon immediate sale or amounts that ultimately may be realized. The estimated fair values may differ significantly from the values that would have been used had a ready market existed for these investments, and these differences could be material in the near term.

Cash and Cash Equivalents: Cash and cash equivalents include highly liquid investment instruments purchased with an original maturity of three months or less.

Accounts and Pledges Receivable: Accounts and pledges receivable are stated at the amount the Alumni Association expects to collect. Based on management's assessment of the collectability of specific receivables, the aging of the receivables, historical experience, and other currently available evidence, no allowance for doubtful accounts has been reflected as of June 30, 2022 and 2021. Any account deemed uncollectible is written off against earnings in the period that it is determined to be uncollectible. Although generally accepted accounting principles require that the allowance method be used to record bad debt, the effect of applying the direct write-off method to the Alumni Association's financial statements is not materially different from the results that would have been obtained had the allowance method been used. Management deems all receivables fully collectible.

Inventory: Inventory consists of gift merchandise available for sale and is valued at the lower of cost or net realizable value. Cost is determined on a first-in, first-out (FIFO) basis.

Investments: Investments are reported at the estimated fair value of the securities. Investment income and gains and losses are reported as increases or decreases in net assets without donor restrictions unless a donor or law restricts their use. Investment expenses included in net realized and unrealized gains (losses) on the statements of activities for the years ended June 30, 2022 and 2021 were \$43,438 and \$37,134 respectively. Purchases and sale of securities are reflected on a trade date basis. Gains and losses on the sale of securities are based on the difference between the sale price and the average historical cost basis, where such basis represents the cost of the securities purchased, or the fair value at the date of the receipt for securities received by donation.

THE WILLIAM & MARY ALUMNI ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

Note 2. Summary of Significant Accounting Policies (Continued)

Property and Equipment: Property and equipment in the accompanying financial statements is presented net of accumulated depreciation. The Alumni Association capitalizes property and equipment with a cost of over \$5,000 and an estimated life of three years or more. Property and equipment are reported at cost or the estimated value at the date of gift, if donated. Depreciation is computed by the straight-line method using the following estimated useful lives:

Furnishings	5 - 12 years
Leasehold improvements	15 - 20 years

Gains and losses arising from retirement or sale of property and equipment are recognized in the statements of activities.

Deferred Income: Deposits collected for the rental of the Alumni house for future events are recorded as deferred rental income until such events occur. Amounts collected for future Alumni activities are recorded as deferred income until such activities occur.

Other Liabilities: Other liabilities consist of unspent chapter funds.

Credit Risk: Financial instruments that potentially subject the Alumni Association to concentrations of credit risk consist principally of cash and cash equivalents, accounts receivable and investments. The Alumni Association places its cash and cash equivalents with high credit quality financial depositories, and its accounts receivable are primarily due from a diverse group of University related departments and alumni. Occasionally during the year, the balances in a financial institution may exceed the FDIC \$250,000 deposit insurance amount; that excess is uninsured. Management has placed these funds in high quality institutions in order to minimize the risk. The Alumni Association's investments are professionally managed and insured by the Securities Investor Protection Corporation (SIPC) up to \$500,000.

Revenue Recognition: The Alumni Association's revenue from contracts with customers consists of alumni program revenue, merchandise sales, travel program revenue and affinity program royalty revenue.

Alumni program, event, and travel revenue is recognized at a point in time when the related program, event, or related travel has occurred. The transaction price is the net amount collected from the customer for such goods and services. The transaction price for such contracts is recorded as revenue when the good or service is transferred to the customer or when the related program, event, or travel has occurred. There may be a difference between the timing of cash receipts consisting of advances from the customer and the recognition of revenue, resulting in a contract liability. These liabilities may be recognized as revenue up to two years after the advance is received and are recorded in "deferred income" on the statements of financial position.

Merchandise sales are recognized upon delivery of the product to the customer, which is the point in time where control has transferred to the customer.

THE WILLIAM & MARY ALUMNI ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

Note 2. Summary of Significant Accounting Policies (Continued)

Revenue Recognition (continued): Affinity program royalty revenue relates to sales-based royalties that are recognized when the subsequent sale occurs and when the performance obligation to which some or all of the sales-based royalty has been allocated, satisfied or partially satisfied.

Contributions: Contributions and gifts, including unconditional promises to give (pledges), are recognized as revenues when the donor's commitment is received. Contributions to the Alumni Association are either unrestricted as to use, or carry specific restrictions imposed by donors. Unrestricted gifts are reflected as contributions in net assets without donor restrictions. Restricted contributions are reflected as contributions in net assets with donor restrictions. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified as net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Pledges that are expected to be collected in more than one year are reported at fair value initially and at net realizable value thereafter. The Alumni Association has not recorded a discount to the net present value of the pledges receivable at June 30, 2022 and 2021 as they deem the amount to be insignificant.

Donated equipment and other donated goods are recorded at their estimated fair value based on the current price of similar equipment and goods as of the date of the donation. Contributed services, which require a specialized skill and which the Alumni Association would have paid for if not donated, are recorded at the estimated fair value at the time the services are rendered.

The fair value of services donated by the University is estimated by the Alumni Association in consultation with the University based on the staff's time spent performing services which support the governance of the Alumni Association. Such amounts are recorded in donations and contributions in the statements of functional expenses, with a corresponding expense recorded by function in the statements of activities. The Alumni Association recorded \$71,227 and \$67,873 of in-kind contributions from the University and corresponding expenses of the same amounts for the years ended June 30, 2022 and 2021, respectively.

Advertising: Advertising costs are expensed as incurred and were \$1,726 and \$6,496 in 2022 and 2021, respectively.

Functional Allocation of Expenses: Expenses that can be identified with a specific program or supporting service are charged directly to the program or supporting service. Expenses which apply to more than one functional category have been allocated based on estimates of time and effort.

Sales Tax: Certain of the Alumni Association's sales are subject to sales tax imposed by various jurisdictions. The Alumni Association collects sales tax from customers and remits it to the applicable jurisdiction. The Alumni Association's accounting policy is to exclude the tax collected and remitted from revenues and cost of sales.

THE WILLIAM & MARY ALUMNI ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

Note 2. Summary of Significant Accounting Policies (Continued)

Income Taxes: The Alumni Association is a nonstock corporation that has been determined by the Internal Revenue Service to be exempt from taxes on income derived from activities related to its tax-exempt purpose under Section 501(c)(3) of the Internal Revenue Code. Certain activities of the Alumni Association are subject to taxation as unrelated business income. Unrelated business income taxes due were \$34,885 and \$0 at June 30, 2022 and 2021, respectively.

FASB ASC Topic 740, *Income Taxes*, prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. The Alumni Association's management has evaluated the impact of the standard to its financial statements. The Alumni Association's income tax returns are subject to examination by taxing authorities, generally for a period of three years from the date they were filed. The Alumni Association's policy is to classify income tax related interest and penalties, if any, in management fees.

Estimates: The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) 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 revenues and expenses during the reporting period. Actual results could differ from those amounts.

Adopted Accounting Pronouncement: FASB issued ASU 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, which requires a not-for-profit entity to present contributed nonfinancial assets in the statement of activities as a line item that is separate from contributions of cash or other financial assets. ASU 2020-07 also requires additional qualitative and quantitative disclosures about contributed nonfinancial assets received, disaggregated by category. The adoption of this guidance did not have a significant impact on the Alumni Association's financial statements.

Recent Accounting Pronouncements: In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. The guidance in this ASU supersedes the leasing guidance in Topic 840, *Leases*. Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the statement of financial position for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the statement of activities. The new standard is effective for the Alumni Association for the fiscal year ending June 30, 2023. A modified retrospective transition approach is required for lessees for capital and operating leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements, with certain practical expedients available.

Subsequent Events: In preparing these financial statements, the Alumni Association has evaluated events and transactions for potential recognition or disclosure through January 17, 2023, the date the financial statements were available to be issued.

THE WILLIAM & MARY ALUMNI ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

Note 3. Liquidity and Availability

Financial assets available for general expenditure, that is without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

	<u>2022</u>	<u>2021</u>
Financial Assets:		
Cash and cash equivalents	\$ 693,699	\$ 820,965
Accounts receivable	58,671	28,008
Pledges receivable	22,132	72,495
Endowment appropriations for operations	300,000	250,000
	<hr/>	<hr/>
Total financial assets available within one year	\$ 1,074,502	\$ 1,171,468
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The Alumni Association's endowment funds consist of funds held in trust by others (FHITBO) and privately held Alumni Association investment funds so designated by the Board. These endowments encompass donor-restricted and quasi-endowment funds. FHITBO are managed and subject to spending rates and policies of the Foundation. For endowments held by the Alumni Association, the corpus of permanently restricted funds shall not be available for use under any circumstances. The corpus of quasi-endowment funds may be used if approved by the full board and the use of these funds is the only resource available in order to meet the capital funding requirements of the Association.

The Finance and Investment Committee (Committee) shall attempt to balance the Alumni Association's shorter-term needs with its goal to provide programs into perpetuity and, therefore, maintains a spending policy that is flexible. Since expected investment returns are not consistent and predictable, shorter-term spending in dollar terms must be flexible enough to endure periods of underperformance without excessive deterioration of real principal.

It is the policy of the Board to provide annual budgetary operating support by utilizing a portion of the earned income from the Alumni Association invested assets. The spending rate applied to Alumni Association invested assets as outlined in the Spending Policy was 3.5% and 5% for the years ended June 30, 2022 and 2021 respectively. This rate may be modified from time to time as recommended by the Committee and approved by the Board. The Committee reviews annually the Spending Rate and submits that rate to the Board for approval. Policy also provides for use of the unrestricted fund corpus if an exigency exists as determined by the Executive Committee or the full Board.

Note 4. Pledges Receivable

At June 30, 2022 and 2021, pledges receivable are as follows:

	<u>2022</u>	<u>2021</u>
Receivable in less than one year	\$ 22,132	\$ 72,495
Receivable in one to five years	15,074	21,087
	<hr/>	<hr/>
Total pledges receivable	\$ 37,206	\$ 93,582
	<hr/> <hr/>	<hr/> <hr/>

THE WILLIAM & MARY ALUMNI ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

Note 5. Fair Value Measurements

Pursuant to FASB ASC 820, *Fair Value Measurements*, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. All of the Alumni Association's assets and liabilities measured under ASC 820 are Level 1 which are measured using observable inputs such as quoted prices in active markets.

Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The Alumni Association's assessment of the significance of a particular input to the fair value measurement requires judgment, and may affect the valuation of fair value assets and liabilities and their placement within the fair value hierarchy levels.

When quoted prices are available in active markets for identical instruments, investment securities are classified within Level 1 of the fair value hierarchy. Level 1 investments consist of mutual funds which are diversified across fixed income, equity, and emerging market categories.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values.

Furthermore, although the Alumni Association believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the report date.

During the year ended June 30, 2022, the Alumni Association invested in the Blackstone Real Estate Income Trust, Inc. and the Partners Group Private Equity (Master Fund), LLC – Class I. These funds are investments in investment vehicles that calculate net asset value. The fair value measurement of these funds at June 30, 2022 is \$711,461. There are no unfunded commitments to the funds as of June 30, 2022.

The Blackstone Real Estate Income Trust, Inc. seeks to invest in stabilized commercial real estate properties diversified by sector with a focus on providing current income. The redemption frequency of the fund is monthly. There is an overall limit on redemptions of 2% of the net asset value of the fund per month and 5% of the net asset value per calendar quarter.

The Partners Group Private Equity (Master Fund), LLC – Class I's investment objective is to seek attractive long-term capital appreciation by investing in a wholly owned diversified portfolio of private equity and debt investments. The redemption frequency of the fund is quarterly. There is an overall limit on redemptions of no more than 5% of the fund's net assets per quarter.

THE WILLIAM & MARY ALUMNI ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

Note 5. Fair Value Measurements (Continued)

The following tables summarize, by level within the fair value hierarchy, the assets measured at fair value on a recurring basis as of June 30, 2022 and 2021.

Assets Measured at Fair Value on a Recurring Basis at June 30, 2022		
	Level 1	Total
Mutual funds	<u>\$ 10,623,405</u>	<u>\$ 10,623,405</u>
Total assets in the fair value hierarchy	<u>\$ 10,623,405</u>	<u>10,623,405</u>
Funds held in trust by others measured at net asset value		<u>6,077,903</u>
Total assets at fair value		<u>\$ 16,701,308</u>

Assets Measured at Fair Value on a Recurring Basis at June 30, 2021		
	Level 1	Total
Mutual funds	<u>\$ 12,462,235</u>	<u>\$ 12,462,235</u>
Total assets in the fair value hierarchy	<u>\$ 12,462,235</u>	<u>12,462,235</u>
Funds held in trust by others measured at net asset value		<u>6,449,376</u>
Total assets at fair value		<u>\$ 18,911,611</u>

Net realized and unrealized losses on mutual fund investments were \$2,589,915 at June 30, 2022 and net realized and unrealized gains were \$2,689,384 at June 30, 2021.

Note 6. Endowments and Funds Held in Trust by Others

Beginning on January 1, 2021, 1693 Management Company, LLC, a subsidiary of the Foundation, on the Alumni Association's behalf, began investing substantially all of the funds held in trust by others in 1693 Partners Fund (the Fund), the sole fund managed by the 1693 Management Company, LLC. All changes in fair value are recognized in the statements of activities.

THE WILLIAM & MARY ALUMNI ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

Note 6. Endowments and Funds Held in Trust by Others (Continued)

The Fund investments, by type, for the year ended June 30, 2022 are as follows:

	2022	2021
Money market funds	\$ 48,303,870	\$ 31,929,978
Common stock	138,942,228	163,368,293
Exchange traded funds	70,245,672	85,215,176
Mutual funds	25,397,713	23,894,399
Investment funds	613,738,143	635,789,154
Other assets, net	143,715	403,330
	<u>\$ 896,771,341</u>	<u>\$ 940,600,330</u>

The Alumni Association's funds held in trust by others represents less than a 1% pro rata interest in the Fund at June 30, 2022.

The following tables presents endowment composition in funds held in trust by others by type of fund for the years ended June 30, 2022 and 2021:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	\$ -	\$ 4,485,238	\$ 4,485,238
Quasi-endowment	1,592,665	-	1,592,665
Total endowment funds	<u>\$ 1,592,665</u>	<u>\$ 4,485,238</u>	<u>\$ 6,077,903</u>

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	\$ -	\$ 4,735,815	\$ 4,735,815
Quasi-endowment	1,713,561	-	1,713,561
Total endowment funds	<u>\$ 1,713,561</u>	<u>\$ 4,735,815</u>	<u>\$ 6,449,376</u>

Through December 31, 2020, the Foundation, on the Alumni Association's behalf, invested substantially all of the funds held in trust by others in The William & Mary Investment Trust (WAMIT).

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor restricted endowment funds held by the Foundation may fall below the level that the donor or UPMIFA requires the Foundation to retain as a fund of perpetual duration. These deficiencies result largely from unfavorable market fluctuations that occurred after the establishment of endowments. There were no deficiencies as of June 30, 2022 and 2021.

THE WILLIAM & MARY ALUMNI ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

Note 6. Endowments and Funds Held in Trust by Others (Continued)

The Board of the Foundation has interpreted UPMIFA to permit spending from underwater endowment funds in accordance with prudent measures required under law. In accordance with U.S. GAAP, deficiencies of this nature would be reported in net assets with donor restrictions.

Spending Policy

The Foundation sets a spending rate annually for its respective investment portfolios that applies to funds held in trust by others. For the year ended June 30, 2022, the spending rate was determined using a banded constant growth methodology. The prior year unit spending rate for each investment pool was increased by a 2% growth rate multiplied by units outstanding as of the December 31 of the prior fiscal year. The total payout for each investment pool was required to be within a 4% and 6% band of the 20-quarter average market value through December 31 of the previous fiscal year.

For the year ended June 30, 2021, the rate was applied to a trailing 20-quarter average market value through December 31 of the previous fiscal year to calculate the payout from investment pools available for current operations. The spending rates for the Foundation's three discrete investment portfolios, Pooled Investments, Eminent Scholars, and Virginia Graduate and Undergraduate Assistant Program, was 4.75% for the fiscal year ended June 30, 2021. Other investment returns for current operations include income on funds without donor restrictions and funds restricted to the passage of time or for a specified purpose by the donor.

Return Objectives and Risk Parameters

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to enhance the inflation-adjusted purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Foundation must hold in perpetuity or for a donor-specified period as well as board-designated funds. Under this policy, as approved by the Board of Trustees of the Foundation, the endowment assets are invested in a manner that is intended to achieve real growth of 1% (i.e., real total return less that of annual spending and management fees). The measure of inflation used in adjusting for real purchasing power is the Higher Education Price Index, a measure of college and university costs. The majority of the Foundation's endowment funds are invested in the Fund, which follows an investment policy that is consistent with these objectives.

Strategies Employed in Achieving Objectives

To satisfy its long-term return objectives, the Fund follows a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Fund's portfolio is highly diversified among asset classes, strategies, and investment managers. This diversification in holdings and manager relationships is intended as a means to consistently produce returns in excess of policy benchmarks with less concentration of risk. The Fund has established asset allocation ranges in each of its major asset classes within which policy targets are set and monitored against actual allocations.

THE WILLIAM & MARY ALUMNI ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

Note 6. Endowments and Funds Held in Trust by Others (Continued)

The following table presents the change in endowment net assets for the year ended June 30, 2022:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets - July 1, 2021	\$ 1,713,561	\$ 4,735,815	\$ 6,449,376
Net realized and unrealized losses on investments	(47,866)	(198,595)	(246,461)
Contributions	1,033	131,328	132,361
Expenditure of endowment assets	(74,063)	(183,310)	(257,373)
Endowment net assets - June 30, 2022	<u>\$ 1,592,665</u>	<u>\$ 4,485,238</u>	<u>\$ 6,077,903</u>

The following table presents the change in endowment net assets for the year ended June 30, 2021:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets - July 1, 2020	\$ 1,310,054	\$ 3,591,615	\$ 4,901,669
Net realized and unrealized gains on investments	453,579	1,226,348	1,679,927
Contributions	15	6,482	6,497
Expenditure of endowment assets	(50,087)	(88,630)	(138,717)
Endowment net assets - June 30, 2021	<u>\$ 1,713,561</u>	<u>\$ 4,735,815</u>	<u>\$ 6,449,376</u>

THE WILLIAM & MARY ALUMNI ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

Note 7. Net Assets With Donor Restrictions

Net assets included in the net assets with donor restrictions classification have been received from donors that have restricted the use of the funds for a specific purpose and/or future period. Net assets with donor restrictions at June 30, 2022 and 2021 are restricted for the following purposes or periods.

	<u>2022</u>	<u>2021</u>
Subject to expenditure for specified purpose		
Investments restricted for Order of the White Jacket	\$ 691,923	\$ 723,460
Purpose restricted pledges receivable	-	145
Subject to passage of time		
Time restricted pledges receivable	9,494	21,087
	<u>701,417</u>	<u>744,692</u>
Endowments		
Unappropriated endowment investment earnings	2,151,440	2,533,345
Original donor restricted gift amounts to be maintained in perpetuity	2,333,798	2,202,470
	<u>4,485,238</u>	<u>4,735,815</u>
Total donor restricted endowments	<u>4,485,238</u>	<u>4,735,815</u>
Total net assets with donor restrictions	<u>\$ 5,186,655</u>	<u>\$ 5,480,507</u>

Net assets released from restriction during the years ended June 30, 2022 and 2021 consist of \$49,148 and \$47,000, respectively, in time restrictions and scholarships and gifts distributed for the Order of the White Jacket.

Note 8. Affinity Program Marketing Revenue

The Alumni Association has various affinity agreements in place on a year to year basis. The Alumni Association entered into an affinity agreement effective May 1, 2022 through May 1, 2025. Pursuant to the terms of the agreement, the affinity partner offered certain insurance products to College alumni. In return for the opportunity to provide these products, the affinity partner: (1) agrees to pay an initial signing bonus of \$5,000 in contract year 2022, (2) conditionally guaranteed payments of \$25,000, \$27,500, and \$30,000 for contract years 2022, 2023 and 2024, respectively, and (3) agreed to provide a maximum of \$15,000 in bonus payments per year based on the Alumni Association's achievement of goals outlined in the agreement, for as long as the agreement is in effect.

Note 9. Leases

The Alumni Association leases office space from the University. The lease calls for monthly payments of \$593 and terminates June 12, 2025. Total rent expense under this lease was \$7,116 for 2022 and 2021. Future annual payments under this lease are \$7,116 per year.

SUPPLEMENTARY INFORMATION

THE WILLIAM & MARY ALUMNI ASSOCIATION

STATEMENT OF FINANCIAL POSITION BY FUND June 30, 2022

	General Capital and Escrow Funds	Order of the White Jacket	Total Alumni Association Funds	Funds Held in Trust by Others	Combined Total
ASSETS					
Cash and Cash Equivalents	\$ 689,402	\$ 4,297	\$ 693,699	\$ -	\$ 693,699
Accounts Receivable	54,814	3,857	58,671	-	58,671
Pledges Receivable	26,862	10,344	37,206	-	37,206
Inventory	21,482	-	21,482	-	21,482
Prepaid Expenses and Deposits	8,700	-	8,700	-	8,700
Investments	8,742,106	1,881,299	10,623,405	-	10,623,405
Funds Held in Trust by Others	-	-	-	6,077,903	6,077,903
	9,543,366	1,899,797	11,443,163	6,077,903	17,521,066
Property and Equipment					
Furnishings	384,736	-	384,736	-	384,736
Leasehold improvements	378,914	-	378,914	-	378,914
	763,650	-	763,650	-	763,650
Less accumulated depreciation	(670,700)	-	(670,700)	-	(670,700)
	92,950	-	92,950	-	92,950
Total assets	\$ 9,636,316	\$ 1,899,797	\$ 11,536,113	\$ 6,077,903	\$ 17,614,016
LIABILITIES AND NET ASSETS					
Liabilities					
Accounts payable	\$ 79,461	\$ -	\$ 79,461	\$ -	\$ 79,461
Other liabilities	15,636	-	15,636	-	15,636
Deferred income	40,710	-	40,710	-	40,710
Total liabilities	135,807	-	135,807	-	135,807
Net Assets					
Without donor restrictions	9,491,210	1,207,874	10,699,084	1,592,470	12,291,554
With donor restrictions	9,299	691,923	701,222	4,485,433	5,186,655
Total net assets	9,500,509	1,899,797	11,400,306	6,077,903	17,478,209
Total liabilities and net assets	\$ 9,636,316	\$ 1,899,797	\$ 11,536,113	\$ 6,077,903	\$ 17,614,016

THE WILLIAM & MARY ALUMNI ASSOCIATION

STATEMENT OF FINANCIAL POSITION BY FUND

June 30, 2021

	General Capital and Escrow Funds	Order of the White Jacket	Total Alumni Association Funds	Funds Held in Trust by Others	Combined Total
ASSETS					
Cash and Cash Equivalents	\$ 816,400	\$ 4,565	\$ 820,965	\$ -	\$ 820,965
Accounts Receivable	19,516	8,492	28,008	-	28,008
Pledges Receivable	93,387	-	93,387	195	93,582
Inventory	24,322	-	24,322	-	24,322
Prepaid Expenses and Deposits	11,610	-	11,610	-	11,610
Investments	10,221,312	2,240,923	12,462,235	-	12,462,235
Funds Held in Trust by Others	-	-	-	6,449,376	6,449,376
	<u>11,186,547</u>	<u>2,253,980</u>	<u>13,440,527</u>	<u>6,449,571</u>	<u>19,890,098</u>
Property and Equipment					
Furnishings	384,736	-	384,736	-	384,736
Leasehold improvements	378,914	-	378,914	-	378,914
	<u>763,650</u>	<u>-</u>	<u>763,650</u>	<u>-</u>	<u>763,650</u>
Less accumulated depreciation	(655,275)	-	(655,275)	-	(655,275)
	<u>108,375</u>	<u>-</u>	<u>108,375</u>	<u>-</u>	<u>108,375</u>
Total assets	<u>\$ 11,294,922</u>	<u>\$ 2,253,980</u>	<u>\$ 13,548,902</u>	<u>\$ 6,449,571</u>	<u>\$ 19,998,473</u>
LIABILITIES AND NET ASSETS					
Liabilities					
Accounts payable	\$ 73,031	\$ -	\$ 73,031	\$ -	\$ 73,031
Other liabilities	17,101	-	17,101	-	17,101
Deferred income	35,539	-	35,539	-	35,539
Total liabilities	<u>125,671</u>	<u>-</u>	<u>125,671</u>	<u>-</u>	<u>125,671</u>
Net Assets					
Without donor restrictions	11,148,214	1,530,520	12,678,734	1,713,561	14,392,295
With donor restrictions	21,037	723,460	744,497	4,736,010	5,480,507
Total net assets	<u>11,169,251</u>	<u>2,253,980</u>	<u>13,423,231</u>	<u>6,449,571</u>	<u>19,872,802</u>
Total liabilities and net assets	<u>\$ 11,294,922</u>	<u>\$ 2,253,980</u>	<u>\$ 13,548,902</u>	<u>\$ 6,449,571</u>	<u>\$ 19,998,473</u>

THE WILLIAM & MARY ALUMNI ASSOCIATION

STATEMENT OF ACTIVITIES BY FUND

Year Ended June 30, 2022

	General Capital and Escrow Funds	Order of the White Jacket	Total Alumni Association Funds	Funds Held in Trust by Others	Combined Total
Change in Net Assets Without Donor Restrictions					
Revenue, gains (losses), and other support					
Alumni program and event revenue	\$ 312,698	\$ 856	\$ 313,554	\$ -	\$ 313,554
Donations and contributions	392,582	100	392,682	838	393,520
Interest and dividend income	700,303	147,965	848,268	-	848,268
Merchandise sales	122,252	-	122,252	-	122,252
Affinity program royalty revenue	39,427	-	39,427	-	39,427
Travel program	102,454	-	102,454	-	102,454
Other revenue (expense)	(3,594)	-	(3,594)	-	(3,594)
Net realized and unrealized gains on investments	(2,179,276)	(469,441)	(2,648,717)	(47,866)	(2,696,583)
Interfund transfers	74,063	-	74,063	(74,063)	-
	(439,091)	(320,520)	(759,611)	(121,091)	(880,702)
Net assets released from restrictions					
Appropriation and expenditure of endowment assets	183,310	-	183,310	-	183,310
Satisfaction of program and time restrictions	11,738	48,997	60,735	-	60,735
	195,048	48,997	244,045	-	244,045
Total revenues, gains (losses), and other support without donor restrictions	(244,043)	(271,523)	(515,566)	(121,091)	(636,657)
Expenses					
Program services	1,247,060	51,123	1,298,183	-	1,298,183
Management and general	142,291	-	142,291	-	142,291
Fundraising	23,610	-	23,610	-	23,610
Total expenses	1,412,961	51,123	1,464,084	-	1,464,084
Change in net assets without donor restrictions	(1,657,004)	(322,646)	(1,979,650)	(121,091)	(2,100,741)

THE WILLIAM & MARY ALUMNI ASSOCIATION

STATEMENT OF ACTIVITIES BY FUND (Continued)

Year Ended June 30, 2022

	General Capital and Escrow Funds	Order of the White Jacket	Total Alumni Association Funds	Funds Held in Trust by Others	Combined Total
Change in Net Assets With Donor Restrictions					
Net realized and unrealized losses on investments	\$ -	\$ -	\$ -	\$ (198,595)	\$ (198,595)
Donations and contributions	-	17,460	17,460	131,328	148,788
Net assets released from restrictions	(11,738)	(48,997)	(60,735)	-	(60,735)
Appropriation of endowment assets for expenditure	-	-	-	(183,310)	(183,310)
Change in net assets with donor restrictions	(11,738)	(31,537)	(43,275)	(250,577)	(293,852)
Change in net assets	(1,668,742)	(354,183)	(2,022,925)	(371,668)	(2,394,593)
Net Assets - beginning of year	11,169,251	2,253,980	13,423,231	6,449,571	19,872,802
Net Assets - end of year	\$ 9,500,509	\$ 1,899,797	\$ 11,400,306	\$ 6,077,903	\$ 17,478,209

THE WILLIAM & MARY ALUMNI ASSOCIATION

STATEMENT OF ACTIVITIES BY FUND

Year Ended June 30, 2021

	General Capital and Escrow Funds	Order of the White Jacket	Total Alumni Association Funds	Funds Held in Trust by Others	Combined Total
Change in Net Assets Without Donor Restrictions					
Revenue, gains, and other support					
Alumni program and event revenue	\$ 49,513	\$ 3,185	\$ 52,698	\$ -	\$ 52,698
Donations and contributions	351,179	2,500	353,679	15	353,694
Interest and dividend income	352,211	77,719	429,930	-	429,930
Merchandise sales	38,470	-	38,470	-	38,470
Affinity program royalty revenue	8,378	-	8,378	-	8,378
Travel program	10,274	-	10,274	-	10,274
Other revenue	47	-	47	-	47
Net realized and unrealized gains on investments	2,183,960	468,290	2,652,250	453,579	3,105,829
Interfund transfers	50,087	-	50,087	(50,087)	-
	<u>3,044,119</u>	<u>551,694</u>	<u>3,595,813</u>	<u>403,507</u>	<u>3,999,320</u>
Net assets released from restrictions					
Appropriation and expenditure of endowment assets	88,630	-	88,630	-	88,630
Satisfaction of program restrictions	171,687	47,000	218,687	-	218,687
	<u>260,317</u>	<u>47,000</u>	<u>307,317</u>	<u>-</u>	<u>307,317</u>
Total revenue, gains, and other support without donor restrictions	<u>3,304,436</u>	<u>598,694</u>	<u>3,903,130</u>	<u>403,507</u>	<u>4,306,637</u>
Expenses					
Program services	219,209	47,000	266,209	-	266,209
Management and general	149,029	148	149,177	-	149,177
Fundraising	23,098	-	23,098	-	23,098
Total expenses	<u>391,336</u>	<u>47,148</u>	<u>438,484</u>	<u>-</u>	<u>438,484</u>
Change in net assets without donor restrictions	<u>2,913,100</u>	<u>551,546</u>	<u>3,464,646</u>	<u>403,507</u>	<u>3,868,153</u>

THE WILLIAM & MARY ALUMNI ASSOCIATION

STATEMENT OF ACTIVITIES BY FUND (Continued)

Year Ended June 30, 2021

	General Capital and Escrow Funds	Order of the White Jacket	Total Alumni Association Funds	Funds Held in Trust by Others	Combined Total
<hr/>					
Change in Net Assets With Donor Restrictions					
Net realized and unrealized gains on investments	\$ -	\$ -	\$ -	1,226,348	\$ 1,226,348
Donations and contributions	-	57,780	57,780	6,627	64,407
Net assets released from restrictions	(171,687)	(47,000)	(218,687)	-	(218,687)
Appropriation of endowment assets for expenditure	-	-	-	(88,630)	(88,630)
Change in net assets with donor restrictions	(171,687)	10,780	(160,907)	1,144,345	983,438
Change in net assets	2,741,413	562,326	3,303,739	1,547,852	4,851,591
Net Assets - beginning of year	8,427,838	1,691,654	10,119,492	4,901,719	15,021,211
Net Assets - end of year	<u>\$ 11,169,251</u>	<u>\$ 2,253,980</u>	<u>\$ 13,423,231</u>	<u>\$ 6,449,571</u>	<u>\$ 19,872,802</u>