

**LEWISVILLE ISD EDUCATION
FOUNDATION, INC.**

FINANCIAL STATEMENTS
AND
AUDITORS' REPORT

FOR THE YEAR ENDED DECEMBER 31, 2023

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditors' Report.....	1
Statement of Financial Position.....	3
Statement of Activities.....	4
Statement of Functional Expenses.....	5
Statement of Cash Flows.....	6
Notes to Financial Statements.....	7-13
Supplementary Information:	
Net Assets Not Subject to Appropriation or Expenditure.....	14-18

Independent Auditors' Report

Lewisville ISD Education Foundation, Inc.
Lewisville, Texas

Opinion

We have audited the accompanying financial statements of Lewisville ISD Education Foundation, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2023 and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements. The prior year comparative information has been derived from Lewisville ISD Education Foundation, Inc.'s 2022 financial statements and, in our opinion dated August 27, 2023, we expressed an unmodified opinion on those financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Lewisville ISD Education Foundation, Inc. as of December 31, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financials section of our report. We are required to be independent of Lewisville ISD Education Foundation, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. 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 general accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

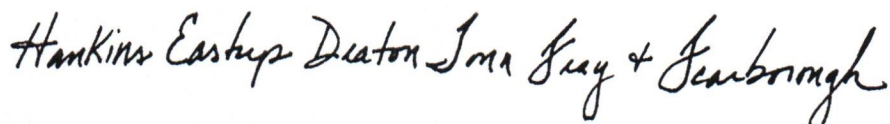
In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Lewisville ISD Education Foundation, Inc'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 Lewisville ISD Education Foundation, Inc's ability to continue as a going concern for a reasonable period of time.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information of restricted net asset balances on pages 14 through 18 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

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.



Hankins, Eastup, Deaton, Tonn, Seay & Scarborough, LLC
Denton, Texas
November 22, 2024

LEWISVILLE ISD EDUCATION FOUNDATION, INC.

STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2023
WITH COMPARATIVE TOTALS FOR 2022

	<u>ASSETS</u>	
	<u>2023</u>	<u>2022</u>
Cash and cash equivalents	\$ 622,973	\$ 420,822
Investments	4,958,651	4,630,558
Unconditional promises to give	15,700	40,945
Prepaid expenses	<u>3,675</u>	<u>20,310</u>
Total Assets	<u>\$ 5,600,999</u>	<u>\$ 5,112,635</u>
 <u>LIABILITIES AND NET ASSETS</u>		
Liabilities:		
Accounts payable	<u>\$ -</u>	<u>\$ -</u>
Total Liabilities	<u>-</u>	<u>-</u>
Net Assets:		
With donor restrictions:		
Subject to purpose restrictions	838,631	808,027
Not subject to appropriation or expenditure	<u>3,587,454</u>	<u>3,272,029</u>
Total with donor restrictions	<u>4,426,085</u>	<u>4,080,056</u>
Without donor restrictions:		
Undesignated	-	-
Designated for grants, scholarships, programs and operations	<u>1,174,914</u>	<u>1,032,579</u>
Total without donor restrictions	<u>1,174,914</u>	<u>1,032,579</u>
Total Net Assets	<u>5,600,999</u>	<u>5,112,635</u>
Total Liabilities and Net Assets	<u>\$ 5,600,999</u>	<u>\$ 5,112,635</u>

See accompanying notes to financial statements.

LEWISVILLE ISD EDUCATION FOUNDATION, INC.

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023
WITH COMPARATIVE TOTALS FOR 2022

	Without Donor Restrictions	With Donor Restrictions		2023 Total	2022 Total
		Purpose Restrictions	Not Subject to Appropriation		
Revenues, Gains and Other Support:					
Contributions	\$ 326,190	\$ 460,137	\$ 192,812	\$ 979,139	\$ 951,762
Investment Income, net	134,978	-	-	134,978	43,229
Realized Gains on Investments	142,764	-	-	142,764	256,756
Unrealized Gains on Investments	184,322	-	232,666	416,988	-
Special event – Evening for Education	10,723	-	-	10,723	-
Special event – Golf tournaments	136,704	-	-	136,704	90,001
Scholarship administration fees	8,575	-	-	8,575	6,789
Total Revenues, Gains and Other Support	944,256	460,137	425,478	1,829,871	1,348,537
Net Assets Released from Restrictions:					
Satisfaction of Program restrictions	539,586	(398,146)	(141,440)	-	-
Transfers	-	(31,387)	31,387	-	-
Expenses and Losses:					
Functional Expenses:					
Program Activities	889,334	-	-	889,334	763,183
Management and General	203,846	-	-	203,846	178,947
Fundraising	125,418	-	-	125,418	100,595
Total	1,218,598	-	-	1,218,598	1,042,725
Special Events Expense:					
Evening for Education	19,611	-	-	19,611	-
Golf Tournaments	103,298	-	-	103,298	45,335
Total	122,909	-	-	122,909	45,335
Total Expenses	1,341,507	-	-	1,341,507	1,088,060
Losses:					
Unrealized Losses on Investments	-	-	-	-	1,120,390
Total Expenses and Losses	1,341,507	-	-	1,341,507	2,208,450
Change in Net Assets	142,335	30,604	315,425	488,364	(859,913)
Net Assets – Beginning of Year	1,032,579	808,027	3,272,029	5,112,635	5,972,548
Net Assets – End of Year	<u>\$ 1,174,914</u>	<u>\$ 838,631</u>	<u>\$ 3,587,454</u>	<u>\$ 5,600,999</u>	<u>\$ 5,112,635</u>

See accompanying notes to financial statements.

LEWISVILLE ISD EDUCATION FOUNDATION, INC.

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023
WITH COMPARATIVE TOTALS FOR 2022

	Program Activities	Supporting Activities		2023 Total	2022 Total
		Management and General	Fundraising		
Executive Director	\$ 8,659	\$ 34,636	\$ 43,294	\$ 86,589	\$ 130,615
Communication/Marketing Specialist	-	59,846	6,650	66,496	69,539
Advancement Services Manager	65,966	1,374	1,374	68,715	35,652
Program Coordinator	-	-	-	-	10,489
Total Salaries and Benefits	74,625	95,856	51,318	221,800	246,295
Scholarships	321,520	-	-	321,520	283,150
Grants	186,846	-	-	186,846	173,823
Awards and Fellowships	26,050	-	-	26,050	24,000
Back to School Fair	62,597	-	-	62,597	36,676
STEM Truck	10,502	-	-	10,502	144,492
LISD One Time Programs	275,924	-	-	275,924	31,876
Career Out	15,109	-	-	15,109	2,817
COVID-19 Expense	-	-	-	-	688
FFA Livestock Show	3,749	-	-	3,749	2,840
Accounting and Audit	-	18,395	-	18,395	17,153
Insurance	-	3,664	-	3,664	3,546
Bank and Credit Card Fees	-	6,508	-	6,508	7,199
Training/Conference	-	1,580	-	1,580	630
Postage and Office	-	1,596	-	1,596	3,195
Supplies	-	541	-	541	435
Meetings and Travel	-	6,055	-	6,055	3,452
Online Application System	10,270	-	-	10,270	5,464
Awards Administration	-	10,093	-	10,093	7,580
Professional Dues/Memberships	-	1,158	-	1,158	2,907
Website	-	3,612	-	3,612	3,086
Donor Database Management	-	-	13,916	13,916	11,786
Fundraising Software	-	-	-	-	5,611
Marketing/Promotional	-	4,783	-	4,783	13,005
LISD Employee Giving Campaign	-	-	12,330	12,330	10,014
Donation	-	-	-	-	1,005
Total Functional Expenses	\$ 987,192	\$ 153,841	\$ 77,564	\$ 1,218,598	\$ 1,042,725

See accompanying notes to financial statements.

LEWISVILLE ISD EDUCATION FOUNDATION, INC.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2023
WITH COMPARATIVE TOTALS FOR 2022

Cash Flows From Operating Activities	<u>2023</u>	<u>2022</u>
Change in Net Assets	\$ 488,364	\$(859,913)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Unrealized Losses (Gains) on Investments	(416,988)	1,120,390
Realized Gains on Investments	(142,764)	(256,756)
(Increase) Decrease in Unconditional Promises to Give	(25,245)	4,350
(Increase) Decrease in Prepaid Expenses	(16,635)	(15,852)
	<u>(113,268)</u>	<u>(7,781)</u>
 Cash Flows Provided (Used) By Investing Activities		
Redemptions of (Additions to) Investments (net)	<u>315,419</u>	<u>(51,763)</u>
	<u>315,419</u>	<u>(51,763)</u>
 Net Increase (Decrease) in Cash and Cash Equivalents	202,151	(59,544)
 Cash and Cash Equivalents- Beginning of Year	<u>420,822</u>	<u>480,366</u>
 Cash and Cash Equivalents- End of Year	<u>\$ 622,973</u>	<u>\$ 420,822</u>
 Supplemental Data:		
Interest Paid	-	-
Income Taxes Paid	-	-

See accompanying notes to financial statements.

LEWISVILLE ISD EDUCATION FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Nature of Activities

The Lewisville ISD Education Foundation, Inc. (Foundation) is a Texas nonprofit organization with the purpose of providing financial support to Lewisville Independent School District teachers and students. This purpose is accomplished by the Foundation receiving and managing cash donations from individuals and organizations, and awarding scholarships and grants.

Basis of Presentation

The financial statements are prepared on an accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Revenues and related assets are recognized when earned, and expenses are recognized when the obligation is incurred. They are presented in accordance with the provisions of Financial Accounting Standards Board ("FASB") ASU No. 2016-14, "Not-For-Profit Entities".

FASB ASU 2016-14 establishes standards for general-purpose external financial statements for nonprofit organizations, including a statement of financial position, a statement of activities, a statement of functional expense and a statement of cash flows. FASB ASU 2016-14 requires the classification of net assets and its revenues, expenses, gains and losses into three categories, if applicable, based on existence or absence of donor-imposed restrictions. The categories are "without donor restrictions" and "with donor restrictions".

Accordingly, net assets of the Foundation's and changes therein are classified and reported as follows:

Net assets without donor restrictions – Net assets that are not subject to donor-imposed stipulations. Included in this classification are net assets earmarked by the Board for future purposes, such as the Foundation's board-designation for scholarships and grants.

Net assets subject to purpose restrictions – Net assets subject to donor-imposed stipulations that specify a use that is more specific than broad limits relating to purposes under which the Foundation operates.

Net assets not subject to appropriation or expenditure – Net assets subject to donor-imposed restrictions that must be maintained permanently by the Foundation. Generally, the donors of these assets permit the Foundation to use all or part of the income earned on any related investments for the specific donor purpose.

LEWISVILLE ISD EDUCATION FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Public Support and Revenue

In the absence of a donor's explicit stipulation or circumstances surrounding the receipt of a contribution that make clear the donor's implicit restriction on use, contributions are reported as revenues or gains without donor restrictions, which increase net assets without donor restrictions. All donor-restricted contributions are reported as either net assets subject to purpose restrictions or net assets not subject to appropriation or expenditure, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), such restricted net assets are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Unconditional promises to give are recorded as received. Contributions receivable due in the next year are recorded at their net realizable value. Contributions receivable due in subsequent years are recorded at the present value of their net realizable value, using interest rates applicable to the years in which the promises are received to discount the amounts. The calculated discount to present value was not materially different from the face value of the contributions receivable at December 31, 2023.

Foundation management evaluates the collectability of contributions on an ongoing basis and writes off any contributions receivable considered uncollectible. There were no contributions as of December 31, 2023 that were considered uncollectible and written off based on management's review.

Contributions of donated noncash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received. Although individuals volunteer their time and perform a variety of tasks that assist the Foundation, these services do not meet the criteria for recognition as donated services.

Estimates

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

Cash and Cash Equivalents

The Foundation considers all highly liquid investments, primarily checking and money market accounts, to be cash equivalents.

Subsequent Events

Management has reviewed events subsequent to December 31, 2023 through November 22, 2024, which is the date the financial statements were available to be issued. No subsequent events were identified that were required to be recorded or disclosed in the financial statements.

LEWISVILLE ISD EDUCATION FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 2 – INVESTMENTS

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value. All non cash contributions are recorded at fair value at the date of receipt. Stock is recorded at the average of the high and low selling price on the date received. Investments sold are recorded at amount received on the trade date.

Investment income and realized gains and losses are reported as increases in unrestricted net assets unless the donor placed restrictions on the income's use. The change in fair value between years along with realized gains or losses are reflected in the statement of activities in the year of the change.

Investments other than certificates of deposit are held in an investment brokerage account in the name of the Foundation, and are managed by investment managers of the brokerage firm. No single investment exceeds five percent of the Foundation's net assets.

Investments as of December 31, 2023 are composed of the following:

	<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized Gain (Loss)</u>
Certificate of deposit	\$ 116,645	\$ 116,645	\$ -
Corporate bonds	333,324	318,092	(15,232)
U.S. Government secured obligations	890,350	829,241	(61,109)
Individual stocks	2,341,248	2,868,350	527,102
Stock mutual funds	391,606	367,719	(23,887)
Fixed income mutual funds	475,973	458,604	(17,369)
	<u>\$ 4,549,146</u>	<u>\$ 4,958,651</u>	<u>\$ 409,505</u>

NOTE 3 – ENDOWMENTS

The Foundation's endowments consist of 205 individual funds established for a variety of purposes. The endowments include donor-restricted funds established by individual donors, corporations and nonprofit agencies, and funds designated by the board of directors to function as endowments. Net assets associated with endowments are classified and reported based on the existence or absence of donor-imposed restrictions.

Funds with 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 requires the Foundation to retain as a fund of perpetual duration. The Foundation did not have any net deficiencies of this nature as of December 31, 2023.

LEWISVILLE ISD EDUCATION FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 3 – 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 to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Under this policy, as approved by the board of directors, the endowment assets are invested in equity securities, fixed-income securities and short-term reserves with asset allocation within defined acceptable ranges, while assuming a moderate level of investment risk. The Foundation expects its endowment funds, over time, to provide an average rate of return sufficient to fund an annual scholarship or grant equal to 5% of the endowment balance. 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 risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy – The Foundation has a policy of appropriating for distribution each year in scholarships or grants approximately five percent of each endowment fund's fund corpus. The fund corpus is determined by 20% minus the original gift. Funds in excess of the fund corpus will be used for scholarships or grants during a three-year maturation period and administrative costs to establish the endowed fund. Percentages for expenditures, accumulation and reclassification are calculated based on a three-year trailing average of return as deemed by the board-approved fund manager. Thresholds for awarding are \$125 per \$2,500 should an individual endowment grow beyond the original fund corpus through accumulation or additional contributions. 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 continue to grow. 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.

A reconciliation of donor-restricted endowment funds is as follows:

Balance, 12/31/22	\$ 3,272,029
Contributions	217,578
Investment earnings	232,666
Amounts appropriated for expenditure	(141,440)
Reclassification	<u>6,621</u>
Balance, 12/31/23	<u>\$ 3,587,454</u>

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 the Uniform State Prudent Management of Institutional Funds Act (UPMIFA) requires the organization to retain as a fund of perpetual duration.

LEWISVILLE ISD EDUCATION FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 3 – ENDOWMENTS (Continued)

Deficiencies of this nature existed in most donor-restricted endowment funds, which together have an original gift value of \$3,655,001, a current fair value of \$3,587,454 and a deficiency of \$67,547 at December 31, 2023.

This deficiency resulted from unfavorable market conditions in 2022 that resulted in significant losses that occurred in the investment account holding the endowment funds.

NOTE 4 – CONTRIBUTIONS AND OTHER RECEIVABLES

Unconditional promises to give as of December 31, 2023 are as follows:

Receivables in less than one year	\$ 6,150
Receivables on one to five years	9,551
Total Unconditional Promises to Give	<u>15,701</u>
Less allowance for uncollectible accounts	-
Less discounts to net present value	-
Net Unconditional Promises to Give	<u><u>15,701</u></u>

NOTE 5 – NET ASSETS WITHOUT DONOR RESTRICTIONS

Net assets without donor restrictions at December 31, 2023 include the following amounts designated by the Foundation's Board of Directors for grants, scholarships, programs and operations.

LISDEF Operational Fund	\$ 1,025,249
Area of Greatest Need	117,987
Earl Luna Memorial Grant	10,068
Pat Watts Honorary Grant	10,068
Janet Luttrell Honorary Grant	<u>11,542</u>
Total	<u><u>\$ 1,174,914</u></u>

NOTE 6 – INCOME TAX STATUS

The Foundation has received a letter of determination from the Internal Revenue Service advising that it qualifies as a non-profit corporation under Section 501(c)(3) of the Internal Revenue Code and, therefore, is not subject to income tax. The Foundation is not a private foundation within the meaning of section 509(a) of the Internal Revenue Code.

LEWISVILLE ISD EDUCATION FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 7 – FAIR VALUE OF FINANCIAL INSTRUMENTS

The Foundation has estimated fair value of financial instruments in accordance with requirements of SFAS No. 157. The estimated fair value amounts have been determined by the Foundation, using available market information and appropriate valuation methodologies. However, considerable judgment is necessarily required in interpreting market data to develop the estimates of fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amounts that the Foundation could realize in a current market exchange. The use of different market assumptions and estimation methodologies may have a material effect on the estimated fair value amounts. The carrying amount of cash and cash equivalents, and receivables approximated fair market value at December 31, 2023 because of their relatively short maturity and market terms. The fair value of long term investments at December 31, 2023 is determined based on quoted market values for U.S. government securities, fixed income securities and equity securities.

Financial instruments are considered Level 1 when their values are determined using quoted prices in active markets for identical assets that the reporting entity has the ability to access at the measurement date. Level 2 inputs are inputs other than quoted prices included within Level 1, such as quoted prices for similar assets in active or inactive markets, inputs other than quoted prices that are observable for the asset, or inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Financial instruments are considered Level 3 when their values are determined using pricing models, discounted cash flow methodologies or similar techniques and at least one significant model assumption or input is unobservable. Level 3 financial instruments also include those for which the determination of fair value requires significant management judgment or estimation.

In accordance with these definitions, the following table represents the Foundation's fair value hierarchy for its investments measured at fair value as of December 31, 2023:

	Quoted Prices for Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Total
U.S. Government securities	\$ 829,241	\$ -	\$ 829,241
Equity securities	3,236,069	-	3,236,069
Fixed income securities	-	776,696	776,696
Certificate of deposit	-	116,645	116,645
Total	<u>\$ 4,065,310</u>	<u>\$ 893,341</u>	<u>\$ 4,958,651</u>

The estimated fair value of investments was determined by the Foundation in accordance with its investment policy. Estimated fair value is determined by the Foundation based on a number of factors, including: comparable publicly traded securities, the costs of investments to the Foundation, as well as the current and projected operating performance. Changes in unrealized appreciation or depreciation of the investments are recognized as unrealized gains and losses in the statement of activities. Because of the inherent uncertainty of these valuations, the estimated values may differ from the actual fair values that may or may not be ultimately realized.

LEWISVILLE ISD EDUCATION FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 8 – FUNCTIONAL EXPENSES

The costs of program and supporting services activities have been summarized on a functional basis in the accompany statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the program and supporting services benefited. Salaries and benefits are allocated based on estimates of time spent by personnel in each program or supporting activity. All other expenses are reported based on the program or supporting activity that benefits from the expense.

NOTE 9 - COMPONENTS OF INVESTMENT RETURN

Investment return for the year ended December 31, 2023, including interest and dividends on investments and interest earned on cash balances is summarized as follows:

Unrestricted investment return:	
Interest and dividend income	\$ 131,639
Unrealized gains (losses) on investments	416,988
Realized gains on investments	<u>170,259</u>
Total unrestricted investment return (loss)	718,886
Less investment management fees	<u>(58,471)</u>
Total Investment Gain (Loss) - Net	<u>\$ 660,415</u>

NOTE 10 – CREDIT RISK

Certain financial instruments potentially subject the Foundation to concentrations of credit risk. These financial instruments consist primarily of cash and cash equivalents, and investments. The cash policy of the Foundation limits the amount of credit exposure, and requires that cash be placed with high credit quality financial institutions. Credit risk on investments is limited due to wide diversification of the investment portfolio. From time to time during the year bank balances exceeded the FDIC insured limits. However, at December 31, 2023 there were no uninsured bank balances. Money market funds are maintained with an investment brokerage firm that maintains the Foundation's funds in an interest bearing account and all such funds are backed by high quality short term financial instruments.

NOTE 11 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Foundation has \$622,972 of financial assets at the statement of financial position date, consisting of cash in its operating bank accounts and investment accounts. None of this cash is subject to donor restrictions, time restrictions or other contractual restrictions that makes it unavailable for general expenditure within one year of the statement of financial position date. This 12/31/23 balance represents approximately six months of normal operating expenses. As part of its liquidity management, the Foundation structures its financial assets to be available as its general expenses, liabilities and other obligations come due. Cash in excess of daily requirements is invested in certificates of deposit and various short-term investments, with most of the investments managed by Merrill Lynch.

SUPPLEMENTARY INFORMATION

LEWISVILLE ISD EDUCATION FOUNDATION, INC.

NET ASSETS NOT SUBJECT TO APPROPRIATION OR EXPENDITURE
DECEMBER 31, 2023

Scholarship/Grant

Carl Franklin Buck Principal of the Year Award of Excellence	\$ 19,601
Dr. Susan Menking Counselor of the Year Award of Excellence	9,800
Patsy Jane Buck Elementary Principal of the Year Award of Excellence	19,601
Ruth Evelyn Buck Memorial Elementary Teacher of the Year Award of Excellence	19,601
The Cain Sczepanski Foundation In Special Education Award of Excellence	129,978
Dr. Jerry Roy Fellowship	39,189
Minnie Mae & Mack R. Bogard Teacher Fellowship	9,283
Aramark School Support Services Grant	9,818
Bertha Wilson Griffin Memorial Grant	9,845
Carl & Betty Degan Grant	9,849
Charles Foughty Legacy Grant	9,930
Christine Nicole Smith Memorial Grant	14,591
CoServ Charitable Foundation Endowed Grant	208,862
Cynda Rea Mast Memorial Grant	13,200
DATCU Grant	9,818
Dr. Robert E. Faulds Memorial Grant	9,898
Durham School Services Grant	9,818
Gwendolyn Norris Memorial Grant	9,818
Holt/Walker Child Future Grant	9,818
HSBC Grant	14,641
Jean Hughes & Maxine Manning Price Grant	9,975
Jackie Dowling Stinemetz Memorial Grant	19,462
Jane Buttrill Rollin Memorial Literacy Grant	10,260
Senator Jane Nelson Honorary Grant	9,818
Kathy Goodridge Technology Grant	24,299
Library Lovers Grant	10,979
Malcolm Carroll Grant	9,818
Marjory Kent Vickery Memorial Grant	12,341
Medical City Lewisville Grant	11,758
Morris and Jenny Seay Classroom Development Grant	19,399
Neal & Audrey Scheitel Memorial Grant	9,676
Nick and Sonal Jani Special Program Endowment	24,293
Ryland Home Builders Grant	9,818
Scott Nelson Grant	9,833
Shannon Leigh Ardoin Memorial Grant	9,929
Shannon Leigh Ardoin Memorial Scholarship	10,153
Sharon Dunning Memorial Grant	10,693
Shaunna Jennings McNatt Memorial Teacher Grant	12,116
Stantec Grant	9,818
The Buck Family Grant	10,768
The Dr. Nandlal & Sheila Singh Family Teaching Grant	9,818

LEWISVILLE ISD EDUCATION FOUNDATION, INC.

NET ASSETS NOT SUBJECT TO APPROPRIATION OR EXPENDITURE (CONTINUED)
DECEMBER 31, 2023

Scholarship/Grant

The Nelson Family Grant	\$ 14,077
The Sheffield Family Grant	19,370
Thomas C. Cooper Memorial Grant	9,818
Vocal Majority Grant	19,547
Waste Management Grant	9,818
Rowena Buck McReynolds Memorial Grant	23,818
Gail Martin Memorial Art Teacher Grant	8,419
William McCrady Memorial Grant	8,368
William McCrady Memorial Scholarship Endowment	21,345
Corbitt Family Grant for Enrichment	8,435
Wayne and Judy Kay Ferguson Family Grant	15,099
Spence Nelson Memorial Grant	22,524
Adiyl Mir Memorial Scholarship	27,845
Alan MacMorran Memorial Scholarship	9,921
Alpha Omega Industries Scholarship	29,015
Amanda Drinkwater Honorary Scholarship	13,088
Anne Harvey Memorial STEM Scholarship	9,954
Ashley Sessions Legacy Memorial Scholarship	10,668
Aubree Butts Leadership Memorial Scholarship	10,683
Better Together - The Patricia Jossart and Karen Heid Cooke Scholarship	44,465
BJ Gash Trades Memorial Scholarship	13,493
Bluebonnet Elementary Alumni Recognition Scholarship (B.E.A.R.S.)	14,573
Bob and Connie White Family Scholarship	20,528
Brandon Canova Memorial Scholarship	11,640
Brandon Hamm Memorial Scholarship	11,145
Bruno John Zimmerer Memorial Scholarship	9,823
C.L.A.S.S. - Crawford, Lomax and Stockard Scholarship	19,453
Caren Linn Placke Memorial Scholarship	10,510
Carl and Patsy Buck Honorary Scholarship	58,106
Carolyn Anne Lehwald Barth Memorial Scholarship	22,255
Castle Hills Elementary PTA Scholarship	9,749
Chad Winston Tinsley Memorial Scholarship	14,131
Charles Emmett Bolin Memorial Scholarship	25,570
Chester Boyd Memorial Scholarship	12,253
Chris Asing Memorial Scholarship	35,676
Christian Durham Memorial Scholarship	18,071
Clayton W. Downing Honorary Scholarship	9,857
Clint Michael Keown Memorial Scholarship	22,270
Colby Lee Wilson Athletic Scholarship	11,043
Colby Lee Wilson Debate Scholarship	9,819
Commercial Structures and Interiors (CSI) Scholarship	9,818

LEWISVILLE ISD EDUCATION FOUNDATION, INC.

NET ASSETS NOT SUBJECT TO APPROPRIATION OR EXPENDITURE (CONTINUED)

DECEMBER 31, 2023

Scholarship/Grant

Corbitt Family Scholarship	\$ 19,034
CoServ Charitable Foundation Endowed Scholarship	9,857
Dominic Pendola Memorial Scholarship	56,718
Doug Killough Memorial Scholarship	14,329
Dr. Penny Reddell Honorary Scholarship	10,322
Eiler and Adlaine Buck Scholarship	32,181
Elmo Brown Memorial Scholarship	9,633
Flower Mound Elementary PTA Scholarship	10,920
Flower Mound High School PTSA Scholarship	30,005
FMHS Football All American Scholarship	9,363
FMHS Football Booster Club Scholarship	11,345
Gary Goldsmith/Shadow Ridge MS PTA FMHS Senior Scholarship	19,274
Gavin A. Fleten Memorial Servant's Heart Scholarship	9,538
Greg and Angela Feldman Foundation Scholarship	21,393
Hebron HS PTSA Endowed Scholarship	15,578
Hicks Elementary PTA Scholarship	9,818
Highland Village Lions Foundation Scholarship	19,968
Homestead EL PTA "Mustangs With Character" Scholarship	9,748
Hunter Ray Berry Memorial Scholarship	15,831
Independence Elementary PTA Scholarship	9,328
J. K. and Gertrude DeLay Scholarship	12,042
J. L. Huffines, Sr. Memorial Scholarship	10,987
Jacob Mowl Memorial Scholarship	12,586
Jacqueline, Jason and Jordan Ulichnie Honorary Scholarship	9,749
Jared Louis Crane Memorial Scholarship	13,293
Jay, Scott and Jimmy Nelson Scholarship	33,064
Jenna Sigety Memorial Volleyball Scholarship	25,140
Jessica Gage Bonesio Memorial Scholarship	23,288
John Paul Nix Memorial Scholarship	12,812
Kara Barfknecht Memorial Scholarship	13,294
Kristen Jackson Memorial Scholarship	23,309
Kristen Webb Memorial Scholarship	9,960
Kyle Tilley Memorial Scholarship	38,088
Larry E. Sigler Memorial Scholarship	12,871
Larry L. Stover Memorial Student Scholarship	10,165
Lewisville High School 100 Year Alumni Pride Scholarship	10,322
Lewisville Noon Rotary Club Student Scholarship	10,767
Lewisville/FM Jaycees FMHS	9,749
Lewisville/FM Jaycees HHS	9,749
Lewisville/FM Jaycees LHS	10,267
Lewisville/FM Jaycees MHS	9,407
Lewisville/FM Jaycees TCHS	9,407

LEWISVILLE ISD EDUCATION FOUNDATION, INC.

NET ASSETS NOT SUBJECT TO APPROPRIATION OR EXPENDITURE (CONTINUED)

DECEMBER 31, 2023

Scholarship/Grant

LISD Council of PTAs Perm Scholarship	\$ 40,350
Lynn Boenker Feaster Scholarship	10,209
Marcie F. Cooley Memorial Scholarship	10,276
Marcus Heart of Excellence Scholarship	17,730
Marcus Aquatics Booster Club Scholarship	36,936
Marsha Hardesty Medcalf Memorial Scholarship	11,447
Martha & Richard Gooding Endowed Scholarship	24,405
Marty Kidd Memorial Scholarship	13,718
Mary Ann Ritchie Memorial Scholarship	9,345
Mary Hardinger/LISD Nurses Scholarship	19,186
McKamy Middle School PTA Scholarship	20,089
Melanie Sanford Gillan Young Athenians Fund	34,932
Meredith M. Gregory Memorial Scholarship	34,980
Ms. Carle Bluebonnet Elementary PTA Memorial Scholarship	10,587
Neal E. Wilson Memorial Scholarship	22,325
Olivia Aguirre&Rebecca Davila-Jossart's Journey Scholarship in Memory of Patta Jossart	12,255
Penny Lemoine Gooding Memorial Scholarship	17,093
Ricky McGee Memorial LHS Band Scholarship Fund	8,579
Rick Neill Memorial Scholarship	10,806
Robert W. Campbell Memorial Scholarship	10,170
Ron and Karen Harper Scholarship	15,763
Ron and Marilyn Allee Scholarship	14,255
Ronnie Gage Honorary Scholarship	9,805
Sean Branson Memorial Scholarship	10,335
Senior Citizens of The Colony Endowment Scholarship	9,931
Spc. Philip S. Schiller Memorial Scholarship	10,340
Sulo Legacy Scholarship	18,238
Sydney Bjornberg Forever and Always Believe Scholarship	9,957
Ted Barnes Memorial Scholarship	73,492
The Blasko Family Scholarship	10,034
The Buck Family Scholarship	60,981
The Grace Family Scholarship	10,863
The Long Family Scholarship	10,288
The Sue Dickens Memorial Scholarship	13,372
Thomas Hammerle Memorial Scholarship	34,976
Tim Mummey Memorial Scholarship	26,956
Timber Creek Elementary PTA Scholarship	9,885
Tom Cooper & Alan MacMorran Memorial Scholarship	9,818
Tom Naug Memorial Endowment	9,805
Tommy E. Briggs, Jr. Fighting Cougar Memorial Scholarship	10,288
Tommy E. Briggs, Jr. Memorial Scholarship	8,381

LEWISVILLE ISD EDUCATION FOUNDATION, INC.

NET ASSETS NOT SUBJECT TO APPROPRIATION OR EXPENDITURE (CONTINUED)

DECEMBER 31, 2023

<u>Scholarship/Grant</u>	
Trevor Nelson Heerwagen Scholarship	\$ 10,335
Tyler Stevenson Academic Decathlon Memorial Scholarship	21,772
Vanessa Dawn Close Memorial Scholarship	14,800
Vanessa Dawn Close/Donald Elementary Scholarship	15,665
Visionary Financial 'Follow Your Dreams Endowed Scholarship	9,906
Wendell H. Gregg Memorial Scholarship For DeLay Middle School Band Students	10,352
William Janvrin Memorial Scholarship	30,751
William Joseph King Memorial Scholarship	21,715
William "Kyle" O'Brien Sooner Memorial Scholarship	62,084
Woojae Leana Kim Memorial Scholarship	10,925
Zack Almand Memorial Scholarship	10,312
Judy Peterson Memorial Scholarship	8,458
Greater Lewisville Lions Fund Scholarship	9,507
Coach Marcia Cooke Memorial Scholarship	12,979
TIAA Scholarship	8,264
Neil E. Grant Family Scholarship	22,283
Mike and Debbie Campbell Honorary Endowed Scholarship	10,774
Courtney and Alex Mitchell Scholarship	9,648
Cross Timbers Rotary Club Endowed Scholarship	10,278
Donald Elementary PTA Scholarship Endowment	10,862
Dr. Kevin Rogers Honorary Endowment	14,375
Flower Mound Jaguars Water Polo Booster Club	11,379
HBCU Scholarship	10,700
Nurse Romaine Knapp Lee Honorary Scholarship	10,427
Sally Squib Honorary Scholarship	18,319
Tom Shearer Memorial Scholarship	21,428
Ralph Nasca Memorial Scholarship	10,779
Hennessey Family Trust	10,350
Arbor Creek Middle School PTA Endowed Scholarship	5,651
Five Star Ford of Lewisville Endowed Scholarship	10,350
Garden Ridge Elementary PTA	10,350
Juan Roberto Sandoval Memorial Scholarship	10,350
Luke Maddox Cross Country and Track Scholarship	20,731
Mary Lou & Jimmie Taylor Memorial Scholarship Fund	20,700
Rudy Durham Memorial Scholarship	20,700
Sue Ann Durham Honorary Scholarship	20,700
Caroline Moody Memorial Scholarship	10,810
Dr. King Annual Service Scholarship in Honor of Vernell Gregg	11,157
Marcus Tennis Scholarship	10,177
Shaila Hackler Memorial Scholarship	10,636
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Total	3,587,454