

**MAKE-A-WISH FOUNDATION® OF
WYOMING**

FINANCIAL STATEMENTS

YEAR ENDED AUGUST 31, 2019

MAKE-A-WISH FOUNDATION® OF WYOMING
TABLE OF CONTENTS
YEAR ENDED AUGUST 31, 2019

INDEPENDENT AUDITORS' REPORT	1
FINANCIAL STATEMENTS	
STATEMENT OF FINANCIAL POSITION	3
STATEMENT OF ACTIVITIES	4
STATEMENT OF FUNCTIONAL EXPENSES	5
STATEMENT OF CASH FLOWS	6
NOTES TO FINANCIAL STATEMENTS	7



INDEPENDENT AUDITORS' REPORT

Board of Directors
Make-A-Wish Foundation® of Wyoming
Casper, Wyoming

We have audited the accompanying financial statements of Make-A-Wish Foundation® of Wyoming which comprise the statements of financial position as of August 31, 2019 and the related statements of activities, functional expenses, and cash flows for the year ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal controls. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Make-A-Wish Foundation® of Wyoming as of August 31, 2019 and change in its net assets and its cash flows for the year ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matters

As discussed in Note 2 to the financial statements, Make-A-Wish Foundation® of Wyoming adopted a new accounting principle during the year ended August 31, 2019: Accounting Standards Update (ASU) 2016-14, Not-for-Profit Entities (Topic 958) – *Presentation of Financial Statements of Not-for-Profit Entities*. Make-A-Wish Foundation® of Wyoming also changed an accounting policy with the elimination of the pending wish liability from the Foundation's statement of financial position. Our opinion is not modified with respect to these matters.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Minneapolis, Minnesota
January 24, 2020

MAKE-A-WISH FOUNDATION® OF WYOMING
STATEMENT OF FINANCIAL POSITION
AUGUST 31, 2019

ASSETS

Cash and Cash Equivalents	\$ 65,980
Investments	2,319,052
Due from Related Entities	1,396
Prepaid Expenses	39,456
Contributions Receivable, Net	25,430
Other Assets	2,900
Beneficial Interest in Assets Held by National	443,612
Property and Equipment, Net	7,966
Beneficial Interest in Assets Held by a Community Foundation	<u>3,188</u>
Total Assets	<u><u>\$ 2,908,980</u></u>

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts Payable and Accrued Expenses	\$ 39,698
Due to Related Entities	<u>347</u>
Total Liabilities	40,045

NET ASSETS

Without Donor Restrictions	2,835,350
With Donor Restrictions	<u>33,585</u>
Total Net Assets	<u><u>2,868,935</u></u>
Total Liabilities and Net Assets	<u><u>\$ 2,908,980</u></u>

See accompanying Notes to Financial Statements.

MAKE-A-WISH FOUNDATION® OF WYOMING
STATEMENT OF ACTIVITIES
YEAR ENDED AUGUST 31, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES, GAINS, AND OTHER SUPPORT			
Public Support:			
Contributions	\$ 745,174	\$ 20,997	\$ 766,171
Grants	23,381	-	23,381
Total Public Support	768,555	20,997	789,552
Internal Special Events	268,934	-	268,934
Less Costs of Direct Benefits to Donors	(27,986)	-	(27,986)
Total Internal Special Events	240,948	-	240,948
Investment Income, Net	87,214	-	87,214
Other Income	4,853	-	4,853
Net Assets Released from Restrictions	14,615	(14,615)	-
Total Revenues, Gains, and Other Support	1,116,185	6,382	1,122,567
EXPENSES			
Program Services:			
Wish Granting	688,591	-	688,591
Total Program Services	688,591	-	688,591
Support Services:			
Fundraising	163,293	-	163,293
Management and General	139,931	-	139,931
Total Support Services	303,224	-	303,224
Total Expenses	991,815	-	991,815
CHANGE IN NET ASSETS	124,370	6,382	130,752
Net Assets - Beginning of Year - Before Change in Accounting Policy	2,380,661	27,203	2,407,864
Change in Accounting Policy	330,319	-	330,319
Net Assets - Beginning of Year - As Adjusted	2,710,980	27,203	2,738,183
NET ASSETS - END OF YEAR	<u>\$ 2,835,350</u>	<u>\$ 33,585</u>	<u>\$ 2,868,935</u>

See accompanying Notes to Financial Statements.

MAKE-A-WISH FOUNDATION® OF WYOMING
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED AUGUST 31, 2019

	Program Services		Support Services			
	Wish Granting	Fundraising	Management and General	Total Support Services	Direct Donor Benefit	Total
Direct Costs of Wishes	\$ 302,881	\$ -	\$ -	\$ -	\$ -	\$ 302,881
Salaries, Taxes, and Benefits	239,672	60,284	81,525	141,809	-	381,481
Printing, Subscriptions, and Publications	10,419	16,716	2,502	19,218	-	29,637
Professional Fees	2,567	4,017	25,156	29,173	-	31,740
Rent and Utilities	22,286	9,955	9,414	19,369	-	41,655
Postage and Delivery	6,040	9,135	1,067	10,202	-	16,242
Travel	3,456	1,465	2,861	4,326	-	7,782
Meetings and Conferences	5,182	6,850	3,143	9,993	-	15,175
Office Supplies	11,848	3,261	3,172	6,433	-	18,281
Communications	3,532	1,257	1,188	2,445	-	5,977
Advertising and Media (In-Kind)	34,948	39,654	1,184	40,838	-	75,786
Repairs and Maintenance	729	326	308	634	-	1,363
Membership Dues	1,264	1,179	534	1,713	-	2,977
National Partnership Dues	37,150	5,173	4,703	9,876	-	47,026
Miscellaneous	3,989	2,847	2,064	4,911	-	8,900
Depreciation and Amortization	2,628	1,174	1,110	2,284	-	4,912
Special Event Expenses	-	-	-	-	27,986	27,986
	688,591	163,293	139,931	303,224		1,019,801
Less Expenses Netted Against Revenues on the Statement of Activities:						
Special Event Expenses	-	-	-	-	(27,986)	(27,986)
Total Expenses Included in the Expense Section of the Statement of Activities	<u>\$ 688,591</u>	<u>163,293</u>	<u>\$ 139,931</u>	<u>\$ 303,224</u>	<u>\$ (27,986)</u>	<u>\$ 991,815</u>

See accompanying Notes to Financial Statements.

MAKE-A-WISH FOUNDATION® OF WYOMING
STATEMENT OF CASH FLOWS
YEAR ENDED AUGUST 31, 2019

CASH FLOWS FROM OPERATING ACTIVITIES

Change in Net Assets	\$ 130,752
Adjustments to reconcile Change in Net Assets to Net Cash	
Provided by Operating Activities:	
Depreciation and Amortization	4,912
Net Realized and Unrealized Gains on Investments	(27,560)
(Gain) Loss on Sale of Property and Equipment	405
Change in Discount to Present Value of Contributions Receivable	(246)
(Increase) Decrease in Assets:	
Contributions Receivable	(6,136)
Due from Related Entities	1,101
Prepaid Expenses	(33,632)
Other Assets	1,440
Increase (Decrease) in Liabilities:	
Accounts Payable and Accrued Expenses	4,231
Due to Related Entities	(14,491)
Net Cash Provided by Operating Activities	<u>60,776</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Purchases of Investments	(380,164)
Proceeds from Sales of Investments	<u>317,083</u>
Net Cash Used by Investing Activities	(63,081)

CASH FLOWS FROM FINANCING ACTIVITIES

Contributions Restricted for Long-Term Investment	<u>(3,268)</u>
Net Cash Used by Financing Activities	<u>(3,268)</u>

NET DECREASE IN CASH AND CASH EQUIVALENTS

(5,573)

Cash and Cash Equivalents - Beginning of Year

71,553

CASH AND CASH EQUIVALENTS - END OF YEAR

\$ 65,980

See accompanying Notes to Financial Statements.

MAKE-A-WISH FOUNDATION® OF WYOMING
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2019

NOTE 1 ORGANIZATION

Make-A-Wish Foundation® of Wyoming (the Foundation) is a Wyoming nonprofit corporation, organized for the purpose of creating life changing wishes for children with critical illnesses. The Foundation is an independently operating chapter of Make-A-Wish Foundation® of America (National Organization), which operates to develop and implement national programs in public relations and fundraising for the benefit of all local chapters. To be a Make-A-Wish chapter, the local chapter is obligated to comply with a chapter agreement with the National Organization and such guidelines, resolutions, and policies as may be adopted by the National Organization's board of directors.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements of the Foundation are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America applicable to nonprofit entities.

Cash and Cash Equivalents

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

Investments

Investments are recorded at fair value except for certificates of deposit which are recorded at cost. Investment income, including gains and losses on investments, is recorded as increases or decreases in net assets without donor restrictions unless its use is limited by donor-imposed restrictions or law.

Contributions Receivable

Contributions receivable are unconditional promises to give. Such promises that are expected to be collected within one year are recorded at expected net realizable value when the promise is received. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of estimated future cash flows. Contributions receivable are discounted using fair value rates and contributions are written off when deemed uncollectible.

Property and Equipment, Net

Property and equipment having a unit cost of greater than \$1,500 and a useful life of more than one year are capitalized at cost when purchased. Donated assets are capitalized at the estimated fair value at the date of receipt and restrictions are released once the asset has been placed into service. Property and equipment under capital leases are stated at the present value of future minimum lease payments at the time of acquisition. Depreciation on property and equipment is provided on a straight-line basis over the estimated useful lives of the assets, generally three to five years. Leasehold improvements are amortized over the shorter of the estimated useful life of the asset or the remaining terms of the leases. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its life are expensed as incurred.

MAKE-A-WISH FOUNDATION® OF WYOMING
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2019

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment, Net (Continued)

Long-lived assets, such as property and equipment, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If circumstances indicate a long-lived asset may be impaired, the asset value will be reduced to fair value. Fair value is determined through various valuation techniques including quoted market values and third-party independent appraisals, as considered necessary.

Fair Value Measurements

Fair value measurements of financial assets and financial liabilities and fair value measurements of nonfinancial items are recognized or disclosed at fair value in the financial statements on a recurring basis. Fair value is 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.

The Foundation utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible. The Foundation determines fair value based on assumptions that market participants would use in pricing an asset or liability in the principal or most advantageous market. When considering market participant assumptions in fair value measurements, the following fair value hierarchy distinguishes between observable and unobservable inputs, which are categorized in one of the following levels:

Level 1 – Unadjusted quoted prices in active markets for identical assets (or liabilities) that the reporting entity has the ability to access at the measurement date.

Level 2 – Prices for a similar asset (or liability), other than quoted prices included in Level 1 inputs, that are observable for the asset (or liability), either directly or indirectly. If the asset (or liability) has a specified term, a Level 2 input must be observable for substantially the full term of the asset (or liability).

Level 3 – Unobservable inputs for the asset (or liability) used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset (or liability) at measurement date.

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, net assets for an operating reserve and board-designated endowment.

MAKE-A-WISH FOUNDATION® OF WYOMING
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2019

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Assets (Continued)

Net Assets With Donor Restrictions – Net assets subject to donor (or certain grantor) 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 specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as restricted revenue when received and released from restriction when the assets are placed in service. 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.

Revenue Recognition

Unconditional promises to give are recognized initially at fair value as contributions revenue in the period such promises are made by donors. Fair value is estimated giving consideration to anticipated future cash receipts (after allowance is made for uncollectible contributions) and discounting such amounts at a risk-adjusted rate commensurate with the duration of the donor's payment plan. Amortization of the discounts is recorded as additional contributions revenue. Conditional promises are recorded as revenue once the conditions are substantially met. Contributions of assets other than cash are recorded at their estimated fair value. Contributions of services are recognized if the services received (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

The Foundation received in-kind contributions of assets, services, and materials that are reported in the statement of activities as follows:

	Programs	Fundraising	Management and General	Total
Wish Related	\$ 147,783	\$ -	\$ -	\$ 147,783
Professional Services	20	9	8	37
Advertising and Media	34,948	39,654	1,184	75,786
Other	403	2,211	170	2,784
	<u>\$ 183,154</u>	<u>\$ 41,874</u>	<u>\$ 1,362</u>	226,390
Special Events				5,148
Total				<u>\$ 231,538</u>

An internal special event is a fundraising event coordinated and staffed by Foundation personnel rather than a third-party support group or organization. It is designed to attract people for the purpose of raising mission awareness, for increasing funding from existing donors, and the cultivation of future donors. Internal special event in-kind amounts are donated items recorded at fair value that are used in facilitating the event. Examples of such donated items are generally food, beverage, facility costs, and auction items.

MAKE-A-WISH FOUNDATION® OF WYOMING
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2019

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition (Continued)

Advertising and media is used to help the Foundation communicate its message or mission and includes fund raising materials, informational material, or advertising, and may be in the form of an audio or video tape of a public service announcement, a layout for a newspaper, media time or space for public service announcements, or other purposes.

Donated advertising and media is reported as contribution revenue and fundraising or public information expense when received and the reporting of such contributions is unaffected by whether the Foundation could afford to purchase or would have purchased the assets at their fair value.

Income Taxes

The Foundation is a nonprofit organization exempt from federal income and Wyoming taxes under the provisions of Internal Revenue Code Section 501(c)(3). However, the Foundation remains subject to income taxes on any net income that is derived from a trade or business, regularly carried on and not in furtherance of the purpose for which it was granted exemption. No income tax provision has been recorded as the net income, if any, from any unrelated trade or business, in the opinion of management, is not material to the financial statements taken as a whole.

Management believes that no uncertain tax positions exist for the Foundation at August 31, 2019. The Foundation files income tax returns in the U.S. federal jurisdiction, and applicable state jurisdictions.

Functional Expenses

The Foundation performs three functions: wish granting, fundraising, and management and general. Definitions of these functions are as follows:

Wish Granting

Activities performed by the Foundation in granting wishes to children with critical illnesses.

Fundraising

Activities performed by the Foundation to generate funds and/or resources to support its programs and operations.

Management and General

All costs not identifiable with a specific programs or fundraising activities, but indispensable to the conduct of such programs and activities and to the Foundation's existence, are included as management and general expenses. This includes expenses for the overall direction of the Foundation, business management, general recordkeeping, budgeting, financial reporting, and activities relating to these functions such as salaries, rent, supplies, equipment, and other expense.

Expenses that benefit more than one function of the Foundation are allocated among the functions based generally on the amount of time spent by employees on each function.

MAKE-A-WISH FOUNDATION® OF WYOMING
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2019

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Management Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make a number of 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 estimates.

Change in Accounting Principle – Adoption of ASU 2016-14

On August 18, 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-14, Not-for-Profit Entities (Topic 958) – *Presentation of Financial Statements of Not-for-Profit Entities*. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. The Foundation has implemented ASU 2016-14 and has adjusted the presentation in these financial statements accordingly. The adoption of this standard did not impact the Foundation's net assets as of September 1, 2018.

Change in Accounting Policy – Pending Wish Liability

Through the fiscal year ending August 31, 2018, the Foundation accrued for estimated costs of reportable pending wishes when five certain, measurable wish criteria were met. This accrual did not represent a legally binding liability but was considered a moral obligation to the child by the Foundation arising when the five criteria were met. Given the changes to the wish granting environment that have occurred in recent years, the Foundation determined that the calculation was no longer representative of the future obligations. The Foundation remains committed to its mission. Please see the commitment footnote for details about future wish granting obligations. As a result of this change in accounting policy, net assets without restriction as of September 1, 2018 have increased by \$330,319.

NOTE 3 LIQUIDITY AND AVAILABILITY

The Foundation monitors liquidity regularly through the monthly financial package provided to the board and through the enterprise-wide benchmarks of excellence. Holding six months to 24 months of liquidity is considered excellent based off the enterprise-wide published scale.

MAKE-A-WISH FOUNDATION® OF WYOMING
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2019

NOTE 3 LIQUIDITY AND AVAILABILITY (CONTINUED)

Total Financial Assets	\$ 2,858,658
Donor Imposed Restrictions:	
Restricted Funds	(25,430)
Endowments	<u>(8,155)</u>
Net Financial Assets after Donor-Imposed Restrictions	2,825,073
Internal Designations:	
Board Designated Endowments	<u>(438,645)</u>
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	<u><u>\$ 2,386,428</u></u>

Our endowment funds consist of donor-restricted endowments and funds designated by the board as endowments. Income from donor-restricted endowments is restricted for specific purposes, with the exception of the amounts available for general use. Donor-restricted endowment funds are not available for general expenditure.

Our board-designated endowment of \$438,645 is described in Note 10. Although we do not intend to spend from this board designated endowment (other than amounts appropriated for general expenditure as part of our Board's annual budget approval and appropriation), these amounts could be made available if necessary.

NOTE 4 FAIR VALUE MEASUREMENTS

Fair Value of Financial Instruments

Fair value is defined as the amount 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.

The fair values of the financial instruments shown in the following table as of August 31, 2019 represent the amounts that would be received to sell those assets or that would be paid to transfer those liabilities in an orderly transaction between market participants at that date. Those fair value measurements maximize the use of observable inputs. However, in situations where there is little, if any, market activity for the asset or liability at the measurement date, the fair value measurement reflects the Foundation's own judgments about the assumptions that market participants would use in pricing the asset or liability. Those judgments are developed by the Foundation based on the best information available in the circumstances, including expected cash flows and appropriately risk-adjusted discount rates, and available observable and unobservable inputs.

MAKE-A-WISH FOUNDATION® OF WYOMING
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2019

NOTE 4 FAIR VALUE MEASUREMENTS (CONTINUED)

Investments

Overall Investment Objective

The overall investment objective of the Foundation is to invest its assets in a prudent manner that will achieve a long-term rate of return sufficient to fund a portion of its annual operating activities and increase investment value after inflation. The Foundation diversifies its investments among various asset classes incorporating multiple strategies and managers. Major investment decisions are authorized by the board's audit and finance committee, which oversees the Foundation's investment program in accordance with established guidelines.

Allocation of Investment Strategies

In addition to traditional stocks and fixed income securities, the Foundation may also hold shares or units in traditional institutional funds including mutual funds and exchange traded funds.

The following table presents the fair value hierarchy of assets that are measured at fair value on a recurring basis at August 31, 2019:

	Quoted Prices in Active Markets or Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Assets				
Recurring:				
Investments:				
Mutual Funds	\$ 916,652	\$ -	\$ -	\$ 916,652
Exchange-Traded Funds	353,183	-	-	353,183
Equity Securities	98,329	-	-	98,329
Certificates of Deposit	-	-	-	949,518
Cash	-	-	-	1,370
Total Recurring	1,368,164	-	-	2,319,052
Beneficial Interest in Assets				
Held by Others	-	-	443,612	443,612
Beneficial Interest in Assets Held				
by a Community Foundation	-	-	3,188	3,188
Total Assets	<u>\$ 1,368,164</u>	<u>\$ -</u>	<u>\$ 446,800</u>	<u>\$ 2,765,852</u>

MAKE-A-WISH FOUNDATION® OF WYOMING
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2019

NOTE 4 FAIR VALUE MEASUREMENTS (CONTINUED)

The following table presents a rollforward of activity for investments measured at fair value using significant unobservable inputs (Level 3) for the year ended August 31, 2019:

Beginning Balance	\$ 443,063
Total Gains or Losses (Realized/Unrealized)	
Included in Changes in Net Assets	(3,594)
Purchases	7,331
Sales	-
Ending Balance	<u><u>\$ 446,800</u></u>

NOTE 5 CONTRIBUTIONS RECEIVABLE

Contributions receivable include pledges that have been discounted at 4.38% at August 31, 2019. The following is a summary of the Foundation's contributions receivable at August 31, 2019:

Total Amounts Due in:	
Within One Year	\$ 23,133
One to Five Years	<u>2,314</u>
Gross Contributions Receivable	25,447
Less Discount to Present Value	<u>(17)</u>
Contributions Receivable, Net	<u><u>\$ 25,430</u></u>

NOTE 6 BENEFICIAL INTEREST IN ASSETS

Beneficial Interest in Assets Held by National

As of August 31, 2019, the Foundation had a beneficial interest in assets held by National of \$443,612. This interest consists of funds contributed to the Wishes Forever Endowment Fund held by the National Office. An endowment agreement has been signed between the Foundation and the National Office, and thus, the original corpus and any accumulated earnings are not readily redeemable by the Foundation at any time; however, distributions of earnings will be made periodically by the National Office to the Foundation according to the National Office's Endowment Spending Policy.

Of the \$443,612 as of August 31, 2019, \$437,457 of the beneficial interest in assets held by National is board designated and is classified as net assets without donor restrictions. The remaining \$6,155 is perpetually restricted and classified as net assets with donor restrictions, \$5,200 of which related to the Kathleen Hemry Trust endowment discussed below and \$955 to a contribution received in 2016. No distributions were received by the Foundation for the year ended August 31, 2019.

MAKE-A-WISH FOUNDATION® OF WYOMING
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2019

NOTE 6 BENEFICIAL INTEREST IN ASSETS (CONTINUED)

Beneficial Interest in Assets Held by National (Continued)

Kathleen Hemry Trust

During the year ended August 31, 2014, the Foundation received a final distribution from the Kathleen Hemry Trust of \$5,200, stating the funds should be invested into the Foundation's endowments with the corpus being maintained and investment earnings to be used for the Foundation's programs or other operating activities. The \$1,000 originally received from the Hemry Trust and the additional \$1,000 of funds matched by the Chapter, a total of \$2,000, are invested with the Wyoming Community Foundation (see below). In total, the \$7,200 received from the Hemry Trust are perpetually restricted and classified as net assets with donor restrictions.

Beneficial Interest in Assets Held by a Community Foundation

In May 1994, \$2,000 was established as an endowment at the Wyoming Community Foundation, Inc. (Community Foundation). The perpetually restricted endowment consisted of \$1,000 from the Hemry Trust and \$1,000 of funds matched by the Chapter (see above). Distributions from the Community Foundation are to be made at least annually in amounts determined by the Community Foundation's board of directors to support the mission of the Foundation. Distributions of \$-0- were made for the year ended August 31, 2019. The endowment is reported in the accompanying statement of financial position as a beneficial interest in assets held by a community foundation.

NOTE 7 TRANSACTIONS WITH RELATED ENTITIES

The National Organization conducts national fundraising efforts for which cash and in-kind donations are received and shared with the Foundation. These funds represent revenues associated with: distributions from national partners, individual donation amounts collected via online and white mail donations, amounts for internal grants, travel, and training scholarships, amounts to fund the Adopt-A-Wish® program, and other miscellaneous revenues. During the year ended August 31, 2019, the Foundation received \$99,108 from these national revenue streams.

Conversely, the Foundation pays amounts to the National Organization for chapter dues, insurance, and other miscellaneous ancillary expenses that the National Organization pays on behalf of the Foundation and for services provided by the National Organization. Amounts totaling \$76,130 were paid from the Foundation to the National Organization during the year ended August 31, 2019.

Chapters who assist with the organization and granting of wishes from other chapters are paid a "fee for service" called the wish assist fee. Under this program, the originating chapter agrees to pay a fee to the chapter of the wish destination to assist with any planning, booking, and facilitating of the wish for the home chapter. Under this program, the Foundation received \$5,250 for the year ended August 31, 2019, which is recorded in the accompanying statement of activities as other income.

MAKE-A-WISH FOUNDATION® OF WYOMING
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2019

NOTE 7 TRANSACTIONS WITH RELATED ENTITIES (CONTINUED)

Amounts due from and to related entities are as follows:

Balance at August 31, 2019:

Due from National Organization	\$ 1,302
Due from Other Chapters	94
Total Due from Related Entities	<u>\$ 1,396</u>

Due to National Organization	\$ 347
Due to Other Chapters	-
Total Due to Related Entities	<u>\$ 347</u>

Amounts due from the National Organization represent contributions remitted to the National Organization that are identified for the Foundation's use but were not yet transferred to the Foundation as of year-end. Amounts due from other chapters represent amounts paid in assisting other chapters with their wish granting. Amounts due to other chapters represent amounts owed to other chapters who have assisted in the granting of wishes for the Foundation. Amounts due to the National Organization generally represent unpaid chapter dues and services.

During 2019 the Foundation received contributions, both cash and in-kind, from board members totaling \$27,306.

During 2019 the Foundation holds certificates of deposit and an investment account balance at financial institutions where several board members are employed or board member family members own the financial institution branch. These accounts are valued at \$2,060,170 as of August 31, 2019 and are included in investments on the statement of financial position.

NOTE 8 PROPERTY AND EQUIPMENT, NET

Property and equipment as of August 31, 2019 consists of the following:

Computer Equipment and Software	<u>\$ 17,851</u>
Total	17,851
Less Accumulated Depreciation and Amortization	<u>(9,885)</u>
Property and Equipment, Net	<u>\$ 7,966</u>

Depreciation and amortization expense totaled \$4,912 for the year ended August 31, 2019.

MAKE-A-WISH FOUNDATION® OF WYOMING
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2019

NOTE 9 LEASES

The Foundation is obligated under an operating lease for offices, which expires at September 30, 2021. Monthly rent expense equals \$3,078. Payment on the obligation, however, is only \$2,900, as \$178 was contributed as an in-kind contribution. Total rent expense for all operating leases for the year ended August 31, 2019 totaled \$36,774.

Future minimum lease payments under operating leases having remaining terms in excess of one year are as follows:

<u>Year Ending August 31:</u>	<u>Operating Leases</u>
2019	\$ 34,800
2020	2,900
Total	<u>\$ 37,700</u>

NOTE 10 ENDOWMENTS

The Foundation is subject to the enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA) and is required to make disclosures about endowment funds, both donor-restricted endowment funds and board-designated endowment funds.

The Foundation's endowment consists of three individual funds established for a variety of purposes including both donor-restricted endowment funds and funds designated by the board of directors to function as endowments. Net assets associated with endowment funds, including funds designated by the board of directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions. Endowment assets, both donor-restricted and board-designated, are reflected as investments held for long-term purposes on the statement of financial position.

Interpretation of Relevant Law

The board of directors of the Foundation has interpreted the Wyoming UPMIFA as requiring 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 donor restricted net assets: (a) the original value of gifts donated to the donor-restricted endowment, (b) the original value of subsequent gifts to the donor-restricted endowment, and (c) accumulated earnings on the donor-restricted endowment funds. The accumulated earnings on the endowment funds remain treated as donor restricted net assets until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

MAKE-A-WISH FOUNDATION® OF WYOMING
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2019

NOTE 10 ENDOWMENTS (CONTINUED)

Interpretation of Relevant Law (Continued)

1. The duration and preservation of the fund
2. The purposes of the Foundation and the donor-restricted endowment fund
3. General economic conditions
4. The possible effect of inflation and deflation
5. The expected total return from income and the appreciation of investments
6. Other resources of the Foundation
7. The investment policies of the Foundation

Endowment fund composition by type of fund as of August 31, 2019 is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-Restricted Endowment Funds	\$ -	\$ 8,155	\$ 8,155
Board-Designated Endowment Funds	438,645	-	438,645
Total Funds	<u>\$ 438,645</u>	<u>\$ 8,155</u>	<u>\$ 446,800</u>

Changes in endowment funds for the year ended August 31 are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment Funds - Beginning of Year	\$ 434,907	\$ 8,155	\$ 443,062
Investment Return:			
Investment Income	4,063	-	4,063
Net Appreciation (Realized and Unrealized)	(3,593)	-	(3,593)
Total Investment Return	<u>470</u>	<u>-</u>	<u>470</u>
Contributions	<u>3,268</u>	<u>-</u>	<u>3,268</u>
Endowment Funds - End of Year	<u>\$ 438,645</u>	<u>\$ 8,155</u>	<u>\$ 446,800</u>

Fund Deficiencies

There are no fund deficiencies as of August 31, 2019.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent constraints.

MAKE-A-WISH FOUNDATION® OF WYOMING
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2019

NOTE 11 NET ASSETS

Net Assets With Donor Restrictions

Net assets with donor restrictions are available for the following purposes or period as of August 31, 2019:

Subject to Expenditure for Specified Purpose:

Wish Granting	\$ 20,997
Total	<u>20,997</u>

Subject to the Passage of Time:

Promises to Give that are Not Restricted by Donors, but Which are Unavailable for Expenditure Until Due	<u>4,433</u>
Total	<u>4,433</u>

Endowments:

Original Donor-Restricted Gift Amount and Amounts Required to be Maintained in Perpetuity:	
WCF Endowment Fund	2,000
Wishes Forever: Vickie A. Ujvary Endowment	2,600
Wishes Forever: Michael D. and Ann Zwickl Endowment	<u>3,555</u>
Total Endowments	<u>8,155</u>

Total Net Assets With Donor Restrictions	<u><u>\$ 33,585</u></u>
--	-------------------------

NOTE 12 RETIREMENT PLAN

The Foundation has a defined contribution retirement plan (the Plan). Employees are eligible for participation in the Plan after reaching 21 years of age and upon date of hire. Under the provisions of the Plan, eligible employees may elect to defer a percentage of their salary subject to certain Internal Revenue Code limitations. The Foundation matches employee contributions up to 3.0% of the employee's salary. Foundation contributions to the Plan for the year ended August 31, 2019 were \$5,788.

NOTE 13 CONCENTRATIONS OF CREDIT RISK

Financial instruments that potentially subject the Foundation to concentration of credit risk consist principally of cash, cash equivalents, and investments. The Foundation places its cash and investments with high credit quality financial institutions and generally limits the amount of credit exposure not to exceed the FDIC insurance coverage limit of \$250,000. From time to time throughout the year, the Foundation's cash balances may exceed the amount of the FDIC insurance coverage.

In-kind contributions totaling \$63,786 were received from a single donor for the year ended August 31, 2019, which represents 8% of total public support. Should these contribution levels decrease, the Foundation may be adversely affected.

MAKE-A-WISH FOUNDATION® OF WYOMING
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2019

NOTE 14 LITIGATION AND CLAIMS

The Foundation is periodically involved in litigation and claims arising in the ordinary course of business. In the opinion of management, the ultimate disposition of these matters will not have a material adverse effect on the Foundation's financial position, change in net assets, or liquidity.

NOTE 15 COMMITMENTS

The goal of Foundation is to grant the wish of every eligible child. During the fiscal year ending August 31, 2019, the Foundation granted 23 wishes. As of the end of the year, there were approximately 50 wish children who are eligible for a wish. The average cost of a wish for the fiscal year was \$8,040 in cash and \$5,470 in in-kind for a total cost of \$13,510.

NOTE 16 SUBSEQUENT EVENTS

The Foundation has evaluated subsequent events from the statement of financial position date through January 24, 2020, the date at which the financial statements were available to be issued.