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**Return of Organization Exempt From Income Tax**

OMB No 1545-0047

**2011****Open to Public Inspection**Department of the Treasury  
Internal Revenue Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements

<b>A For the 2011 calendar year, or tax year beginning</b> July 1, 2011, and ending June 30, 2012	
<b>B</b> Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<b>C Name of organization</b> WCTC Foundation, Inc. <b>D Employer identification number</b> 39-1325835 <b>E Telephone number</b> 262-691-5214 <b>G Gross receipts \$</b> 1,342,727 <b>H(a)</b> Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <b>H(b)</b> Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list (see instructions) <b>H(c)</b> Group exemption number ▶ <b>I Tax-exempt status</b> <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) ( ) ◀ (insert no ) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527 <b>J Website:</b> ▶ <a href="http://www.wctc.edu/general_info/WCTC_foundation/index.php">http://www.wctc.edu/general_info/WCTC_foundation/index.php</a> <b>K Form of organization</b> <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶ <b>L Year of formation</b> 1977 <b>M State of legal domicile</b> WI
<b>F Name and address of principal officer</b> Doing Business As Number and street (or P O box if mail is not delivered to street address) Room/suite <b>800 Main Street C213</b> City or town, state or country, and ZIP + 4 <b>Pewaukee, WI 53072</b>	

**Part I Summary**

<b>Activities &amp; Governance</b>	<b>1</b>	Briefly describe the organization's mission or most significant activities. WCTC Foundation is a not-for-profit organization whose purpose is to solicit, hold, manage, invest and expend endowment funds and other gifts, grants and bequests exclusively for the maintenance and benefit of Waukesha County Technical College and its students.		
	<b>2</b>	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	<b>3</b>	Number of voting members of the governing body (Part VI, line 1a)	<b>3</b>	22
	<b>4</b>	Number of independent voting members of the governing body (Part VI, line 1b)	<b>4</b>	22
	<b>5</b>	Total number of individuals employed in calendar year 2011 (Part V, line 2a)	<b>5</b>	3
	<b>6</b>	Total number of volunteers (estimate if necessary)	<b>6</b>	50
	<b>7a</b>	Total unrelated business revenue from Part VIII, column (C), line 12	<b>7a</b>	-0-
<b>b</b>	Net unrelated business taxable income from Form 990-T, line 34	<b>7b</b>	-0-	
<b>Revenue</b>	<b>8</b>	Contributions and grants (Part VIII, line 1h)	<b>Prior Year</b>	<b>Current Year</b>
	<b>9</b>	Program service revenue (Part VIII, line 2g)	703,516	671,011
	<b>10</b>	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	168,970	174,039
	<b>11</b>	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	126,258	136,482
	<b>12</b>	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	357,352	361,195
	<b>12</b>		1,356,096	1,342,727
<b>Expenses</b>	<b>13</b>	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	710,756	641,818
	<b>14</b>	Benefits paid to or for members (Part IX, column (A), line 4)	-0-	-0-
	<b>15</b>	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	234,463	250,082
	<b>16a</b>	Professional fundraising fees (Part IX, column (A), line 11e)	-0-	-0-
	<b>b</b>	Total fundraising expenses (Part IX, column (D), line 25) ▶	-0-	-0-
	<b>17</b>	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	389,994	314,220
	<b>18</b>	Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)	1,335,213	1,206,120
	<b>19</b>	Revenue less expenses. Subtract line 18 from line 12	20,883	136,607
<b>Net Assets or Fund Balances</b>	<b>20</b>	Total assets (Part X, line 16)	<b>Beginning of Current Year</b>	<b>End of Year</b>
	<b>21</b>	Total liabilities (Part X, line 26)	4,992,537	4,949,076
	<b>22</b>	Net assets or fund balances. Subtract line 21 from line 20	149,134	69,124
			4,843,403	4,879,952

**Part II Signature Block**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

<b>Sign Here</b>	Signature of officer <i>Ellen S. Phillips</i>	Date <i>11/9/2012</i>			
	Type or print name and title <i>ELLEN S. Phillips, President</i>				
<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶	Firm's EIN ▶			
	Firm's address ▶	Phone no			

May the IRS discuss this return with the preparer shown above? (see instructions) ☐ Yes ☐ No

For Paperwork Reduction Act Notice, see the separate instructions.

Cat No 11282Y

Form **990** (2011)

SCANNED DEC 12 2012

90-17

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**Part III Statement of Program Service Accomplishments**Check if Schedule O contains a response to any question in this Part III ☐**1** Briefly describe the organization's mission:

WCTC Foundation is a not-for-profit organization whose purpose is to solicit, hold, manage, invest and expend endowment funds and other gifts, grants and bequests exclusively for the maintenance and benefit of Waukesha County Technical College and its students.

**2** Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No

If "Yes," describe these new services on Schedule O.

**3** Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No

If "Yes," describe these changes on Schedule O.

**4** Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

**4a** (Code: ) (Expenses \$ 641,818 including grants of \$ 641,818 ) (Revenue \$ 845,050 )  
 Revenues, both cash and in-kind, generated to support grants and scholarships to and for the benefit of students of WCTC.  
 All expenditures were for the direct benefit of the students and their learning environment.

**4b** (Code: ) (Expenses \$ including grants of \$ ) (Revenue \$ )

**4c** (Code: ) (Expenses \$ including grants of \$ ) (Revenue \$ )

**4d** Other program services (Describe in Schedule O.)  
 (Expenses \$ including grants of \$ ) (Revenue \$ )

**4e** Total program service expenses **▶** 641,818

**Part IV Checklist of Required Schedules**

	Yes	No
<b>1</b> Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A . . . . .	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>2</b> Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)? . . . . .	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>3</b> Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I . . . . .	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>4</b> <b>Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II . . . . .	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>5</b> Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III . . . . .	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>6</b> Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I . . . . .	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>7</b> Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II . . . . .	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>8</b> Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III . . . . .	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>9</b> Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV . . . . .	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>10</b> Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V . . . . .	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>11</b> If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
<b>a</b> Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI . . . . .	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>b</b> Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII . . . . .	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>c</b> Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII . . . . .	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>d</b> Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX . . . . .	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>e</b> Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X . . . . .	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>f</b> Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X . . . . .	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>12 a</b> Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII . . . . .	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>b</b> Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional . . . . .	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>13</b> Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E . . . . .	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>14 a</b> Did the organization maintain an office, employees, or agents outside of the United States? . . . . .	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>b</b> Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV . . . . .	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>15</b> Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Parts II and IV . . . . .	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>16</b> Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Parts III and IV . . . . .	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>17</b> Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions) . . . . .	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>18</b> Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II . . . . .	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>19</b> Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III . . . . .	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>20 a</b> Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H . . . . .	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>b</b> If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return? . . . . .	<input type="checkbox"/>	<input type="checkbox"/>

**Part IV Checklist of Required Schedules (continued)**

	Yes	No
<b>21</b> Did the organization report more than \$5,000 of grants and other assistance to any government or organization in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II . . . . .</i>	<b>21</b>	✓
<b>22</b> Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III . . . . .</i>	<b>22</b> ✓	
<b>23</b> Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J . . . . .</i>	<b>23</b>	✓
<b>24a</b> Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25 . . . . .</i>	<b>24a</b>	✓
<b>b</b> Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? . . . . .	<b>24b</b>	✓
<b>c</b> Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? . . . . .	<b>24c</b>	✓
<b>d</b> Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? . . . . .	<b>24d</b>	✓
<b>25a</b> <b>Section 501(c)(3) and 501(c)(4) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I . . . . .</i>	<b>25a</b>	✓
<b>b</b> Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I . . . . .</i>	<b>25b</b>	✓
<b>26</b> Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II . . . . .</i>	<b>26</b>	✓
<b>27</b> Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III . . . . .</i>	<b>27</b>	✓
<b>28</b> Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
<b>a</b> A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV . . . . .</i>	<b>28a</b>	✓
<b>b</b> A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV . . . . .</i>	<b>28b</b>	✓
<b>c</b> An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV . . . . .</i>	<b>28c</b>	✓
<b>29</b> Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M . . . . .</i>	<b>29</b> ✓	
<b>30</b> Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M . . . . .</i>	<b>30</b>	✓
<b>31</b> Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I . . . . .</i>	<b>31</b>	✓
<b>32</b> Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II . . . . .</i>	<b>32</b>	✓
<b>33</b> Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I . . . . .</i>	<b>33</b>	✓
<b>34</b> Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1 . . . . .</i>	<b>34</b>	✓
<b>35a</b> Did the organization have a controlled entity within the meaning of section 512(b)(13)? . . . . .	<b>35a</b>	✓
<b>b</b> Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2 . . . . .</i>	<b>35b</b>	✓
<b>36</b> <b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2 . . . . .</i>	<b>36</b>	✓
<b>37</b> Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI . . . . .</i>	<b>37</b>	✓
<b>38</b> Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? <b>Note.</b> All Form 990 filers are required to complete Schedule O . . . . .	<b>38</b> ✓	

**Part V Statements Regarding Other IRS Filings and Tax Compliance**Check if Schedule O contains a response to any question in this Part V ☐

		Yes	No
<b>1a</b>	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a	6
<b>b</b>	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	-0-
<b>c</b>	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	✓
<b>2a</b>	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	3
<b>b</b>	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? <b>Note.</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	2b	✓
<b>3a</b>	Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a	✓
<b>b</b>	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O	3b	✓
<b>4a</b>	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a	✓
<b>b</b>	If "Yes," enter the name of the foreign country: _____ See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts		
<b>5a</b>	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a	✓
<b>b</b>	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b	✓
<b>c</b>	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	5c	
<b>6a</b>	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?	6a	✓
<b>b</b>	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b	
<b>7</b>	<b>Organizations that may receive deductible contributions under section 170(c).</b>		
<b>a</b>	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a	✓
<b>b</b>	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b	
<b>c</b>	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c	✓
<b>d</b>	If "Yes," indicate the number of Forms 8282 filed during the year	7d	
<b>e</b>	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e	✓
<b>f</b>	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f	✓
<b>g</b>	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g	✓
<b>h</b>	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h	✓
<b>8</b>	<b>Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.</b> Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8	✓
<b>9</b>	<b>Sponsoring organizations maintaining donor advised funds.</b>		
<b>a</b>	Did the organization make any taxable distributions under section 4966?	9a	✓
<b>b</b>	Did the organization make a distribution to a donor, donor advisor, or related person?	9b	✓
<b>10</b>	<b>Section 501(c)(7) organizations.</b> Enter:		
<b>a</b>	Initiation fees and capital contributions included on Part VIII, line 12	10a	
<b>b</b>	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b	
<b>11</b>	<b>Section 501(c)(12) organizations.</b> Enter:		
<b>a</b>	Gross income from members or shareholders	11a	
<b>b</b>	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b	
<b>12a</b>	<b>Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041?	12a	
<b>b</b>	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b	
<b>13</b>	<b>Section 501(c)(29) qualified nonprofit health insurance issuers.</b>		
<b>a</b>	Is the organization licensed to issue qualified health plans in more than one state? <b>Note.</b> See the instructions for additional information the organization must report on Schedule O.	13a	
<b>b</b>	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b	
<b>c</b>	Enter the amount of reserves on hand	13c	
<b>14a</b>	Did the organization receive any payments for indoor tanning services during the tax year?	14a	✓
<b>b</b>	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	14b	

**Part VI Governance, Management, and Disclosure** For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response to any question in this Part VI ☒

**Section A. Governing Body and Management**

	Yes	No
<b>1a</b> Enter the number of voting members of the governing body at the end of the tax year . . . . . If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O	<b>1a</b> 22	
<b>b</b> Enter the number of voting members included in line 1a, above, who are independent . . . . .	<b>1b</b> 22	
<b>2</b> Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? . . . . .	<b>2</b>	<input checked="" type="checkbox"/>
<b>3</b> Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?	<b>3</b>	<input checked="" type="checkbox"/>
<b>4</b> Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	<b>4</b>	<input checked="" type="checkbox"/>
<b>5</b> Did the organization become aware during the year of a significant diversion of the organization's assets? .	<b>5</b>	<input checked="" type="checkbox"/>
<b>6</b> Did the organization have members or stockholders? . . . . .	<b>6</b>	<input checked="" type="checkbox"/>
<b>7a</b> Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body? . . . . .	<b>7a</b>	<input checked="" type="checkbox"/>
<b>b</b> Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body? . . . . .	<b>7b</b>	<input checked="" type="checkbox"/>
<b>8</b> Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
<b>a</b> The governing body? . . . . .	<b>8a</b>	<input checked="" type="checkbox"/>
<b>b</b> Each committee with authority to act on behalf of the governing body? . . . . .	<b>8b</b>	<input checked="" type="checkbox"/>
<b>9</b> Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O . . . . .	<b>9</b>	<input checked="" type="checkbox"/>

**Section B. Policies** (This Section B requests information about policies not required by the Internal Revenue Code.)

	Yes	No
<b>10a</b> Did the organization have local chapters, branches, or affiliates? . . . . .	<b>10a</b>	<input checked="" type="checkbox"/>
<b>b</b> If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	<b>10b</b>	
<b>11a</b> Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	<b>11a</b>	<input checked="" type="checkbox"/>
<b>b</b> Describe in Schedule O the process, if any, used by the organization to review this Form 990		
<b>12a</b> Did the organization have a written conflict of interest policy? If "No," go to line 13 . . . . .	<b>12a</b>	<input checked="" type="checkbox"/>
<b>b</b> Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	<b>12b</b>	<input checked="" type="checkbox"/>
<b>c</b> Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done . . . . .	<b>12c</b>	<input checked="" type="checkbox"/>
<b>13</b> Did the organization have a written whistleblower policy? . . . . .	<b>13</b>	<input checked="" type="checkbox"/>
<b>14</b> Did the organization have a written document retention and destruction policy? . . . . .	<b>14</b>	<input checked="" type="checkbox"/>
<b>15</b> Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
<b>a</b> The organization's CEO, Executive Director, or top management official . . . . .	<b>15a</b>	<input checked="" type="checkbox"/>
<b>b</b> Other officers or key employees of the organization . . . . .	<b>15b</b>	<input checked="" type="checkbox"/>
If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).		
<b>16a</b> Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? . . . . .	<b>16a</b>	<input checked="" type="checkbox"/>
<b>b</b> If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements? . . . . .	<b>16b</b>	

**Section C. Disclosure**

**17** List the states with which a copy of this Form 990 is required to be filed ► **Wisconsin**

**18** Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.  
☐ Own website ☐ Another's website ☒ Upon request

**19** Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.

**20** State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ► **Cary Tessmann c/o WCTC 800 Main Street Pewaukee, WI 53072**

**Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**Check if Schedule O contains a response to any question in this Part VII ☐**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees****1a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) See attached list of trustees	varies							-0-	-0-	-0-
(2) Ellen S. Phillips Foundation President	40				✓	✓		129,126	-0-	8,297
(3)										
(4)										
(5)										
(6)										
(7)										
(8)										
(9)										
(10)										
(11)										
(12)										
(13)										
(14)										



**Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)**

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(15)										
(16)										
(17)										
(18)										
(19)										
(20)										
(21)										
(22)										
(23)										
(24)										
(25)										
<b>1b Sub-total</b>								129,126		8,297
<b>c Total from continuation sheets to Part VII, Section A</b>										
<b>d Total (add lines 1b and 1c)</b>								129,126		8,297

**2** Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **▶ 1**

	Yes	No
<b>3</b> Did the organization list any <b>former</b> officer, director, or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual		✓
<b>4</b> For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual		✓
<b>5</b> Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person		✓

**Section B. Independent Contractors**

**1** Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation

**2** Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization **▶ None**

**Part VIII Statement of Revenue**

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
<b>Contributions, Gifts, Grants and Other Similar Amounts</b>	<b>1a</b>	Federated campaigns . . . . .	<b>1a</b>				
	<b>b</b>	Membership dues . . . . .	<b>1b</b>				
	<b>c</b>	Fundraising events . . . . .	<b>1c</b>				
	<b>d</b>	Related organizations . . . . .	<b>1d</b>				
	<b>e</b>	Government grants (contributions)	<b>1e</b>				
	<b>f</b>	All other contributions, gifts, grants, and similar amounts not included above	<b>1f</b>	671,011			
	<b>g</b>	Noncash contributions included in lines 1a-1f \$		197,902			
	<b>h</b>	<b>Total.</b> Add lines 1a-1f . . . . . ▶		671,011			
<b>Program Service Revenue</b>				<b>Business Code</b>			
	<b>2a</b>	Fees for services . . . . .		813219	174,039		
	<b>b</b>	_____					
	<b>c</b>	_____					
	<b>d</b>	_____					
	<b>e</b>	_____					
	<b>f</b>	All other program service revenue .					
	<b>g</b>	<b>Total.</b> Add lines 2a-2f . . . . . ▶		174,039			
<b>Other Revenue</b>	<b>3</b>	Investment income (including dividends, interest, and other similar amounts) . . . . . ▶		40,807	40,807		
	<b>4</b>	Income from investment of tax-exempt bond proceeds ▶					
	<b>5</b>	Royalties . . . . . ▶					
			(i) Real	(ii) Personal			
	<b>6a</b>	Gross rents . . . . .	361,195				
	<b>b</b>	Less: rental expenses . . . . .					
	<b>c</b>	Rental income or (loss) . . . . .					
	<b>d</b>	Net rental income or (loss) . . . . . ▶	361,195	361,195			
	<b>7a</b>	Gross amount from sales of assets other than inventory . . . . .	(i) Securities	(ii) Other			
			1,279,920				
	<b>b</b>	Less: cost or other basis and sales expenses . . . . .	1,184,245				
	<b>c</b>	Gain or (loss) . . . . .	95,675				
	<b>d</b>	Net gain or (loss) . . . . . ▶	95,675	95,675			
	<b>8a</b>	Gross income from fundraising events (not including \$ of contributions reported on line 1c) See Part IV, line 18 . . . . .	<b>a</b>				
	<b>b</b>	Less: direct expenses . . . . .	<b>b</b>				
	<b>c</b>	Net income or (loss) from fundraising events . . ▶					
	<b>9a</b>	Gross income from gaming activities. See Part IV, line 19 . . . . .	<b>a</b>				
	<b>b</b>	Less: direct expenses . . . . .	<b>b</b>				
	<b>c</b>	Net income or (loss) from gaming activities . . ▶					
	<b>10a</b>	Gross sales of inventory, less returns and allowances . . . . .	<b>a</b>				
<b>b</b>	Less: cost of goods sold . . . . .	<b>b</b>					
<b>c</b>	Net income or (loss) from sales of inventory . . ▶						
<b>Miscellaneous Revenue</b>			<b>Business Code</b>				
<b>11a</b>	_____						
<b>b</b>	_____						
<b>c</b>	_____						
<b>d</b>	All other revenue . . . . .						
<b>e</b>	<b>Total.</b> Add lines 11a-11d . . . . . ▶						
<b>12</b>	<b>Total revenue.</b> See instructions. . . . . ▶		1,342,727	497,677			

**Part IX Statement of Functional Expenses**

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Check if Schedule O contains a response to any question in this Part IX ☐

**Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.**

	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
<b>1</b> Grants and other assistance to governments and organizations in the United States See Part IV, line 21	197,902	197,902		
<b>2</b> Grants and other assistance to individuals in the United States See Part IV, line 22	443,916	443,916		
<b>3</b> Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16				
<b>4</b> Benefits paid to or for members				
<b>5</b> Compensation of current officers, directors, trustees, and key employees	129,126		129,126	
<b>6</b> Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
<b>7</b> Other salaries and wages	90,174		90,174	
<b>8</b> Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)				
<b>9</b> Other employee benefits	14,526		14,526	
<b>10</b> Payroll taxes	16,256		16,256	
<b>11</b> Fees for services (non-employees):				
<b>a</b> Management				
<b>b</b> Legal				
<b>c</b> Accounting	5,000		5,000	
<b>d</b> Lobbying				
<b>e</b> Professional fundraising services See Part IV, line 17				
<b>f</b> Investment management fees	18,529		18,529	
<b>g</b> Other	2,148		2,148	
<b>12</b> Advertising and promotion	1,513		1,513	
<b>13</b> Office expenses	12,783		12,783	
<b>14</b> Information technology				
<b>15</b> Royalties				
<b>16</b> Occupancy	264,740		264,740	
<b>17</b> Travel				
<b>18</b> Payments of travel or entertainment expenses for any federal, state, or local public officials				
<b>19</b> Conferences, conventions, and meetings	2,816		2,816	
<b>20</b> Interest				
<b>21</b> Payments to affiliates				
<b>22</b> Depreciation, depletion, and amortization				
<b>23</b> Insurance	3,139		3,139	
<b>24</b> Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O)				
<b>a</b> Subscriptions	1,772		1,772	
<b>b</b> Bad Debts	1,780		1,780	
<b>c</b>				
<b>d</b>				
<b>e</b> All other expenses				
<b>25</b> Total functional expenses. Add lines 1 through 24e	1,206,120	641,818	564,302	
<b>26</b> Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

**Part X Balance Sheet**

		(A) Beginning of year		(B) End of year
<b>Assets</b>	<b>1</b> Cash—non-interest-bearing . . . . .	259,233	<b>1</b>	260,777
	<b>2</b> Savings and temporary cash investments . . . . .		<b>2</b>	
	<b>3</b> Pledges and grants receivable, net . . . . .	20,050	<b>3</b>	20,011
	<b>4</b> Accounts receivable, net . . . . .	7,503	<b>4</b>	1,882
	<b>5</b> Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L . . . . .		<b>5</b>	
	<b>6</b> Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) . . . . .		<b>6</b>	
	<b>7</b> Notes and loans receivable, net . . . . .		<b>7</b>	
	<b>8</b> Inventories for sale or use . . . . .		<b>8</b>	
	<b>9</b> Prepaid expenses and deferred charges . . . . .	1,983	<b>9</b>	2,005
	<b>10a</b> Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D . . . . .	<b>10a</b> 2,910,111		
	<b>b</b> Less: accumulated depreciation . . . . .	<b>10b</b> 1,512,963		
	<b>11</b> Investments—publicly traded securities . . . . .	1,471,918	<b>10c</b>	1,397,148
	<b>12</b> Investments—other securities. See Part IV, line 11 . . . . .	3,231,850	<b>11</b>	3,267,253
	<b>13</b> Investments—program-related. See Part IV, line 11 . . . . .		<b>12</b>	
	<b>14</b> Intangible assets . . . . .		<b>13</b>	
	<b>15</b> Other assets. See Part IV, line 11 . . . . .		<b>14</b>	
<b>16</b> <b>Total assets.</b> Add lines 1 through 15 (must equal line 34) . . . . .	4,992,537	<b>15</b>	4,949,076	
<b>Liabilities</b>	<b>17</b> Accounts payable and accrued expenses . . . . .	89,408	<b>16</b>	4,949,076
	<b>18</b> Grants payable . . . . .		<b>17</b>	594
	<b>19</b> Deferred revenue . . . . .		<b>18</b>	
	<b>20</b> Tax-exempt bond liabilities . . . . .	1,250	<b>19</b>	3,401
	<b>21</b> Escrow or custodial account liability. Complete Part IV of Schedule D . . . . .		<b>20</b>	
	<b>22</b> Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L . . . . .		<b>21</b>	
	<b>23</b> Secured mortgages and notes payable to unrelated third parties . . . . .		<b>22</b>	
	<b>24</b> Unsecured notes and loans payable to unrelated third parties . . . . .		<b>23</b>	
	<b>25</b> Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D . . . . .	58,476	<b>24</b>	65,129
	<b>26</b> <b>Total liabilities.</b> Add lines 17 through 25 . . . . .	149,134	<b>25</b>	69,124
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow SFAS 117, check here</b> <input checked="" type="checkbox"/> <b>and complete lines 27 through 29, and lines 33 and 34.</b>		<b>26</b>	69,124
	<b>27</b> Unrestricted net assets . . . . .	1,682,007		
	<b>28</b> Temporarily restricted net assets . . . . .	2,398,860	<b>27</b>	1,669,410
	<b>29</b> Permanently restricted net assets . . . . .	762,536	<b>28</b>	2,420,243
	<b>Organizations that do not follow SFAS 117, check here</b> <input type="checkbox"/> <b>and complete lines 30 through 34.</b>		<b>29</b>	790,299
	<b>30</b> Capital stock or trust principal, or current funds . . . . .			
	<b>31</b> Paid-in or capital surplus, or land, building, or equipment fund . . . . .		<b>30</b>	
	<b>32</b> Retained earnings, endowment, accumulated income, or other funds . . . . .		<b>31</b>	
	<b>33</b> <b>Total net assets or fund balances</b> . . . . .	4,843,403	<b>32</b>	4,879,952
	<b>34</b> <b>Total liabilities and net assets/fund balances</b> . . . . .	4,992,537	<b>33</b>	4,879,952
		<b>34</b>	4,949,076	

**Part XI Reconciliation of Net Assets**Check if Schedule O contains a response to any question in this Part XI ☐

<b>1</b>	Total revenue (must equal Part VIII, column (A), line 12)	<b>1</b>	1,342,727
<b>2</b>	Total expenses (must equal Part IX, column (A), line 25)	<b>2</b>	1,206,120
<b>3</b>	Revenue less expenses Subtract line 2 from line 1	<b>3</b>	136,607
<b>4</b>	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	<b>4</b>	4,843,403
<b>5</b>	Other changes in net assets or fund balances (explain in Schedule O)	<b>5</b>	(100,058)
<b>6</b>	Net assets or fund balances at end of year. Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	<b>6</b>	4,879,952

**Part XII Financial Statements and Reporting**Check if Schedule O contains a response to any question in this Part XII ☒

- 1** Accounting method used to prepare the Form 990: ☐ Cash ☒ Accrual ☐ Other \_\_\_\_\_  
If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O
- 2a** Were the organization's financial statements compiled or reviewed by an independent accountant?
- b** Were the organization's financial statements audited by an independent accountant?
- c** If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?  
If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.
- d** If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both:  
☒ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis
- 3a** As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?
- b** If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits

	Yes	No
<b>2a</b>		✓
<b>2b</b>	✓	
<b>2c</b>	✓	
<b>3a</b>		✓
<b>3b</b>		

**SCHEDULE A**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

**Public Charity Status and Public Support**

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No 1545-0047

**2011**

**Open to Public Inspection**

Name of the organization  
**WCTC Foundation, Inc.**

Employer identification number  
**39-1325835**

**Part I Reason for Public Charity Status** (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

- 1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**
- 2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E.)
- 3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
- 4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state.
- 5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)
- 6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
- 7 ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 8 ☐ A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 9 ☐ An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2).** (Complete Part III.)
- 10 ☐ An organization organized and operated exclusively to test for public safety See **section 509(a)(4).**
- 11 ☒ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h.

a ☒ Type I      b ☐ Type II      c ☐ Type III—Functionally integrated      d ☐ Type III—Other

e ☒ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).

f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box ☐

g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization? . . . . .

(ii) A family member of a person described in (i) above? . . . . .

(iii) A 35% controlled entity of a person described in (i) or (ii) above? . . . . .

	Yes	No
11g(i)		✓
11g(ii)		✓
11g(iii)		✓

h Provide the following information about the supported organization(s)

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1–9 above or IRC section (see instructions))	(iv) Is the organization in col. (i) listed in your governing document?		(v) Did you notify the organization in col. (i) of your support?		(vi) Is the organization in col. (i) organized in the U S?		(vii) Amount of support
			Yes	No	Yes	No	Yes	No	
(A) Waukesha County Technical College	39-6005054	6	✓		✓		✓		671,011
(B)									
(C)									
(D)									
(E)									
<b>Total</b>									<b>671,011</b>

**Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ►	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") . . . . .						
<b>2</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf . . . . .						
<b>3</b> The value of services or facilities furnished by a governmental unit to the organization without charge . . . . .						
<b>4</b> <b>Total.</b> Add lines 1 through 3 . . . . .						
<b>5</b> The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f) . . . . .						
<b>6</b> <b>Public support.</b> Subtract line 5 from line 4.						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ►	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
<b>7</b> Amounts from line 4 . . . . .						
<b>8</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources . . . . .						
<b>9</b> Net income from unrelated business activities, whether or not the business is regularly carried on . . . . .						
<b>10</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.) . . . . .						
<b>11</b> <b>Total support.</b> Add lines 7 through 10						
<b>12</b> Gross receipts from related activities, etc. (see instructions) . . . . .					<b>12</b>	
<b>13</b> <b>First five years.</b> If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and <b>stop here</b> . . . . .						<input type="checkbox"/>

**Section C. Computation of Public Support Percentage**

<b>14</b> Public support percentage for 2011 (line 6, column (f) divided by line 11, column (f)) . . . . .	<b>14</b>	%
<b>15</b> Public support percentage from 2010 Schedule A, Part II, line 14 . . . . .	<b>15</b>	%
<b>16a</b> <b>33<sup>1</sup>/<sub>3</sub>% support test—2011.</b> If the organization did not check the box on line 13, and line 14 is 33 <sup>1</sup> / <sub>3</sub> % or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization . . . . .		<input type="checkbox"/>
<b>b</b> <b>33<sup>1</sup>/<sub>3</sub>% support test—2010.</b> If the organization did not check a box on line 13 or 16a, and line 15 is 33 <sup>1</sup> / <sub>3</sub> % or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization . . . . .		<input type="checkbox"/>
<b>17a</b> <b>10%-facts-and-circumstances test—2011.</b> If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and <b>stop here.</b> Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization . . . . .		<input type="checkbox"/>
<b>b</b> <b>10%-facts-and-circumstances test—2010.</b> If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and <b>stop here.</b> Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization . . . . .		<input type="checkbox"/>
<b>18</b> <b>Private foundation.</b> If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions . . . . .		<input type="checkbox"/>

**Part III Support Schedule for Organizations Described in Section 509(a)(2)**

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II.  
If the organization fails to qualify under the tests listed below, please complete Part II.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ►	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
<b>2</b> Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose . . . . .						
<b>3</b> Gross receipts from activities that are not an unrelated trade or business under section 513						
<b>4</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf . . . . .						
<b>5</b> The value of services or facilities furnished by a governmental unit to the organization without charge . . . . .						
<b>6 Total.</b> Add lines 1 through 5 . . . . .						
<b>7a</b> Amounts included on lines 1, 2, and 3 received from disqualified persons						
<b>b</b> Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
<b>c</b> Add lines 7a and 7b . . . . .						
<b>8 Public support</b> (Subtract line 7c from line 6) . . . . .						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ►	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
<b>9</b> Amounts from line 6 . . . . .						
<b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
<b>b</b> Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
<b>c</b> Add lines 10a and 10b . . . . .						
<b>11</b> Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
<b>12</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.) . . . . .						
<b>13 Total support.</b> (Add lines 9, 10c, 11, and 12.) . . . . .						
<b>14 First five years.</b> If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and <b>stop here</b> . . . . . <input type="checkbox"/>						

**Section C. Computation of Public Support Percentage**

<b>15</b> Public support percentage for 2011 (line 8, column (f) divided by line 13, column (f)) . . . . .	<b>15</b>	%
<b>16</b> Public support percentage from 2010 Schedule A, Part III, line 15 . . . . .	<b>16</b>	%

**Section D. Computation of Investment Income Percentage**

<b>17</b> Investment income percentage for <b>2011</b> (line 10c, column (f) divided by line 13, column (f)) . . . . .	<b>17</b>	%
<b>18</b> Investment income percentage from <b>2010</b> Schedule A, Part III, line 17 . . . . .	<b>18</b>	%
<b>19a 33<sup>1</sup>/<sub>3</sub>% support tests—2011.</b> If the organization did not check the box on line 14, and line 15 is more than 33 <sup>1</sup> / <sub>3</sub> %, and line 17 is not more than 33 <sup>1</sup> / <sub>3</sub> %, check this box and <b>stop here</b> . The organization qualifies as a publicly supported organization ► <input type="checkbox"/>		
<b>b 33<sup>1</sup>/<sub>3</sub>% support tests—2010.</b> If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 <sup>1</sup> / <sub>3</sub> %, and line 18 is not more than 33 <sup>1</sup> / <sub>3</sub> %, check this box and <b>stop here</b> . The organization qualifies as a publicly supported organization ► <input type="checkbox"/>		
<b>20 Private foundation.</b> If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ► <input type="checkbox"/>		



**Part IV** **Supplemental Information.** Complete this part to provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information. (See instructions).

**SCHEDULE D  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Supplemental Financial Statements**

► **Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.**  
► **Attach to Form 990. ► See separate instructions.**

OMB No 1545-0047

**2011**

**Open to Public  
Inspection**

Name of the organization

WCTC Foundation, Inc.

Employer identification number

39-1325835

**Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.** Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year . . . . .	111	
2 Aggregate contributions to (during year) . . . . .	369,147	
3 Aggregate grants from (during year) . . . . .	291,277	
4 Aggregate value at end of year . . . . .	1,774,355	
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? . . . . . <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? . . . . . <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		

**Part II Conservation Easements.** Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).  
☐ Preservation of land for public use (e.g., recreation or education) ☐ Preservation of an historically important land area  
☐ Protection of natural habitat ☐ Preservation of a certified historic structure  
☐ Preservation of open space

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Tax Year
a Total number of conservation easements . . . . .	2a
b Total acreage restricted by conservation easements . . . . .	2b
c Number of conservation easements on a certified historic structure included in (a) . . . . .	2c
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register . . . . .	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ►

4 Number of states where property subject to conservation easement is located ►

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? . . . . . ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ►

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ► \$

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B) (i) and section 170(h)(4)(B)(ii)? . . . . . ☐ Yes ☐ No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenues included in Form 990, Part VIII, line 1 . . . . . ► \$

(ii) Assets included in Form 990, Part X . . . . . ► \$

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:

a Revenues included in Form 990, Part VIII, line 1 . . . . . ► \$

b Assets included in Form 990, Part X . . . . . ► \$

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets** (continued)

**3** Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

**a** ☐ Public exhibition

**d** ☐ Loan or exchange programs

**b** ☐ Scholarly research

**e** ☐ Other .....

**c** ☐ Preservation for future generations

**4** Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.

**5** During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☒ No

**Part IV Escrow and Custodial Arrangements.** Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

**1a** Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☒ No

**b** If "Yes," explain the arrangement in Part XIV and complete the following table:

	Amount
<b>c</b> Beginning balance	<b>1c</b>
<b>d</b> Additions during the year	<b>1d</b>
<b>e</b> Distributions during the year	<b>1e</b>
<b>f</b> Ending balance	<b>1f</b>

**2a** Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☒ No

**b** If "Yes," explain the arrangement in Part XIV.

**Part V Endowment Funds.** Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
<b>1a</b> Beginning of year balance	762,536	741,499	715,390	709,309	
<b>b</b> Contributions	24,098	17,466	24,299	13,376	
<b>c</b> Net investment earnings, gains, and losses	3,665	3,571	1,810	-0-	
<b>d</b> Grants or scholarships	-0-	-0-	-0-	7,295	
<b>e</b> Other expenditures for facilities and programs	-0-	-0-	-0-	-0-	
<b>f</b> Administrative expenses	-0-	-0-	-0-	-0-	
<b>g</b> End of year balance	790,299	762,536	741,499	715,390	

**2** Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

**a** Board designated or quasi-endowment ☐ %

**b** Permanent endowment ☒ 100 %

**c** Temporarily restricted endowment ☐ %

The percentages in lines 2a, 2b, and 2c should equal 100%.

**3a** Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

(i) unrelated organizations

	Yes	No
<b>3a(i)</b>		<input checked="" type="checkbox"/>

(ii) related organizations

<b>3a(ii)</b>		<input checked="" type="checkbox"/>
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**b** If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

<b>3b</b>		
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**4** Describe in Part XIV the intended uses of the organization's endowment funds.

**Part VI Land, Buildings, and Equipment.** See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
<b>1a</b> Land		53,218		53,218
<b>b</b> Buildings		2,711,222	1,367,292	1,343,930
<b>c</b> Leasehold improvements				
<b>d</b> Equipment		139,701	139,701	-0-
<b>e</b> Other		5,970	5,970	-0-
<b>Total.</b> Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				1,397,148

**Part VII Investments—Other Securities.** See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives . . . . .		
(2) Closely-held equity interests . . . . .		
(3) Other _____		
(A) _____		
(B) _____		
(C) _____		
(D) _____		
(E) _____		
(F) _____		
(G) _____		
(H) _____		
(I) _____		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 12.) ►		

**Part VIII Investments—Program Related.** See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) _____		
(2) _____		
(3) _____		
(4) _____		
(5) _____		
(6) _____		
(7) _____		
(8) _____		
(9) _____		
(10) _____		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 13.) ►		

**Part IX Other Assets.** See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1) _____	
(2) _____	
(3) _____	
(4) _____	
(5) _____	
(6) _____	
(7) _____	
(8) _____	
(9) _____	
(10) _____	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) . . . . . ►	

**Part X Other Liabilities.** See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) _____	
(3) _____	
(4) _____	
(5) _____	
(6) _____	
(7) _____	
(8) _____	
(9) _____	
(10) _____	
(11) _____	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ►	

**2. FIN 48 (ASC 740) Footnote.** In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740).

**Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements**

<b>1</b>	Total revenue (Form 990, Part VIII, column (A), line 12)	<b>1</b>	1,342,727
<b>2</b>	Total expenses (Form 990, Part IX, column (A), line 25)	<b>2</b>	1,206,120
<b>3</b>	Excess or (deficit) for the year. Subtract line 2 from line 1	<b>3</b>	136,607
<b>4</b>	Net unrealized gains (losses) on investments	<b>4</b>	(100,058)
<b>5</b>	Donated services and use of facilities	<b>5</b>	
<b>6</b>	Investment expenses	<b>6</b>	
<b>7</b>	Prior period adjustments	<b>7</b>	
<b>8</b>	Other (Describe in Part XIV.)	<b>8</b>	
<b>9</b>	Total adjustments (net). Add lines 4 through 8	<b>9</b>	
<b>10</b>	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	<b>10</b>	36,549

**Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return**

<b>1</b>	Total revenue, gains, and other support per audited financial statements	<b>1</b>	1,242,669
<b>2</b>	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
<b>a</b>	Net unrealized gains on investments	<b>2a</b>	(100,058)
<b>b</b>	Donated services and use of facilities	<b>2b</b>	
<b>c</b>	Recoveries of prior year grants	<b>2c</b>	
<b>d</b>	Other (Describe in Part XIV.)	<b>2d</b>	
<b>e</b>	Add lines 2a through 2d	<b>2e</b>	(100,058)
<b>3</b>	Subtract line 2e from line 1	<b>3</b>	1,342,727
<b>4</b>	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
<b>a</b>	Investment expenses not included on Form 990, Part VIII, line 7b	<b>4a</b>	
<b>b</b>	Other (Describe in Part XIV.)	<b>4b</b>	
<b>c</b>	Add lines 4a and 4b	<b>4c</b>	909
<b>5</b>	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)	<b>5</b>	1,342,727

**Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return**

<b>1</b>	Total expenses and losses per audited financial statements	<b>1</b>	1,206,120
<b>2</b>	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
<b>a</b>	Donated services and use of facilities	<b>2a</b>	
<b>b</b>	Prior year adjustments	<b>2b</b>	
<b>c</b>	Other losses	<b>2c</b>	
<b>d</b>	Other (Describe in Part XIV.)	<b>2d</b>	
<b>e</b>	Add lines 2a through 2d	<b>2e</b>	-0-
<b>3</b>	Subtract line 2e from line 1	<b>3</b>	1,260,120
<b>4</b>	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
<b>a</b>	Investment expenses not included on Form 990, Part VIII, line 7b	<b>4a</b>	
<b>b</b>	Other (Describe in Part XIV.)	<b>4b</b>	
<b>c</b>	Add lines 4a and 4b	<b>4c</b>	-0-
<b>5</b>	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)	<b>5</b>	1,260,120

**Part XIV Supplemental Information**

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

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SCHEDULE I  
(Form 990)

Grants and Other Assistance to Organizations,  
Governments, and Individuals in the United States

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.

Department of the Treasury  
Internal Revenue Service  
Name of the organization

WCTC Foundation, Inc.

▶ Attach to Form 990.

Employer identification number

39-1325835

Part I General Information on Grants and Assistance

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? . . . . . ☐ Yes ☐ No

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000.

Part II can be duplicated if additional space is needed ☐

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) WCTC 800 Main St Pewaukee, WI 53072	39-6005054			197,902 FMV		Supplies, autos, equipmt	Student tech learning
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							
(8)							
(9)							
(10)							
(11)							
(12)							

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table . . . . . 1  
3 Enter total number of other organizations listed in the line 1 table . . . . . -0-

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Cat No. 50055P

Schedule I (Form 990) (2011)

**Part III** **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 22.  
Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
1 Cash scholarships to qualifying students	638	\$443,916	-0-	FMV	N/A
2					
3					
4					
5					
6					
7					
<b>Part IV</b> <b>Supplemental Information.</b> Complete this part to provide the information required in Part I, line 2, and any other additional information.					

The scholarship process is handled as a part of Waukesha County Technical College's financial aid process. Scholarship availability is publicized to students

through printed materials and on-line resources. Applications must be completed by the students and are reviewed by a selection committee based on merit

and need. Funds are first applied to any tuition, fees and supplies owed by the student recipient. Excess funds are disbursed to the student. Average awards

range between \$125 - \$1,000.

**SCHEDULE J  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

Name of the organization

WCTC Foundation, Inc.

**Compensation Information**

For certain Officers, Directors, Trustees, Key Employees, and Highest  
Compensated Employees

▶ Complete if the organization answered "Yes" to Form 990,  
Part IV, line 23.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

**2011**

**Open to Public  
Inspection**

Employer identification number

39-1325835

**Part I Questions Regarding Compensation**

**1a** Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

☐ First-class or charter travel

☐ Travel for companions

☐ Tax indemnification and gross-up payments

☐ Discretionary spending account

☐ Housing allowance or residence for personal use

☐ Payments for business use of personal residence

☐ Health or social club dues or initiation fees

☐ Personal services (e.g., maid, chauffeur, chef)

**b** If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain.

**2** Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?

**3** Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director. Explain in Part III.

☒ Compensation committee

☐ Independent compensation consultant

☐ Form 990 of other organizations

☒ Written employment contract

☐ Compensation survey or study

☒ Approval by the board or compensation committee

**4** During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:

**a** Receive a severance payment or change-of-control payment?

**b** Participate in, or receive payment from, a supplemental nonqualified retirement plan?

**c** Participate in, or receive payment from, an equity-based compensation arrangement?

If "Yes" to any of lines 4a–c, list the persons and provide the applicable amounts for each item in Part III.

**Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5–9.**

**5** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

**a** The organization?

**b** Any related organization?

If "Yes" to line 5a or 5b, describe in Part III.

**6** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

**a** The organization?

**b** Any related organization?

If "Yes" to line 6a or 6b, describe in Part III.

**7** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III.

**8** Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III.

**9** If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

Yes No

1b

2

4a

4b

4c

5a

5b

6a

6b

7

8

9



**Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

**Note.** The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

	(A) Name	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1	Ellen S Phillips	129,126	-0-	1,841	6,456	-0-	137,423	-0-
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								

**SCHEDULE O**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

**Supplemental Information to Form 990 or 990-EZ**

Complete to provide information for responses to specific questions on  
Form 990 or 990-EZ or to provide any additional information.

► Attach to Form 990 or 990-EZ.

OMB No 1545-0047

**2011**

**Open to Public  
Inspection**

Name of the organization

WCTC Foundation, Inc.

Employer identification number

39-1325835

**Form 990, Part VI, Question 11A**

Upon completion of the Form 990 and accompanying schedules, the documents are made available to all members  
board of trustees for their review, discussion and input. Changes are made as necessary before the Form 990 is  
signed and submitted.

**Form 990, Part VI, Question 12c**

The organization maintains a written conflict of interest policy wherein all members and key employees disclose  
interests that could give rise to conflicts or state the lack thereof. The statement is signed by each individual and  
a copy is retained by the organization. The policy is reviewed and discussed annually as part of a regular meeting  
of the board.

**Form 990, Part VI, Question 15b**

The compensation of the organization's president is documented in a written employment agreement and  
executed by the board president and key employee. Compensation is reviewed annually by the organization's  
executive committee of the the board of directors. For purposes of determining a fair market level of compensation,  
the committee uses market data of wages and benefits of comparable organizations and positions. The wage and  
benefit levels are reviewed, discussed and voted upon in committee.

**Form 990, Part VI, Question 19**

WCTC Foundation, Inc. makes its governing documents, conflict of interest policy, and financial statements available  
to the public upon request. Contact information is provided by the organization's website.

**Form 990, Part XI, Line 5**

Other changes in net assets represents unrealized decrease in market value of marketable securities - \$100,058

**W C T C  
Foundation  
— Inc. —**

**800 Main Street  
Pewaukee, WI 53072  
(262) 691-5202**

**Board of Directors  
2011-2012**

David Bahl  
President, Weldall Manufacturing, Inc.

Richard R. Brandt  
Sr. Campaign Associate  
United Way of Milwaukee

Thomas R. Brophy  
Owner, Brophy Financial

Eric Delzer  
President, Delzer Lithograph Company

Tony Drehfal  
Staff Representative, WCTC

Margaret Farrow  
Former Lt. Governor, State of Wisconsin

Howard Halaska  
President, Scheibel Halaska, Strategic  
Marketing Communications

Brian Henke  
Owner, Henke Investments

Judy Jorgensen  
Retired WCTC Dean

Mark Jorgensen  
Management Representative, WCTC

Jan Lennon  
Civic Volunteer

Mary C. Owen, R.N.  
Civic Volunteer

Dick Richards  
Owner, Country Springs Hotel & Conference Center

James P. Riley  
Vice President, Waukesha State Bank

Mary Schrimpf  
VP, Finance & Administration, Spacesaver Corp.

Stuart Schroeder  
Attorney, The Schroeder Group, S.C.

Paul R. Sehmer  
Shareholder/Partner, Winter, Kloman, Moter & Repp

Ruth Sells  
Civic Volunteer (Past District Board Chair)

Ford Titus  
Retired CEO, ProHealth Care

Mary Vasquez  
Faculty Representative, WCTC

Dawn Voigt  
AWP Representative, WCTC

Dan Wolfgram  
Personal Lines Vice President, R & R Insurance, Inc.

Ex-Officios

Ellen S. Phillips, President, WCTC Foundation, Inc.  
Dr. Barbara Prindiville, President, WCTC  
Bonnie G. Kobleska, Foundation Manager  
Cary Tessmann, CFO, WCTC Foundation, Inc.

Officers

Paul Sehmer  
Stuart Schroeder  
Mary C. Owen  
Mary Schrimpf

Chairperson  
Vice Chairperson  
Secretary  
Treasurer

**WCTC FOUNDATION, INC.**  
Pewaukee, Wisconsin

**FINANCIAL STATEMENTS**

Including Independent Auditor's Report

As of and for the Years Ended June 30, 2012 and 2011

**WCTC FOUNDATION, INC.**

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Baker Tilly Virchow Krause, LLP  
115 S 84th St, Ste 400  
Milwaukee, WI 53214-1475  
tel 414 777 5500  
fax 414 777 5555  
bakertilly.com

## INDEPENDENT AUDITORS' REPORT

Board of Directors  
WCTC Foundation, Inc  
Pewaukee, Wisconsin

We have audited the accompanying statements of financial position of WCTC Foundation, Inc (Foundation) as of June 30, 2012 and 2011, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of WCTC Foundation, Inc. as of June 30, 2012 and 2011, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

*Baker Tilly Virchow Krause, LLP*

Milwaukee, Wisconsin  
September 13, 2012

# WCTC FOUNDATION, INC.

## STATEMENTS OF FINANCIAL POSITION As of June 30, 2012 and 2011

	2012	2011
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 260,777	\$ 259,233
Accounts receivable	1,882	7,503
Contributions receivable	20,011	20,050
Prepaid expenses	2,005	1,983
Total Current Assets	<u>284,675</u>	<u>288,769</u>
<b>INVESTMENTS</b>	<u>3,267,253</u>	<u>3,231,850</u>
<b>PROPERTY AND EQUIPMENT</b>		
Land	53,218	55,370
Land improvements	5,970	5,970
Buildings	2,711,222	2,711,222
Equipment	<u>139,701</u>	<u>139,701</u>
	2,910,111	2,912,263
Less accumulated depreciation	<u>(1,512,963)</u>	<u>(1,440,345)</u>
Net Property and Equipment	<u>1,397,148</u>	<u>1,471,918</u>
<b>TOTAL ASSETS</b>	<u>\$ 4,949,076</u>	<u>\$ 4,992,537</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 594	\$ 89,408
Deferred revenue	3,401	1,250
Accrued vacation payable	<u>51,770</u>	<u>47,834</u>
Total Current Liabilities	<u>55,765</u>	<u>138,492</u>
<b>LONG-TERM LIABILITIES</b>		
Accrued sick leave payable	<u>13,359</u>	<u>10,642</u>
<b>TOTAL LIABILITIES</b>	<u>69,124</u>	<u>149,134</u>
<b>NET ASSETS</b>		
Unrestricted	1,669,410	1,682,007
Temporarily restricted	2,420,243	2,398,860
Permanently restricted	<u>790,299</u>	<u>762,536</u>
<b>TOTAL NET ASSETS</b>	<u>4,879,952</u>	<u>4,843,403</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 4,949,076</u>	<u>\$ 4,992,537</u>

See accompanying notes to financial statements

# WCTC FOUNDATION, INC.

## STATEMENTS OF ACTIVITIES

For the years ended June 30, 2012 and 2011

	2012			2011				
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
REVENUE AND SUPPORT								
Contributions	\$ 197,902	\$ 449,011	\$ 24,098	\$ 671,011	\$ 364,694	\$ 321,356	\$ 17,466	\$ 703,516
Fee for service revenue	174,039	-	-	174,039	168,970	-	-	168,970
Rent	361,195	-	-	361,195	357,352	-	-	357,352
Interest and dividend income	14,762	22,380	3,665	40,807	14,430	19,017	3,571	37,018
Realized gain (loss) on investments	-	95,675	-	95,675	-	89,240	-	89,240
Unrealized gain (loss) on investments	-	(100,058)	-	(100,058)	-	214,394	-	214,394
Net assets released from restriction	445,625	(445,625)	-	-	348,618	(348,618)	-	-
Total Revenue and Support	1,193,523	21,383	27,763	1,242,669	1,254,064	295,389	21,037	1,570,490
EXPENSES								
Program Activities								
Rental property expenses	262,340	-	-	262,340	341,997	-	-	341,997
Scholarships	443,916	-	-	443,916	346,319	-	-	346,319
Grants to WCTC	197,902	-	-	197,902	364,437	-	-	364,437
Total Program Activities	904,158	-	-	904,158	1,052,753	-	-	1,052,753
Administrative	301,962	-	-	301,962	282,460	-	-	282,460
Total Expenses	1,206,120	-	-	1,206,120	1,335,213	-	-	1,335,213
Change in Net Assets	(12,597)	21,383	27,763	36,549	(81,149)	295,389	21,037	235,277
NET ASSETS, BEGINNING OF YEAR	1,682,007	2,398,860	762,536	4,843,403	1,763,156	2,103,471	741,499	4,608,126
NET ASSETS, END OF YEAR	\$ 1,669,410	\$ 2,420,243	\$ 790,299	\$ 4,879,952	\$ 1,682,007	\$ 2,398,860	\$ 762,536	\$ 4,843,403

See accompanying notes to financial statements



# WCTC FOUNDATION, INC.

## STATEMENTS OF CASH FLOWS For the years ended June 30, 2012 and 2011

	2012	2011
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Changes in net assets	\$ 36,549	\$ 235,277
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	72,618	72,618
Amortization of contributed use of land	2,152	2,299
Net realized (gain) loss on long-term investments	(95,675)	(89,240)
Net unrealized (gain) loss on long-term investments	100,058	(214,641)
Changes in operating assets and liabilities		
Accounts and contributions receivable	5,660	(83)
Prepaid expenses	(22)	759
Accounts payable	(88,814)	88,161
Deferred revenue	2,151	(550)
Compensated absences	6,653	5,059
Net Cash Provided by Operating Activities	41,330	99,658
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of investments	(3,592,101)	(1,210,673)
Proceeds from sale of investments	3,552,315	1,197,264
Net Cash Used in Investing Activities	(39,786)	(13,410)
Net Increase (Decrease) in Cash and Cash Equivalents	1,544	86,248
<b>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</b>	259,233	172,986
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ 260,777	\$ 259,233

See accompanying notes to financial statements

# **WCTC FOUNDATION, INC.**

## **NOTES TO FINANCIAL STATEMENTS**

As of and for the Years Ended June 30, 2012 and 2011

---

### **NOTE 1 - NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES**

---

#### ***NATURE OF ACTIVITIES***

WCTC Foundation, Inc (Foundation) is a not-for-profit corporation whose purpose is to solicit, hold, manage, invest, and expend endowment funds and other gifts, grants, and bequests exclusively for the maintenance and benefit of the Waukesha County Technical College (WCTC)

The Foundation's financial statements are not included in the basic financial statements of WCTC. The criteria used to determine the composition of the financial reporting entity are based on oversight responsibilities exercised by WCTC's Board of Trustees. The manifestations of oversight include financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters. The Foundation is a separate legal entity and operates with an independent governing body that is not under the control of the WCTC Board of Trustees. The WCTC Board of Trustees does not have the ability to influence the operations or approve the budgets of the Foundation.

#### ***BASIS OF PRESENTATION***

The financial statements have been prepared on the accrual basis of accounting.

#### ***CASH AND CASH EQUIVALENTS***

For financial statement purposes, the Foundation considers all highly liquid investments with a maturity of three months or less, when purchased, to be cash equivalents.

#### ***INVESTMENTS***

Investments in equity securities with readily determinable fair values and all investments in debt securities are reported at fair value with realized and unrealized gains and losses included in the Statements of Activities.

Investments are reported at fair value. The market values of investments are generally determined based on quoted market prices or estimated fair values provided by external investment managers or other sources. Investment transactions are recorded on the trade date. Realized gains and losses on the sale of investments are calculated based on the specific identification of the securities sold.

The Foundation's Board of Directors has adopted a policy whereby funds will only be invested as individual investments or as mutual funds in common stock, preferred stock, U.S. government and agency securities, certificates of deposit, commercial paper of prime quality, convertible securities, corporate bonds, or money market funds.

# WCTC FOUNDATION, INC.

## NOTES TO FINANCIAL STATEMENTS As of and for the Years Ended June 30, 2012 and 2011

### NOTE 1 - NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (continued)

#### *PROPERTY AND EQUIPMENT*

Property and equipment are stated at cost if purchased or fair market value at date of the gift if donated. All acquisitions of property and equipment in excess of \$200 and all expenditures for improvements and betterments that materially prolong the useful lives of assets are capitalized. Maintenance, repairs, and minor improvements are expensed as incurred. When assets are retired or otherwise disposed of, their costs and related accumulated depreciation are removed from the accounts and resulting gains or losses are included in income.

Donated property and equipment are recorded as increases in unrestricted net assets at their estimated fair market value as of the date received. Contributions of cash that must be used to acquire property and equipment are reported as temporarily restricted contributions. The Foundation reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Foundation reclassifies temporarily restricted net assets to unrestricted net assets at that time.

Property and equipment are depreciated using the straight-line method over their estimated useful lives.

Buildings	30-40 years
Land improvements	10 years
Equipment	5 years

Depreciation expense was \$72,618 for the years ended June 30, 2012 and June 30, 2011.

#### *NET ASSETS*

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

##### *Unrestricted Net Assets*

Net assets that are not subject to donor-imposed stipulations

##### *Temporarily Restricted Net Assets*

Net assets subject to donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Foundation pursuant to those stipulations

##### *Permanently Restricted Net Assets*

Net assets subject to donor-imposed stipulations that they 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 relative investments for general or specific purposes

# WCTC FOUNDATION, INC.

## NOTES TO FINANCIAL STATEMENTS As of and for the Years Ended June 30, 2012 and 2011

### NOTE 1 - NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (continued)

#### REVENUE RECOGNITION

Revenues are reported as increases in unrestricted net assets, unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments are reported as increases or decreases in unrestricted or temporarily restricted net assets unless their use is restricted by explicit donor stipulations or by law. It is the Foundation's policy to show temporarily restricted revenues for which the restriction has been met within the same year of the receipt as unrestricted revenue. Expirations of temporary restrictions (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications from temporarily restricted net assets to unrestricted net assets, when receipt and expiration of restriction occur in different years.

#### CONTRIBUTIONS

Contributions, including contributions receivable, are recognized as revenues in the period received. Conditional promises are not recognized until they become unconditional, that is when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value at the date of gift. Contributions to be received after one year are discounted at a rate commensurate with the risk involved. Amortization of the discount is recorded as additional contribution revenue and used in accordance with donor-imposed restrictions, if any, on the contributions. Allowance is made for uncollectible contributions based upon management's judgment and analysis of the creditworthiness of the donors, past collection experience and other relevant factors. The allowance for uncollectible contributions was \$-0- as of June 30, 2012 and 2011. All contributions are expected to be collected within one year. There were no pledges collateralized or limited in use.

#### ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount 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.

#### RECLASSIFICATIONS

For comparability, certain 2011 amounts have been reclassified to conform with classifications adopted in 2012. The reclassifications have no effect on reported amounts of net assets or change in net assets.

### NOTE 2 - CASH AND CASH EQUIVALENTS

Cash and cash equivalents as disclosed on the accompanying financial statements are comprised of the following:

	<u>2012</u>	<u>2011</u>
Cash and cash equivalents - interest-bearing demand deposits	\$ 260,777	\$ 259,233

The Foundation's carrying value for demand deposits in interest-bearing accounts was \$260,777. Of this balance, \$250,000 was covered by federal depository insurance.

# WCTC FOUNDATION, INC.

## NOTES TO FINANCIAL STATEMENTS

As of and for the Years Ended June 30, 2012 and 2011

### NOTE 3 - FAIR VALUE MEASUREMENTS

The Foundation follows current authoritative guidance, which provides a framework for measuring, reporting and disclosing fair value under generally accepted accounting principles. The guidance applies to all assets and liabilities that are measured, reported and/or disclosed on a fair value basis.

As defined in the guidance, 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. In determining fair value, the Foundation uses various valuation methods including the market, income and cost approaches. The assumptions used in the application of these valuation methods are developed from the perspective of market participants pricing the asset or liability. Inputs used in the valuation methods can be either readily observable, market corroborated, or generally unobservable inputs. Whenever possible the Foundation attempts to utilize valuation methods that maximize the use of observable inputs and minimizes the use of unobservable inputs. Based on the observability of the inputs used in the valuation methods the Foundation is required to provide the following information according to the fair value hierarchy. The fair value hierarchy ranks the quality and reliability of the information used to determine fair values. Assets and liabilities measured, reported and/or disclosed at fair value will be classified and disclosed in one of the following three categories:

- Level 1 - Quoted market prices in active markets for identical assets or liabilities
- Level 2 - Observable market based inputs or unobservable inputs that are corroborated by market data
- Level 3 - Unobservable inputs that are not corroborated by market data

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

The following table presents financial instruments that are measured at fair value on a recurring basis by level within the hierarchy as of June 30, 2012.

	Total	Level 1	Level 2	Level 3
ASSETS				
Money market funds	\$ 1,298,845	\$ 1,298,845	\$ -	\$ -
Mutual funds	1,853,227	1,853,227	-	-
Exchange traded-products	115,181	115,181	-	-
Total	<u>\$ 3,267,253</u>	<u>\$ 3,267,253</u>	<u>\$ -</u>	<u>\$ -</u>

# WCTC FOUNDATION, INC.

## NOTES TO FINANCIAL STATEMENTS As of and for the Years Ended June 30, 2012 and 2011

### NOTE 3 - FAIR VALUE MEASUREMENTS (continued)

The following table presents financial instruments that are measured at fair value on a recurring basis by level within the hierarchy as of June 30, 2011

	Total	Level 1	Level 2	Level 3
ASSETS				
Money market funds	\$ 1,212,283	\$ 1,212,283	\$ -	\$ -
Mutual funds	1,257,830	1,257,830	-	-
Exchange traded-products	761,737	761,737	-	-
Total	\$ 3,231,850	\$ 3,231,850	\$ -	\$ -

The following methods and assumptions were used to estimate the fair value for each class of financial instrument measured at fair value

**Money market funds** - The fair value of short-term investments, consisting primarily of money market funds, is classified as Level 1

**Mutual funds** - Mutual funds are classified as Level 1 if they are traded in an active market for which closing prices are readily available

**Exchange-traded products** - Investments in equity securities are measured at fair value using quoted market prices. They are classified as Level 1 as they are traded in an active market for which closing stock prices are readily available

While the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date

### NOTE 4 - COMPENSATED ABSENCES

#### **Vacation**

The Foundation employees are granted vacation in varying amounts, based on position and length of service. Vacation pay is accrued when earned. The liability also includes salary-related payments, including social security taxes and Medicare taxes. The accrued vacation pay liability at June 30, 2012 and 2011 amounted to \$51,770 and \$47,834, respectively. This amount can be carried over to the subsequent year and is considered short-term.

#### **Sick**

Employees who have been employed by the Foundation for a minimum of fifteen years and who retire, resign, or die, shall be paid for accrued sick leave compensated in the amount of sixty percent of their current salary rate for the number of days for which they qualify. Sick pay is accrued when earned. The liability also includes salary-related payments, including social security taxes and Medicare taxes. The accrued sick pay liability at June 30, 2012 and 2011 amounted to \$13,359 and \$10,642, respectively. This amount can be carried over to subsequent years and is considered long-term.

# WCTC FOUNDATION, INC.

## NOTES TO FINANCIAL STATEMENTS

As of and for the Years Ended June 30, 2012 and 2011

### NOTE 5 - INCOME TAXES

The Foundation has received a tax determination letter from the Internal Revenue Service indicating that it is a tax-exempt organization as provided for in Section 501(c)(3) of the U S Internal Revenue Code and has been classified as an organization that is not a private foundation. Therefore, it is exempt from federal and state income taxes, except for taxes pertaining to unrelated business income. No provision has been made for income taxes in the accompanying financial statements because the Foundation has no significant unrelated business income. In accordance with a change in its bylaws, effective February 27, 2009 the Foundation received designation as a Type I supporting organization.

### NOTE 6 - RELATED PARTY TRANSACTIONS

The Foundation was formed to solicit, hold, and invest contributions for the benefit of WCTC. The Foundation is governed by a 22 member Board of Directors that includes four members who are employees and officers of WCTC. The Foundation leases space in its Morris Street Building and Workforce Development Center to WCTC (see note 8).

The Foundation leases the grounds on which the Workforce Development Center is located from WCTC for \$1 per year plus \$4 per square foot, adjusted annually for the change in the Consumer Price Index, for facility operating and maintenance costs. These costs totaled \$183,722 and \$178,701 for the years ended June 30, 2012 and 2011, respectively. The original lease term expiration date was December 31, 2004. In July 2004 the lease was renewed for a five year term commencing January 1, 2005 and expiring December 31, 2009. In August 2009, the Foundation renewed the lease for an additional five year term commencing January 1, 2011 and an expiration date of December 31, 2014. The present value of the difference between the fair value to rent the land and the amount paid by the Foundation over the life of the lease has been reflected as land on the balance sheet, resulting in an increase to temporarily restricted net assets. The asset is being amortized to rent expense over the life of the lease. WCTC recognized \$2,152 and \$2,299 as rent expense for the years ended June 30, 2012 and 2011, respectively, and will do so for each subsequent year over the term of the lease.

WCTC paid \$174,039 and \$168,970 to the Foundation for the years ended June 30, 2012 and 2011 respectively, for services received by WCTC from the Foundation.

### NOTE 7 - NET ASSETS

Unrestricted net assets have been designated by the Board of Directors at June 30, 2012 and 2011 as follows:

	2012	2011
Net investment in land, buildings, and equipment	\$ 1,393,249	\$ 1,465,867
Undesignated	276,161	216,140
Total Unrestricted Net Assets	<u>\$ 1,669,410</u>	<u>\$ 1,682,007</u>

# WCTC FOUNDATION, INC.

## NOTES TO FINANCIAL STATEMENTS As of and for the Years Ended June 30, 2012 and 2011

### NOTE 7 – NET ASSETS (continued)

Temporarily restricted net assets consist of the following at June 30, 2012 and 2011

Contributed use of land	\$	3,899	\$	6,051
Contributions for scholarships		<u>2,416,344</u>		<u>2,392,809</u>
	\$	<u>2,420,243</u>	\$	<u>2,398,860</u>

Permanently restricted net assets consist of perpetual endowments

### NOTE 8 - LEASE REVENUE

The Foundation leases space in its Workforce Development Center building to WCTC, Waukesha County, and the State of Wisconsin. A lease with the State of Wisconsin was renewed for a period of five years commencing January 1, 2010. Leases with Waukesha County and WCTC were renewed for a period of five years commencing January 1, 2011. These monthly rentals include certain operating and capital maintenance costs which are annually adjusted by the consumer price index. Rental income of \$245,995 and \$237,012 are included in revenue for the years ended June 30, 2012 and 2011, respectively.

The Foundation also leases space in its apartment building to WCTC for \$9,600 per month. A five year lease beginning on July 1, 2011 runs through June 2016.

Future minimum lease revenues under noncancellable operating leases (with initial and remaining lease terms in excess of one year) as of June 30, 2012 are as follows:

2013	\$	365,473
2014		365,473
2015		343,776
2016		<u>218,640</u>
		<u>\$ 1,293,362</u>



# WCTC FOUNDATION, INC.

## NOTES TO FINANCIAL STATEMENTS As of and for the Years Ended June 30, 2012 and 2011

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### NOTE 9 - ENDOWMENT

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The Foundation follows current authoritative guidance on classifying net assets associated with donor-restricted endowment funds held by organizations that are subject to an enacted version of Uniform Prudent Management of Institutional Funds Act (UPMIFA). A key component of the guidance is a requirement to classify the portion of a donor-restricted endowment fund that is not classified as permanently restricted net assets as temporarily restricted net assets until appropriated for expenditure. The State of Wisconsin adopted a version of UPMIFA effective August 4, 2009.

The Foundation's endowment consists of approximately 47 individual funds established for a variety of purposes. Its endowment includes donor-restricted endowment funds. As required by GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

**Interpretation of Relevant Law** - The Foundation's governing board has interpreted the UPMIFA enacted in the State of Wisconsin as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as permanently restricted net assets (a) the original value of the gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

The remaining portion of the donor-restricted endowment fund that is not classified as permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

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

# WCTC FOUNDATION, INC.

## NOTES TO FINANCIAL STATEMENTS As of and for the Years Ended June 30, 2012 and 2011

### NOTE 9 - ENDOWMENT (continued)

Endowment net asset composition by type of fund consists of the following as of June 30, 2012:

	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	\$ 135,377	\$ 790,299	\$ 925,676

Endowment net asset composition by type of fund consists of the following as of June 30, 2011

	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	\$ 132,286	\$ 762,536	\$ 894,822

Changes in endowment net assets for the year ended June 30, 2012 are as follows

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, June 30, 2011	\$ -	\$ 132,286	\$ 762,536	\$ 894,822
Investment return				
Investment income	-	29,516	3,665	33,181
Contributions	-	2,276	24,098	26,374
Appropriation of endowment assets for expenditure	-	(28,701)	-	(28,701)
Endowment net assets, June 30, 2012	\$ -	\$ 135,377	\$ 790,299	\$ 925,676

Changes in endowment net assets for the year ended June 30, 2011 are as follows

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, June 30, 2010	\$ -	\$ 100,257	\$ 741,499	\$ 841,756
Investment return				
Investment income	-	29,956	3,571	33,527
Contributions	-	31,379	17,466	48,845
Appropriation of endowment assets for expenditure	-	(29,306)	-	(29,306)
Endowment net assets, June 30, 2011	\$ -	\$ 132,286	\$ 762,536	\$ 894,822

# WCTC FOUNDATION, INC.

## NOTES TO FINANCIAL STATEMENTS

As of and for the Years Ended June 30, 2012 and 2011

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### NOTE 9 - ENDOWMENT (CONTINUED)

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**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. Endowment assets include those assets of donor-restricted funds that the Foundation must hold in perpetuity or for donor-specified periods. Under this policy, as approved by the governing board, the endowment assets are invested in a manner that is intended to produce results that exceed prevailing money market interest rates while assuming a moderate level of investment risk. The Foundation expects its endowment funds, over time, to provide an average annual rate of approximately 5% annually. Actual returns in any 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 5% 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 a level that meets or exceeds increases in the Consumer Price Index. 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.

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### NOTE 10 - SUBSEQUENT EVENTS

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In preparing these financial statements, the Foundation has evaluated subsequent events and transactions for potential recognition or disclosure through September 13, 2012 which is the date that the financial statements were approved and available to be issued.



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Board of Directors  
WCTC Foundation, Inc  
Pewaukee, Wisconsin

Thank you for using Baker Tilly Virchow Krause, LLP ("Baker Tilly") as your auditor.

We have completed our audit of the financial statements of WCTC Foundation, Inc. (the "Foundation") for the year ended June 30, 2012, and have issued our report thereon dated September 13, 2012. This letter presents communications required by our professional standards.

*Our Responsibility under Auditing Standards Generally Accepted in the United States of America*

The objective of a financial statement audit is the expression of an opinion on the financial statements. We conducted the audit in accordance with auditing standards generally accepted in the United States of America. These standards require that we plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements prepared by management with your oversight are free of material misstatement, whether caused by error or fraud. Our audit included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit does not relieve management or Board of Directors of their responsibilities.

As part of the audit we obtained an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing and extent of further audit procedures. The audit was not designed to provide assurance on internal control or to identify deficiencies in internal control.

*Planned Scope and Timing of the Audit*

We performed the audit according to the planned scope and timing previously communicated to you in our conversation on July 25, 2012.

**Significant Audit Issues**

*Qualitative Aspect of Accounting Policies*

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the Foundation are described in the notes to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2012.

We noted no transactions entered into by the Foundation during the year that were both significant and unusual, and of which, under professional standards, we are required to inform you, or transactions for which there is a lack of authoritative guidance or consensus.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The most sensitive estimates affecting the financial statements were:

- *The Market Value of Investments:* Management's estimate of the market value of investments was based on information provided from the Foundation's investment brokers.

We evaluated the key factors and assumptions used to develop the estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

The disclosures in the financial statements are neutral, consistent, and clear.

#### *Difficulties Encountered in Performing the Audit*

We encountered no difficulties in dealing with management in performing and completing our audit.

#### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. There were no misstatements identified.

#### *Disagreements with Management*

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

#### *Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters. If a consultation involves application of an accounting principle to the Foundation's financial statements, or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

#### *Management Representations*

We have requested certain representations from management that are included in the management representation letter. Management has indicated that they have forwarded these representations to our primary contact within the governance structure.

Board of Directors  
WCTC Foundation, Inc.

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*Significant Issues*

Professional standards require us to communicate any significant issues that were discussed, or were the subject of correspondence with management. There were no additional communications or correspondence with management that has not been disclosed in this letter.

*Independence*

We are not aware of any relationships between Baker Tilly and the Foundation that, in our professional judgment, may reasonably be thought to bear on our independence.

Relating to our audit of the financial statements of the Foundation for the year ended June 30, 2012, Baker Tilly hereby confirms that we are, in our professional judgment, independent with respect to the Foundation in accordance with the Code of Professional Conduct issued by the American Institute of Certified Public Accountants. We provided no services to the Foundation other than audit services provided in connection with the audit of the current year's financial statements.

*Other Audit Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Foundation's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

We noted other matters that we believe warrant the attention of the Foundation. These other matters are detailed in the attached document.

This information is intended solely for the use of the Board of Directors and management of the Foundation and is not intended to be and should not be used by anyone other than these specified parties.

*Baker Tilly Virchow Krause, LLP*

Milwaukee, Wisconsin  
September 13, 2012

## Recent Accounting Developments

### *Not-For-Profit Advisory Committee*

The Financial Accounting Standards Board ("FASB") created a Not-for-Profit Advisory Committee to provide focused input and feedback to the FASB on the industry. This includes analysis of existing guidance, current and future issues and to assist the FASB Board in its communication of standards and guidance to the not-for-profit sector. In November 2011, the FASB added two new projects to its agenda as a result of recommendations made by the Not-for-Profit Advisory Committee

- Review of not-for-profit financial statement presentation
  - Examining revisions to net asset classification definitions
  - Improving clarity of the statements of activities and cash flows
  - Adding additional commentary and analysis by management regarding the financial health and operations of the organization
  - Streamlining disclosures
- Research the other means of communication in which not-for-profits share their financial story with donors, creditors, and other stakeholders to determine if there are best practices the FASB should promote.

Currently, there are no proposed dates for these projects to be completed.

### *Fair Value Measurement*

In May 2011, the FASB issued Accounting Standards Update 2011-04, "Fair Value Measurement: Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs" ("ASU 2011-04"). ASU 2011-04 is intended to improve consistency in the application of fair value measurement and disclosure requirements between accounting principles generally accepted in the United States of America ("U.S. GAAP") and International Financial Report Standards ("IFRS"). The FASB has amended the fair value wording requirements for measuring and disclosing information within U.S. GAAP. The update is segregated into the following:

- Clarify intent of existing requirements
- Change in a requirement for measurement or disclosure

ASU 2011-04 is effective for annual periods beginning after December 15, 2011 (i.e. 2013).

### *Revenue Recognition*

The FASB revised and reissued another exposure draft of Accounting Standards Update, "Revenue Recognition (Topic 605): Revenue from Contracts with Customers". This exposure draft is a joint clarification project between the FASB and the International Accounting Standards Board ("IASB"). The Proposed Standard would supersede most of the current guidance regarding revenue recognition. The core principle of the Proposed Standard is that an entity should recognize revenue to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled for delivery of the goods or services. Recognizing revenue would follow a five step process.

The Proposed Standard also includes additional quantitative and qualitative disclosure requirements.

Contributions and other public support is excluded from the scope of the exposure draft.

The FASB anticipates that this standard will require retrospective application when adopted. There is not an expected application date; however, the FASB does not plan to issue the statement with an effective date any earlier than reporting periods beginning on or after January 1, 2015 for public entities. It is expected that nonpublic entities will have an additional year to implement

### *Leases*

The FASB and IASB have published an exposure draft to propose an update for the treatment for leases. The new accounting model for leases under the proposed update would be to capitalize all leases, both capital and operating, as assets and liabilities on the statement of financial position.

- a lessee would recognize an asset representing its right to use an underlying asset during the term of the lease and a liability to make lease payments. The lessee would amortize the right of use asset over the expected lease term or the estimated useful life of the asset, whichever is shorter. Interest expense on the liability would be incurred over the term of the lease.
- a lessor would apply either a performance obligation approach or a derecognition approach to account for the assets and liabilities arising from a lease. The accounting approach for the lessor depends on the exposure to significant risks or benefits associated with the underlying asset during or after the expected term of the lease.

The FASB anticipates re-opening the comment period on the proposed draft in the second half of 2012.

We recommend that management determine the potential implications these pronouncements may have on the Foundation upon implementation. We would be happy to discuss any of these items with you.