

MAKE-A-WISH FOUNDATION® OF IDAHO
FINANCIAL STATEMENTS
YEARS ENDED AUGUST 31, 2023 AND 2022



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YEARS ENDED AUGUST 31, 2023 AND 2022**

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Make-A-Wish Foundation® of Idaho
Boise, Idaho

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Make-A-Wish Foundation® of Idaho (a nonprofit organization), which comprise the statements of financial position as of August 31, 2023 and 2022, and 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 financial statements referred to above present fairly, in all material respects, the financial position of Make-A-Wish Foundation® of Idaho as of August 31, 2023 and 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Make-A-Wish Foundation® of Idaho 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 Make-A-Wish Foundation® of Idaho's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 an audit 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 audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Make-A-Wish Foundation® of Idaho'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 Make-A-Wish Foundation® of Idaho's ability to continue as a going concern for a reasonable period of time.

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



CliftonLarsonAllen LLP

Phoenix, Arizona
April 1, 2024

MAKE-A-WISH FOUNDATION® OF IDAHO
STATEMENTS OF FINANCIAL POSITION
AUGUST 31, 2023 AND 2022

	2023	2022
ASSETS		
Cash and Cash Equivalents	\$ 85,293	\$ 119,934
Investments	1,818,356	1,904,185
Due from Related Entities	39,240	43,926
Prepaid Expenses	71,185	47,664
Contributions Receivable, Net	320,832	212,153
Other Assets	28,373	8,259
Investments Held for Long-Term Purposes	820,183	761,325
Right-of-Use Assets - Financing	4,853	-
Property and Equipment, Net	11,037	13,412
	\$ 3,199,352	\$ 3,110,858
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable and Accrued Expenses	\$ 140,097	\$ 114,706
Due to Related Entities	92,757	21,634
Lease Liability - Financing	5,473	-
Capital Lease Obligations	-	7,955
Total Liabilities	238,327	144,295
NET ASSETS		
Without Donor Restrictions	1,945,521	2,095,580
With Donor Restrictions	1,015,504	870,983
Total Net Assets	2,961,025	2,966,563
Total Liabilities and Net Assets	\$ 3,199,352	\$ 3,110,858

See accompanying Notes to Financial Statements.

MAKE-A-WISH FOUNDATION® OF IDAHO
STATEMENT OF ACTIVITIES
YEAR ENDED AUGUST 31, 2023

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUES, GAINS, AND OTHER SUPPORT			
Public Support:			
Contributions, Cash	\$ 1,004,829	\$ -	\$ 1,004,829
Contributions, Donated Goods and Services	739,638	258,301	997,939
Grants	<u>45,279</u>	<u>-</u>	<u>45,279</u>
Total Public Support	1,789,746	258,301	2,048,047
Internal Special Events, Cash	588,051	9,100	597,151
Internal Special Events, Donated Goods and Services	18,966	-	18,966
Less: Costs of Direct Benefits to Donors	<u>(37,497)</u>	<u>-</u>	<u>(37,497)</u>
Total Special Events	569,520	9,100	578,620
Investment Income, Net	181,463	64,351	245,814
Other Income	300	-	300
Net Assets Released from Restrictions	<u>187,231</u>	<u>(187,231)</u>	<u>-</u>
Total Revenues, Gains, and Other Support	2,728,260	144,521	2,872,781
EXPENSES			
Program Services:			
Wish Granting	<u>2,165,692</u>	<u>-</u>	<u>2,165,692</u>
Total Program Services	2,165,692	-	2,165,692
Support Services:			
Fundraising	511,700	-	511,700
Management and General	<u>200,927</u>	<u>-</u>	<u>200,927</u>
Total Support Services	712,627	-	712,627
Total Expenses	<u>2,878,319</u>	<u>-</u>	<u>2,878,319</u>
CHANGE IN NET ASSETS	(150,059)	144,521	(5,538)
Net Assets - Beginning of Year	<u>2,095,580</u>	<u>870,983</u>	<u>2,966,563</u>
NET ASSETS - END OF YEAR	<u>\$ 1,945,521</u>	<u>\$ 1,015,504</u>	<u>\$ 2,961,025</u>

See accompanying Notes to Financial Statements.

MAKE-A-WISH FOUNDATION® OF IDAHO
STATEMENT OF ACTIVITIES
YEAR ENDED AUGUST 31, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES, GAINS, AND OTHER SUPPORT			
Public Support:			
Contributions, Cash	\$ 1,004,555	\$ 11,583	\$ 1,016,138
Contributions, Donated Goods and Services	249,987	107,430	357,417
Grants	74,041	-	74,041
Total Public Support	1,328,583	119,013	1,447,596
Internal Special Events, Cash	652,396	-	652,396
Internal Special Events, Donated Goods and Services	35,842	-	35,842
Less: Costs of Direct Benefits to Donors	(58,978)	-	(58,978)
Total Special Events	629,260	-	629,260
Investment Income, Net	(192,734)	(86,680)	(279,414)
Net Assets Released from Restrictions	73,521	(73,521)	-
Total Revenues, Gains, and Other Support	1,838,630	(41,188)	1,797,442
EXPENSES			
Program Services:			
Wish Granting	1,397,306	-	1,397,306
Total Program Services	1,397,306	-	1,397,306
Support Services:			
Fundraising	379,283	-	379,283
Management and General	258,791	-	258,791
Total Support Services	638,074	-	638,074
Total Expenses	2,035,380	-	2,035,380
CHANGE IN NET ASSETS	(196,750)	(41,188)	(237,938)
Net Assets - Beginning of Year	2,292,330	912,171	3,204,501
NET ASSETS - END OF YEAR	\$ 2,095,580	\$ 870,983	\$ 2,966,563

See accompanying Notes to Financial Statements.

**MAKE-A-WISH FOUNDATION® OF IDAHO
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED AUGUST 31, 2023**

	Program	Support Services			Direct Donor	Total
	Services					
	Wish	Fundraising	Management	Total		
	Granting		and General	Support		
				Services		
Direct Costs of Wishes	\$ 1,596,246	\$ -	\$ -	\$ -	\$ -	\$ 1,596,246
Salaries, Taxes, and Benefits	374,576	244,449	84,668	329,117	-	703,693
Printing, Subscriptions, and Publications	3,703	22,533	1,095	23,628	-	27,331
Professional Fees	5,584	4,409	37,352	41,761	-	47,345
Rent and Utilities	29,073	19,009	7,828	26,837	-	55,910
Postage and Delivery	1,172	7,281	273	7,554	-	8,726
Travel	3,849	6,333	15,529	21,862	-	25,711
Meetings and Conferences	1,081	25,282	9,149	34,431	-	35,512
Office Supplies	6,497	3,256	6,496	9,752	-	16,249
Communications	7,317	4,784	2,794	7,578	-	14,895
Advertising and Media (Cash)	7,377	21,619	-	21,619	-	28,996
Advertising and Media (In-Kind)	1,600	88,517	431	88,948	-	90,548
Repairs and Maintenance	569	466	162	628	-	1,197
Membership Dues	779	584	210	794	-	1,573
National Partnership Dues	117,971	26,965	23,594	50,559	-	168,530
Miscellaneous	5,036	34,080	10,468	44,548	-	49,584
Depreciation and Amortization	3,262	2,133	878	3,011	-	6,273
Special Event - Direct Donor Benefits	-	-	-	-	37,497	37,497
Total	2,165,692	511,700	200,927	712,627	37,497	2,915,816
Less: Expenses Netted Against Revenues on the Statement of Activities:						
Special Event Expenses	-	-	-	-	(37,497)	(37,497)
 Total Expenses Included in the Expense Section of the Statement of Activities	 \$ 2,165,692	 \$ 511,700	 \$ 200,927	 \$ 712,627	 \$ -	 \$ 2,878,319

See accompanying Notes to Financial Statements.

**MAKE-A-WISH FOUNDATION® OF IDAHO
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED AUGUST 31, 2022**

	Program Services	Support Services			Direct Donor Benefits	Total
	Wish Granting	Fundraising	Management and General	Total Support Services		
Direct Costs of Wishes	\$ 983,841	\$ -	\$ -	\$ -	\$ -	\$ 983,841
Salaries, Taxes, and Benefits	253,764	210,742	158,993	369,735	-	623,499
Printing, Subscriptions, and Publications	1,775	16,863	1,203	18,066	-	19,841
Professional Fees	1,147	1,882	41,502	43,384	-	44,531
Rent and Utilities	21,966	18,091	13,597	31,688	-	53,654
Postage and Delivery	1,978	7,023	535	7,558	-	9,536
Travel	436	4,847	4,682	9,529	-	9,965
Meetings and Conferences	653	9,480	1,048	10,528	-	11,181
Office Supplies	12,452	5,106	934	6,040	-	18,492
Communications	5,671	4,709	3,703	8,412	-	14,083
Advertising and Media (Cash)	10,553	12,226	-	12,226	-	22,779
Advertising and Media (In-Kind)	-	26,275	-	26,275	-	26,275
Repairs and Maintenance	230	191	144	335	-	565
Bad Debt Expenses	-	9,100	-	9,100	-	9,100
Membership Dues	738	1,883	462	2,345	-	3,083
National Partnership Dues	94,955	17,145	19,782	36,927	-	131,882
Miscellaneous	4,453	31,483	10,519	42,002	-	46,455
Depreciation and Amortization	2,694	2,237	1,687	3,924	-	6,618
Special Event - Direct Donor Benefits	-	-	-	-	58,978	58,978
Total	<u>1,397,306</u>	<u>379,283</u>	<u>258,791</u>	<u>638,074</u>	<u>58,978</u>	<u>2,094,358</u>
Less: Expenses Netted Against Revenues on the Statement of Activities:						
Special Event Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(58,978)</u>	<u>(58,978)</u>
Total Expenses Included in the Expense Section of the Statement of Activities	<u><u>\$ 1,397,306</u></u>	<u><u>\$ 379,283</u></u>	<u><u>\$ 258,791</u></u>	<u><u>\$ 638,074</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,035,380</u></u>

See accompanying Notes to Financial Statements.

MAKE-A-WISH FOUNDATION® OF IDAHO
STATEMENTS OF CASH FLOWS
YEARS ENDED AUGUST 31, 2023 AND 2022

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ (5,538)	\$ (237,938)
Adjustments to reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation and Amortization	3,781	6,618
Amortization of Right-of-Use Asset, Finance Lease	2,492	-
Bad Debt Expense and Other	-	9,100
Net Realized and Unrealized Gains on Investments	(193,834)	345,468
(Increase) Decrease in Assets:		
Contributions Receivable	(108,679)	(38,423)
Due from Related Entities	4,686	(29,197)
Prepaid Expenses	(23,521)	(11,391)
Other Assets	(20,114)	6,514
Increase (Decrease) in Liabilities:		
Accounts Payable and Accrued Expenses	25,391	14,933
Due to Related Entities	71,123	21,455
Other Liabilities	-	(9,902)
Net Cash Provided (Used) by Operating Activities	(244,213)	77,237
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Investments	(161,367)	(858,532)
Proceeds from Sales of Investments	382,172	312,928
Purchases of Property and Equipment	(8,751)	(2,360)
Net Cash Provided (Used) by Investing Activities	212,054	(547,964)
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal Payments on Capital Lease Obligations	-	(2,326)
Principal Payments on Finance Lease Obligations	(2,482)	-
Net Cash Used by Financing Activities	(2,482)	(2,326)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(34,641)	(473,053)
Cash and Cash Equivalents - Beginning of Year	119,934	592,987
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 85,293	\$ 119,934
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Cash Paid for Interest Expense	\$ 444	\$ 594
Right-of-Use Assets Obtained in Exchange for New Operating Lease Liabilities	\$ 7,345	\$ -

See accompanying Notes to Financial Statements.

MAKE-A-WISH FOUNDATION® OF IDAHO
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2023 AND 2022

NOTE 1 ORGANIZATION

Make-A-Wish Foundation® of Idaho (the Foundation) is an Idaho 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 develops and implements national programs in public relations and fundraising for the benefit of all local chapters. In addition, 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 (GAAP) 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. 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.

The Foundation's investments are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investments, it is reasonably possible that those changes in the values of investments will occur in the near term and that such changes could be material to the amounts reported in the statements of financial position.

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.

MAKE-A-WISH FOUNDATION® OF IDAHO
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2023 AND 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases

The Foundation determines if an arrangement is a lease at inception. Operating leases are included in right-of-use (ROU) assets – operating and lease liability – operating, and finance leases are included in right-of-use (ROU) assets – financing and lease liability – financing in the statements of financial position.

ROU assets represent the Foundation's right to use an underlying asset for the lease term and lease liabilities represent the Foundation's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the Foundation will exercise that option. Lease expense for operating lease payments is recognized on a straight-line basis over the lease terms. The Foundation has elected to recognize payments for short-term leases with a lease term of 12 months or less as expense as incurred and these leases are not included as lease liabilities or right of use assets on the statements of financial position.

The individual lease contracts do not provide information about the discount rate implicit in the lease. Therefore, the Foundation has elected to use a risk-free discount rate determined using a period comparable with that of the lease term for computing the present value of lease liabilities.

The Foundation has elected not to separate nonlease components from lease components and instead accounts for each separate lease component and the nonlease component as a single lease component.

Property and Equipment, Net

Property and equipment having a unit cost greater than \$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 over time in an amount equivalent to annual depreciation. Property and equipment financing under capital leases (Fiscal Year 2022) 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 lease. 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.

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.

MAKE-A-WISH FOUNDATION® OF IDAHO
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2023 AND 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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.

MAKE-A-WISH FOUNDATION® OF IDAHO
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2023 AND 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Assets (Continued)

Contributions restricted by donors are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as Net Assets Released from Restrictions.

Revenue Recognition

Revenue is recognized on the accrual basis and generally consists of contributions, special event revenue, in-kinds and other income.

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.

Special event revenue consists of registrations, sponsorships and other contributions. The exchange element of the special event revenue was approximately \$37,000 and \$59,000 for the years ended August 31, 2023 and 2022, respectively. The portion that is considered to be exchange revenue is recognized as revenue when the performance obligations are met which is the occurrence of the event.

The Foundation receives auction items to be sold at its special events. Contributed auction items are valued at the gross selling price received and the value is included in internal special event revenue on the statement of activities. The amount of auction items received and sold during the years ended August 31, 2023 and 2022 totaled \$164,000 and \$85,800, respectively.

Donated advertising and media is reported as contribution revenue and fundraising 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.

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 to give are not recognized as contribution revenue and receivables until the conditions have been substantially met.

**MAKE-A-WISH FOUNDATION® OF IDAHO
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2023 AND 2022**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition (Continued)

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.

Contributions: Donated Goods and Services

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

	<u>2023</u>	<u>2022</u>
Wish Related Travel, Goods, and Services	\$ 881,153	\$ 305,894
Professional Services	94	-
Contributed Office Space	28,184	47,496
Advertising and Media	90,548	26,275
Special Events	5,819	17,672
Other	<u>11,107</u>	<u>(4,078)</u>
Total Contributed Nonfinancial Assets and Services	<u>\$ 1,016,905</u>	<u>\$ 393,259</u>

Wish related travel, goods and other services are used in the wish granting program. The Foundation estimates the fair value of wish related travel, goods, and services on the basis of estimates of the current market rates for similar travel, goods and other services in the Foundation's market.

Professional services relate to operating services used for support services, and are valued and reported at the estimated fair value based on current rates for similar services.

Contributed office space is valued and reported at the estimated fair value on the basis of comparable lease agreements in the Foundation's market. Contributed office space is used for both program and supporting services.

Donated advertising and media is reported at the estimated fair value as provided by the donor based on rates charged for similar advertising or media. Advertising and media is used for both program and supporting services. 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.

Special event donated items 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. The Foundation estimates the fair value of these donated items based on the current market rates for similar items in the Foundation's market.

MAKE-A-WISH FOUNDATION® OF IDAHO
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2023 AND 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions: Donated Goods and Services (Continued)

In-kind contributions related to wish granting are restricted to be used in granting wishes. In-kind contributions related to special events are restricted for use at those events. No other in-kind contributions were received with donor restrictions.

Income Taxes

The Foundation is a nonprofit organization exempt from federal and Idaho state income taxes under the provisions of Internal Revenue Code (IRC) Section 501(c)(3) and the Idaho state tax code. 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, 2023 and 2022. The Foundation files income tax returns in the U.S. federal jurisdiction and Idaho state jurisdiction.

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 program or fundraising activity, 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 expenses.

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 IDAHO
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NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Management Estimates

The preparation of financial statements in conformity with GAAP 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.

Adoption of Accounting Pronouncement

In February 2016, The Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-02, *Leases (Topic 842)*. This new standard increases transparency and comparability among organizations by requiring the recognition of right-of-use (ROU) assets and lease liabilities on the statement of financial position. Most prominent among the changes in the standard is the recognition of ROU assets and lease liabilities by lessees for those leases classified as operating leases. Under the standard, disclosures are required to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases.

The Foundation adopted the requirements of the guidance effective September 1, 2022, and has elected to apply the provisions of this standard to the beginning of the period of adoption.

The Foundation has elected to adopt the package of practical expedients available in the year of adoption. The Foundation has elected to adopt the available practical expedient to use hindsight in determining the lease term and in assessing impairment of the Foundation's ROU assets.

Lease disclosures for the year ended August 31, 2022 are made under prior lease guidance in FASB ASC 840.

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 6 to 24 months of liquidity is considered excellent based off the enterprise-wide published scale.

	<u>2023</u>	<u>2022</u>
Total Financial Assets	\$ 3,083,904	\$ 3,041,523
Donor-Imposed Restrictions:		
Restricted Funds	(320,104)	(214,024)
Endowments	<u>(695,400)</u>	<u>(656,959)</u>
Net Financial Assets after Donor-Imposed Restrictions	2,068,400	2,170,540
Internal Designations:		
Board-Designated Endowments	<u>(124,783)</u>	<u>(104,366)</u>
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	<u>\$ 1,943,617</u>	<u>\$ 2,066,174</u>

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NOTE 3 LIQUIDITY AND AVAILABILITY (CONTINUED)

Financial Assets include cash and cash equivalents, investments, due from related entities, contributions receivable, and investments held for long-term purposes. For purposes of analyzing resources available to meet general expenditures over one year, the Foundation considers all expenditures related to its ongoing program activities, as well as the functions in support of those activities, to be general expenditures.

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.

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 tables as of August 31, 2023 and 2022 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.

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.

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NOTE 4 FAIR VALUE MEASUREMENTS (CONTINUED)

Investments

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 as well as in alternative investment funds involving hedged strategies, private equity, and real asset strategies. Hedged strategies involve funds whose managers have the authority to invest in various asset classes at their discretion, including the ability to invest long and short. Funds with hedged strategies generally hold securities or other financial instruments for which a ready market exists and may include stocks, bonds, put or call options, swaps, currency hedges, and other instruments, and are valued accordingly. Private equity funds employ buy-out and venture capital strategies and focus on investments in turn-around situations. Real estate funds generally hold interests in public real estate investment trusts (REITS) or commercial real estate through sole-member entities. Private equity and real asset strategies therefore often require the estimation of fair values by the fund managers in the absence of readily determinable market values.

Because of the inherent uncertainties of valuation, these estimated fair values may differ significantly from values that would have been used had a ready market existed, and the differences could be material. Such valuations are determined by fund managers and generally consider variables such as operating results, comparable earnings multiples, projected cash flows, recent sales prices, and other pertinent information, and may reflect discounts for the illiquid nature of certain investments held. Moreover, the fair values of the Foundation's interests in shares or units of these funds, because of liquidity and capital commitment terms that vary depending on the specific fund or partnership agreement, may differ from the fair value of the funds' underlying net assets.

Fair Value Hierarchy

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

<u>August 31, 2023</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Assets Not Held at Fair Value</u>	<u>Total</u>
Investments:					
Mutual Funds	\$ 1,125,723	\$ -	\$ -	\$ -	\$ 1,125,723
Exchange-Traded Funds	1,253,492	-	-	-	1,253,492
Equity Securities	188,443	-	-	-	188,443
Certificates of Deposit	-	365	-	-	365
Cash	-	-	-	70,516	70,516
Total Investments	<u>\$ 2,567,658</u>	<u>\$ 365</u>	<u>\$ -</u>	<u>\$ 70,516</u>	<u>\$ 2,638,539</u>

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NOTE 4 FAIR VALUE MEASUREMENTS (CONTINUED)

Fair Value Hierarchy (Continued)

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Assets Not Held at Fair Value</u>	<u>Total</u>
<u>August 31, 2022</u>					
Investments:					
Mutual Funds	\$ 1,075,159	\$ -	\$ -	\$ -	\$ 1,075,159
Exchange-Traded Funds	1,035,061	-	-	-	1,035,061
Equity Securities	171,609	-	-	-	171,609
Certificates of Deposit	-	99,316	-	-	99,316
Real Estate Investment Trust	-	-	72,720	-	72,720
Cash	-	-	-	211,645	211,645
Total Investments	<u>\$ 2,281,829</u>	<u>\$ 99,316</u>	<u>\$ 72,720</u>	<u>\$ 211,645</u>	<u>\$ 2,665,510</u>

Purchases, sales, transfers in and transfers out of Level 3 investments consist of the following for the years ended August 31:

	<u>2023</u>	<u>2022</u>
Transfers Out	\$ (72,720)	\$ -

The following table describes the valuation techniques used to calculate fair value for assets in Level 3. There were no changes in valuation techniques and related inputs from the prior year.

<u>Quantitative Information About Level 3 Fair Value Measurements</u>			
<u>Type of Assets</u>	<u>Fair Value at August 31, 2022</u>	<u>Principal Valuation Technique</u>	<u>Unobservable Inputs</u>
Investments	<u>\$ 72,720</u>	Independent Appraisal	Real Property
Total	<u>\$ 72,720</u>		

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NOTE 5 CONTRIBUTIONS RECEIVABLE

Contributions receivable include pledges that have been discounted using a rate of 4.20% and 3.27% at August 31, 2023 and 2022, respectively. The following is a summary of the Foundation's contributions receivable at August 31:

	<u>2023</u>	<u>2022</u>
Total Amounts Due in:		
Within One Year	\$ 294,791	\$ 181,316
One to Five Years	20,000	20,000
More than Five Years	<u>10,000</u>	<u>15,000</u>
Gross Contributions Receivable	324,791	216,316
Less: Discount to Present Value	<u>(3,959)</u>	<u>(4,163)</u>
Contributions Receivable, Net	<u><u>\$ 320,832</u></u>	<u><u>\$ 212,153</u></u>

NOTE 6 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 years ended August 31, 2023 and 2022, respectively, the Foundation received \$415,516 and \$325,611 from these national revenue streams.

Conversely, the Foundation pays amounts to the National Organization for annual dues, insurance, and other miscellaneous ancillary expenses that Make-A-Wish Foundation of America pays on behalf of the Foundation and for services provided to the Foundation by the National Organization. Amounts totaling \$216,846 and \$181,044 were paid from the Foundation to the National Organization during the years ended August 31, 2023 and 2022, respectively.

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 \$300 and \$-0-, respectively, for the years ended August 31, 2023 and 2022, which is recorded in the accompanying statements of activities as other income.

Amounts due from and to related entities are as follows as of August 31:

	<u>2023</u>	<u>2022</u>
Due from National Organization	<u>\$ 39,240</u>	<u>\$ 43,926</u>
Total Due from Related Entities	<u><u>\$ 39,240</u></u>	<u><u>\$ 43,926</u></u>
Due to National Organization	\$ 65,602	\$ 8,386
Due to Other Chapters	<u>27,155</u>	<u>13,248</u>
Total Due to Related Entities	<u><u>\$ 92,757</u></u>	<u><u>\$ 21,634</u></u>

**MAKE-A-WISH FOUNDATION® OF IDAHO
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NOTE 6 TRANSACTIONS WITH RELATED ENTITIES (CONTINUED)

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 the years ended August 31, 2023 and 2022, the Foundation received contributions, both cash and in-kind, from board members totaling \$118,292 and \$100,454, respectively. Amounts paid to related parties for goods and services used in the Foundation's operations totaled \$123,261 and \$36,778 for the years ended August 31, 2023 and 2022, respectively. Amounts due to related parties as of August 31, 2023 and 2022 totaled \$27,155 and \$13,248, respectively, and are included in due to related parties in the accompanying statements of financial position.

NOTE 7 PROPERTY AND EQUIPMENT, NET

Property and equipment consist of the following as of August 31:

	2023	2022
Computer Equipment and Software	\$ 41,469	\$ 32,718
Office Furniture and Equipment	15,810	20,663
Leasehold Improvements	42,317	42,317
Total	99,596	95,698
Less: Accumulated Depreciation and Amortization	(88,559)	(82,286)
Property and Equipment, Net	\$ 11,037	\$ 13,412

Depreciation and amortization expense totaled \$6,273 and \$6,618, respectively, for the years ended August 31, 2023 and 2022.

NOTE 8 LEASES

Lease Agreements - ASC 842

The Foundation leases equipment for various terms under long-term, noncancelable lease agreements. The leases expire at various dates through February 2026. Total in-kind rent expense for the operating lease for the years ended August 31, 2023 and 2022, totaled \$59,814 and \$47,496, respectively.

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NOTE 8 LEASES (CONTINUED)

Lease Agreements - ASC 842 (Continued)

The following tables provides quantitative information concerning the Foundation's leases.

Lease Cost:

Finance Lease Cost:		
Amortization of Right-of-Use Assets	\$	2,492
Interest on Lease Liabilities		444
Total Lease Cost	<u>\$</u>	<u>2,936</u>

Other Information:

Cash Paid for Amounts Included in the Measurement of Lease Liabilities		
Operating Cash Flows from Financing Leases	\$	444
Financing Cash Flows from Financing Leases	\$	2,925
Right-of-Use Assets Obtained in Exchange for New Financing Lease Liabilities	\$	7,345
Weighted-Average Remaining Leases Term - Financing Leases		1.8 Years
Weighted-Average Discount Rate - Financing Leases		6.50%

A maturity analysis of annual undiscounted cash flows for lease liabilities as of August 31, 2023, is as follows:

	<u>Year Ending August 31</u>	<u>Finance Leases</u>
	2024	\$ 2,926
	2025	<u>2,926</u>
	Total Lease Payments	5,852
	Less: Imputed Interest	<u>(379)</u>
	Present Value of Lease Liabilities	<u>\$ 5,473</u>

Lease Agreements – ASC 840

The Foundation is obligated under one capital lease for equipment, which expires in July 2025. As of August 31, 2022, the cost of leased property and equipment under the capital lease was \$12,461 and accumulated depreciation was \$5,116. Total in-kind rent expense for the operating lease for the year ended August 31, 2022 totaled \$47,496.

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NOTE 9 NET ASSETS

Net Assets Without Donor Restrictions

Board-designated net assets consist of the following at August 31:

	2023	2022
Board-Designated Endowment Funds	\$ 124,783	\$ 104,366
Total Board-Designated Net Assets	\$ 124,783	\$ 104,366

Net Assets With Donor Restrictions

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

	2023	2022
Subject to Expenditure for Specified Purpose:		
In-Kind Pledge Receivable	\$ 232,803	\$ 107,430
Donated Disney Boxes Shipping Funds	1,872	1,871
Donated Rent	45,288	67,286
Total	279,963	176,587
Subject to Passage of Time:		
Cash Pledge Receivable	40,141	37,437
Total	40,141	37,437
Endowments:		
Subject to Endowment Spending Policy and Appropriation:		
Earnings on Endowment Funds	327,693	278,252
Original Donor-Restricted Gift Amount to be Maintained in Perpetuity:		
Commonwealth Endowment	367,707	378,707
Total	695,400	656,959
Total Donor-Restricted Net Assets	\$ 1,015,504	\$ 870,983

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 12 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 statements of financial position.

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NOTE 10 ENDOWMENTS (CONTINUED)

Interpretation of Relevant Law

The board of directors of the Foundation has interpreted the Idaho 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 deciding to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the Foundation and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Foundation
- The investment policies of the Foundation

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

	Without Donor Restrictions	With Donor Restrictions	Total
<u>August 31, 2023</u>			
Donor-Restricted Endowment Funds	\$ -	\$ 695,400	\$ 695,400
Board-Designated Endowment Funds	124,783	-	124,783
Total Funds	\$ 124,783	\$ 695,400	\$ 820,183
<u>August 31, 2022</u>			
Donor-Restricted Endowment Funds	\$ -	\$ 656,959	\$ 656,959
Board-Designated Endowment Funds	104,366	-	104,366
Total Funds	\$ 104,366	\$ 656,959	\$ 761,325

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NOTE 10 ENDOWMENTS (CONTINUED)

Interpretation of Relevant Law (Continued)

Changes in endowment funds are as follows for the years ended:

<u>August 31, 2023</u>	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Endowment Funds - Beginning of Year	\$ 104,366	\$ 656,959	\$ 761,325
Investment Return:			
Investment Return, Net	2,023	10,620	12,643
Net Appreciation (Realized and Unrealized)	<u>10,234</u>	<u>53,731</u>	<u>63,965</u>
Total Investment Return	12,257	64,351	76,608
Appropriation of Endowment Assets for Expenditure	<u>(2,840)</u>	<u>(14,910)</u>	<u>(17,750)</u>
Other Changes:			
Reclass of Funds	<u>11,000</u>	<u>(11,000)</u>	<u>-</u>
Endowment Funds - End of Year	<u>\$ 124,783</u>	<u>\$ 695,400</u>	<u>\$ 820,183</u>
<u>August 31, 2022</u>			
Endowment Funds - Beginning of Year	\$ 135,472	\$ 749,219	\$ 884,691
Investment Return:			
Investment Return, Net	3,282	16,755	20,037
Net Appreciation (Realized and Unrealized)	<u>(20,260)</u>	<u>(103,435)</u>	<u>(123,695)</u>
Total Investment Return	(16,978)	(86,680)	(103,658)
Appropriation of Endowment Assets for Expenditure	(3,228)	(16,480)	(19,708)
Other Changes:			
Reclass of Funds	<u>(10,900)</u>	<u>10,900</u>	<u>-</u>
Endowment Funds - End of Year	<u>\$ 104,366</u>	<u>\$ 656,959</u>	<u>\$ 761,325</u>

Fund Deficiencies

From time-to-time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Foundation to retain as a fund of perpetual duration. There were no fund deficiencies AS OF August 31, 2023 and 2022.

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NOTE 10 ENDOWMENTS (CONTINUED)

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 programs supported by its endowment funds while seeking to maintain the 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(s) as well as board-designated funds. Under this policy, as approved by the board of directors, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of the S&P 500 index while assuming a moderate level of investment risk. The Foundation expects its endowment funds, over time, to provide an average rate of return of approximately 4% annually. Actual returns in any given year may vary from this amount.

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.

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Foundation has a policy of appropriating for distribution each year 3% of its endowment fund's average fair value over the prior 12 quarters through the calendar year-end preceding the fiscal year in which the distribution is planned. In establishing this policy, the Foundation considered the long-term expected return on its endowment. Accordingly, over the long term, the Foundation expects the current spending policy to allow its endowment to grow at an average of 4% annually. This is consistent with the Foundation's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

NOTE 11 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. Under the provisions of the Plan, eligible employees may elect to defer a percentage of their salary subject to certain IRC limitations. The Foundation's match equals 100% of the first 3% of the employee's eligible earnings that the employee defers and an additional 50% of the next 2% of the employee's earnings that the employee defers. Foundation contributions to the Plan for the years ended August 31, 2023 and 2022 were \$17,228 and \$4,944, respectively.

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NOTE 12 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 Federal Deposit Insurance Corporation (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.

Contributions totaling \$431,530 were received from a single donor for the year ended August 31, 2023, which represents 16% of raised revenue which consists of total public support and gross internal special event revenue. Should these contribution levels decrease, the Foundation may be adversely affected.

For the year ended August 31, 2023 and 2022, two and three donors represent 82% and 99% of the contributions receivable balance, respectively. Should these contribution levels decrease, the Foundation may be adversely affected.

NOTE 13 COMMITMENTS

The goal of the Foundation is to grant the wish of every eligible child. During the years ending August 31, 2023 and 2022, the Foundation granted 127 and 93 wishes, respectively. As of August 31, 2023 and 2022, respectively, there were approximately 130 and 120 wish children who are eligible for a wish. The average cost of a wish for the year ended August 31, 2023 was \$6,896 in cash and \$5,350 in in-kind for a total cost of \$12,246. The average cost of a wish for the year ended August 31, 2022 was \$7,361 in cash and \$2,853 in in-kind for a total cost of \$10,214.

NOTE 14 RISKS AND UNCERTAINTIES

In December 2019, an outbreak of a novel strain of Coronavirus (COVID-19) began. On March 10, 2020, in conjunction with the Make-A-Wish America National Medical Advisory Council (NMAC), Make-A-Wish America issued instructions to pause travel and large gathering wishes until deemed medically safe for our vulnerable population and their families. On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic.

As of September 15, 2021, in consultation with the NMAC, the pause on domestic travel to large gatherings was lifted, if travel occurred by automobile. The pause on airline travel was lifted December 1, 2021 with a graduated approach with full domestic travel resuming June of 2022. International and cruise wish travel is still paused as of August 31, 2022. Prior to fiscal year 2020, travel wishes have been approximately 79% of wishes granted and the number of granted wishes averaged approximately 90. The number of wishes granted during the years ended August 31, 2023 and 2022 was 127 and 93, respectively.

The Foundation continues to evaluate all expenses and fundraising efforts in light of the impact of COVID-19.

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NOTE 15 SUBSEQUENT EVENTS

The Foundation has evaluated subsequent events from the statement of financial position date through April 1, 2024, the date at which the financial statements were available to be issued.



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