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Return of Organization Exempt From Income Tax

2013

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 private foundations)

- ▶ Do not enter Social Security numbers on this form as it may be made public.
- ▶ Information about Form 990 and its instructions is at www.irs.gov/form990.

A For the 2013 calendar year, or tax year beginning July 1, 2013, and ending June 30, 20 14

B Check if applicable:
 Address change
 Name change
 Initial return
 Terminated
 Amended return
 Application pending

C Name of organization WCTC Foundation, Inc.
 Doing Business As _____
 Number and street (or P O box if mail is not delivered to street address) Room/suite
800 Main Street C213
 City or town, state or province, country, and ZIP or foreign postal code
Pewaukee, WI 53072

D Employer identification number 39-1325835

E Telephone number 262-691-5214

G Gross receipts \$ 1,678,246

F Name and address of principal officer: _____

H(a) Is this a group return for subordinates? Yes No
H(b) Are all subordinates included? Yes No
 If "No," attach a list (see instructions)

I Tax-exempt status: 501(c)(3) 501(c) () ◀ (insert no) 4947(a)(1) or 527

J Website: ▶ www.wctc.edu/about-wctc/wctc-foundation/index.php

K Form of organization: Corporation Trust Association Other ▶

L Year of formation: 1977 **M** State of legal domicile: WI

Part I Summary

| | | | | |
|------------------------------------|---|--|--|------------------|
| Activities & Governance | 1 | Briefly describe the organization's mission or most significant activities: <u>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.</u> | | |
| | 2 | Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets. | | |
| | 3 | Number of voting members of the governing body (Part VI, line 1a) | <u>3</u> | <u>21</u> |
| | 4 | Number of independent voting members of the governing body (Part VI, line 1b) | <u>4</u> | <u>21</u> |
| | 5 | Total number of individuals employed in calendar year 2013 (Part V, line 2a) | <u>5</u> | <u>3</u> |
| | 6 | Total number of volunteers (estimate if necessary) | <u>6</u> | <u>50</u> |
| | 7a | Total unrelated business revenue from Part VIII, column (C), line 12 | <u>7a</u> | <u>-0-</u> |
| b | Net unrelated business taxable income from Form 990-T, line 34 | <u>7b</u> | <u>-0-</u> | |
| Revenue | 8 | Contributions and grants (Part VIII, line 1h) | <u>1,125,120</u> | <u>864,323</u> |
| | 9 | Program service revenue (Part VIII, line 2g) | <u>179,260</u> | <u>235,638</u> |
| | 10 | Investment income (Part VIII, column (A), lines 3, 4, and 7d) | <u>204,243</u> | <u>202,710</u> |
| | 11 | Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) | <u>369,246</u> | <u>375,575</u> |
| | 12 | Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12) | <u>1,877,869</u> | <u>1,678,246</u> |
| | Expenses | 13 | Grants and similar amounts paid (Part IX, column (A), lines 1-3) | <u>753,744</u> |
| 14 | | Benefits paid to or for members (Part IX, column (A), line 4) | <u>-0-</u> | |
| 15 | | Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10) | <u>252,721</u> | <u>259,650</u> |
| 16a | | Professional fundraising fees (Part IX, column (A), line 11e) | <u>-0-</u> | <u>54,228</u> |
| b | | Total fundraising expenses (Part IX, column (D), line 25) ▶ | | |
| 17 | | Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e) | <u>383,674</u> | <u>330,034</u> |
| 18 | Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25) | <u>1,390,139</u> | <u>1,777,494</u> | |
| 19 | Revenue less expenses. Subtract line 18 from line 12 | <u>487,730</u> | <u>(99,248)</u> | |
| Net Assets or Fund Balances | 20 | Total assets (Part X, line 16) | <u>5,516,291</u> | <u>5,602,051</u> |
| | 21 | Total liabilities (Part X, line 26) | <u>80,675</u> | <u>83,207</u> |
| | 22 | Net assets or fund balances. Subtract line 21 from line 20 | <u>5,435,616</u> | <u>5,518,844</u> |

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.

Sign Here

Signature of officer: Ellen Phillips Date: 12/19/14
 Type or print name and title: Ellen Phillips, President, WCTC Foundation

Paid Preparer Use Only

Print/Type preparer's name: _____ Preparer's signature: _____ Date: _____
 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

915 1

SCANNED JAN 21 2015

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line 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 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 \$ 1,133,582 including grants of \$ 1,133,582) (Revenue \$ 1,099,961)
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 ▶ 1,133,582

Part IV Checklist of Required Schedules

| | Yes | No |
|--|-------------------------------------|-------------------------------------|
| 1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> (see instructions)? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 5 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? <i>If "Yes," complete Schedule C, Part III</i> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 6 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? <i>If "Yes," complete Schedule D, Part I</i> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 11 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. | | |
| a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 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? <i>If "Yes," complete Schedule D, Part VII</i> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| c 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? <i>If "Yes," complete Schedule D, Part VIII</i> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| d 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? <i>If "Yes," complete Schedule D, Part IX</i> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| f 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)? <i>If "Yes," complete Schedule D, Part X</i> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 12 a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 14 a Did the organization maintain an office, employees, or agents outside of the United States? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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? <i>If "Yes," complete Schedule F, Parts I and IV.</i> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? <i>If "Yes," complete Schedule F, Parts II and IV</i> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? <i>If "Yes," complete Schedule F, Parts III and IV.</i> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 17 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? <i>If "Yes," complete Schedule G, Part I (see instructions)</i> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 20 a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Part IV Checklist of Required Schedules (continued)

| | | Yes | No |
|-----|--|-----|----|
| 21 | Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i> | | ✓ |
| 22 | Did the organization report more than \$5,000 of grants or 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> | ✓ | |
| 23 | 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> | | ✓ |
| 24a | 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 25a</i> | | ✓ |
| b | Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? | | ✓ |
| c | Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? | | ✓ |
| d | Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? | | ✓ |
| 25a | Section 501(c)(3) and 501(c)(4) organizations. 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 | 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> | | ✓ |
| 26 | Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? <i>If so, complete Schedule L, Part II</i> | | ✓ |
| 27 | 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> | | ✓ |
| 28 | 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): | | |
| a | A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> | | ✓ |
| b | A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> | | ✓ |
| c | 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> | | ✓ |
| 29 | Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i> | ✓ | |
| 30 | Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i> | | ✓ |
| 31 | Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i> | | ✓ |
| 32 | 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> | | ✓ |
| 33 | 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> | | ✓ |
| 34 | Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i> | | ✓ |
| 35a | Did the organization have a controlled entity within the meaning of section 512(b)(13)? | | ✓ |
| b | If "Yes" to line 35a, 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> | | ✓ |
| 36 | Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i> | | ✓ |
| 37 | 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> | | ✓ |
| 38 | Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O | ✓ | |

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V

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

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 or note to any line in this Part VI

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include: 1a Enter the number of voting members of the governing body at the end of the tax year. 1b Enter the number of voting members included in line 1a, above, who are independent. 2 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? 3 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? 4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? 5 Did the organization become aware during the year of a significant diversion of the organization's assets? 6 Did the organization have members or stockholders? 7a 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? 7b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body? 8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following: a The governing body? b Each committee with authority to act on behalf of the governing body? 9 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.

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

Table with 3 columns: Question, Yes, No. Rows include: 10a Did the organization have local chapters, branches, or affiliates? 10b 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? 11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form? 11b Describe in Schedule O the process, if any, used by the organization to review this Form 990. 12a Did the organization have a written conflict of interest policy? If "No," go to line 13 12b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts? 12c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done 13 Did the organization have a written whistleblower policy? 14 Did the organization have a written document retention and destruction policy? 15 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? 15a The organization's CEO, Executive Director, or top management official 15b Other officers or key employees of the organization If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions). 16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? 16b 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?

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 Other (explain in Schedule O)
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 or note to any line 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 (list any hours for related organizations below dotted line) | (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 non-compensated directors | Varies (< 10) | | | | | | | | | |
| (2) Ellen S. Phillips Foundation president | 40+ | | | | ✓ | ✓ | 132,123 | -0- | 7,363 | |
| (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 (list any hours for related organizations below dotted line) | (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) | | | | | | | | | | |
| 1b Sub-total | | | | | | | 132,123 | | 7,363 | |
| c Total from continuation sheets to Part VII, Section A | | | | | | | | | | |
| d Total (add lines 1b and 1c) | | | | | | | 132,123 | | 7,363 | |

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

| | Yes | No |
|--|-----|----|
| 3 Did the organization list any former officer, director, or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i> | | ✓ |
| 4 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? <i>If "Yes," complete Schedule J for such individual</i> | | ✓ |
| 5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i> | | ✓ |

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

Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII

| | | | (A) Total revenue | (B) Related or exempt function revenue | (C) Unrelated business revenue | (D) Revenue excluded from tax under sections 512-514 |
|---|--|--------------------------|----------------------|--|---|--|
| Contributions, Gifts, Grants and Other Similar Amounts | 1a Federated campaigns | 1a | | | | |
| | b Membership dues | 1b | | | | |
| | c Fundraising events | 1c | | | | |
| | d Related organizations | 1d | | | | |
| | e Government grants (contributions) | 1e | | | | |
| | f All other contributions, gifts, grants, and similar amounts not included above | 1f 864,323 | | | | |
| | g Noncash contributions included in lines 1a-1f: \$ | | | | | |
| | h Total. Add lines 1a-1f | | 864,323 | | | |
| Program Service Revenue | 2a Fee for service revenues | | Business Code | | | |
| | | | 611710 | 235,638 | 235,638 | |
| | b ----- | | | | | |
| | c ----- | | | | | |
| | d ----- | | | | | |
| | e ----- | | | | | |
| | f All other program service revenue . | | | | | |
| g Total. Add lines 2a-2f | | 235,638 | | | | |
| Other Revenue | 3 Investment income (including dividends, interest, and other similar amounts) | | 48,967 | 48,967 | | |
| | 4 Income from investment of tax-exempt bond proceeds ▶ | | | | | |
| | 5 Royalties ▶ | | | | | |
| | 6a Gross rents | (i) Real | | | | |
| | | (ii) Personal | 375,575 | | | |
| | | | | | | |
| | b Less: rental expenses | | | | | |
| | c Rental income or (loss) | | | | | |
| | d Net rental income or (loss) ▶ | | 375,575 | 375,575 | | |
| | 7a Gross amount from sales of assets other than inventory | (i) Securities | | | | |
| | | (ii) Other | 746,970 | | | |
| | | | | | | |
| b Less: cost or other basis and sales expenses | | 593,227 | | | | |
| c Gain or (loss) | 153,743 | | | | | |
| d Net gain or (loss) ▶ | | 153,743 | 153,743 | | | |
| 8a Gross income from fundraising events (not including \$ of contributions reported on line 1c). See Part IV, line 18 | a | | | | | |
| | b Less: direct expenses | b | | | | |
| | c Net income or (loss) from fundraising events . ▶ | | | | | |
| 9a Gross income from gaming activities. See Part IV, line 19 | a | | | | | |
| | b Less: direct expenses | b | | | | |
| | c Net income or (loss) from gaming activities . . ▶ | | | | | |
| 10a Gross sales of inventory, less returns and allowances | a | | | | | |
| | b Less: cost of goods sold | b | | | | |
| | c Net income or (loss) from sales of inventory . . ▶ | | | | | |
| Miscellaneous Revenue | | Business Code | | | | |
| 11a ----- | | | | | | |
| b ----- | | | | | | |
| c ----- | | | | | | |
| d All other revenue | | | | | | |
| e Total. Add lines 11a-11d ▶ | | | | | | |
| 12 Total revenue. See instructions. ▶ | | 1,678,246 | 813,923 | | | |

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).

Check if Schedule O contains a response or note to any line 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 |
|--|-----------------------|---------------------------------|--|-----------------------------|
| 1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21 | 776,151 | 776,151 | | |
| 2 Grants and other assistance to individuals in the United States. See Part IV, line 22 | 357,431 | 357,431 | | |
| 3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16 | | | | |
| 4 Benefits paid to or for members | | | | |
| 5 Compensation of current officers, directors, trustees, and key employees | 132,123 | | 132,123 | |
| 6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) | | | | |
| 7 Other salaries and wages | 96,041 | | 96,041 | |
| 8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions) | | | | |
| 9 Other employee benefits | 15,277 | | 15,277 | |
| 10 Payroll taxes | 16,209 | | 16,209 | |
| 11 Fees for services (non-employees): | | | | |
| a Management | | | | |
| b Legal | | | | |
| c Accounting | 4,693 | | 4,693 | |
| d Lobbying | | | | |
| e Professional fundraising services. See Part IV, line 17 | 54,228 | | | 54,228 |
| f Investment management fees | 26,694 | | 26,694 | |
| g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.) | | | | |
| 12 Advertising and promotion | | | | |
| 13 Office expenses | 16,069 | | 16,069 | |
| 14 Information technology | | | | |
| 15 Royalties | | | | |
| 16 Occupancy | 194,406 | | 194,406 | |
| 17 Travel | 174 | | 174 | |
| 18 Payments of travel or entertainment expenses for any federal, state, or local public officials | | | | |
| 19 Conferences, conventions, and meetings | | | | |
| 20 Interest | | | | |
| 21 Payments to affiliates | | | | |
| 22 Depreciation, depletion, and amortization | 78,618 | | 78,618 | |
| 23 Insurance | 3,361 | | 3,361 | |
| 24 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.) | | | | |
| a Meetings & conferences | 3,314 | | 3,314 | |
| b Bad debt | 177 | | 177 | |
| c Printing | 2,528 | | 2,528 | |
| d | | | | |
| e All other expenses | | | | |
| 25 Total functional expenses. Add lines 1 through 24e | 1,777,494 | 1,133,582 | 589,684 | 54,228 |
| 26 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

Check if Schedule O contains a response or note to any line in this Part X

| | | (A) Beginning of year | | (B) End of year | |
|-----------------------------|---|---|---------------|--------------------|-----------|
| Assets | 1 | Cash—non-interest-bearing | 356,143 | 1 | 409,292 |
| | 2 | Savings and temporary cash investments | | 2 | |
| | 3 | Pledges and grants receivable, net | 295,114 | 3 | 20,828 |
| | 4 | Accounts receivable, net | 6,487 | 4 | 12,936 |
| | 5 | Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L | | 5 | |
| | 6 | Loans and other 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). Complete Part II of Schedule L | | 6 | |
| | 7 | Notes and loans receivable, net | | 7 | |
| | 8 | Inventories for sale or use | | 8 | |
| | 9 | Prepaid expenses and deferred charges | 1,999 | 9 | 1,929 |
| | 10a | Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D | 10a 2,906,212 | | |
| | b | Less: accumulated depreciation | 10b 1,658,199 | 10c 1,322,516 | 1,248,013 |
| | 11 | Investments—publicly traded securities | 3,534,032 | 11 | 3,909,053 |
| | 12 | Investments—other securities. See Part IV, line 11 | | 12 | |
| | 13 | Investments—program-related. See Part IV, line 11 | | 13 | |
| | 14 | Intangible assets | | 14 | |
| | 15 | Other assets. See Part IV, line 11 | | 15 | |
| 16 | Total assets. Add lines 1 through 15 (must equal line 34) | 5,516,291 | 16 | 5,602,051 | |
| Liabilities | 17 | Accounts payable and accrued expenses | 6,843 | 17 | 1,672 |
| | 18 | Grants payable | | 18 | |
| | 19 | Deferred revenue | 524 | 19 | 524 |
| | 20 | Tax-exempt bond liabilities | | 20 | |
| | 21 | Escrow or custodial account liability. Complete Part IV of Schedule D | | 21 | |
| | 22 | Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L | | 22 | |
| | 23 | Secured mortgages and notes payable to unrelated third parties | | 23 | |
| | 24 | Unsecured notes and loans payable to unrelated third parties | | 24 | |
| | 25 | 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 | 73,308 | 25 | 81,011 |
| | 26 | Total liabilities. Add lines 17 through 25 | 80,675 | 26 | 83,207 |
| Net Assets or Fund Balances | Organizations that follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34. | | | | |
| | 27 | Unrestricted net assets | 1,666,780 | 27 | 1,665,297 |
| | 28 | Temporarily restricted net assets | 2,927,342 | 28 | 2,985,432 |
| | 29 | Permanently restricted net assets | 841,494 | 29 | 868,115 |
| | Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34. | | | | |
| | 30 | Capital stock or trust principal, or current funds | | 30 | |
| | 31 | Paid-in or capital surplus, or land, building, or equipment fund | | 31 | |
| | 32 | Retained earnings, endowment, accumulated income, or other funds | | 32 | |
| | 33 | Total net assets or fund balances | 5,435,616 | 33 | 5,518,844 |
| 34 | Total liabilities and net assets/fund balances | 5,516,291 | 34 | 5,602,051 | |

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI

| | | | |
|-----------|--|-----------|------------------|
| 1 | Total revenue (must equal Part VIII, column (A), line 12) | 1 | 1,678,246 |
| 2 | Total expenses (must equal Part IX, column (A), line 25) | 2 | 1,777,494 |
| 3 | Revenue less expenses. Subtract line 2 from line 1 | 3 | (99,248) |
| 4 | Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)) | 4 | 5,435,616 |
| 5 | Net unrealized gains (losses) on investments | 5 | 182,476 |
| 6 | Donated services and use of facilities | 6 | |
| 7 | Investment expenses | 7 | |
| 8 | Prior period adjustments | 8 | |
| 9 | Other changes in net assets or fund balances (explain in Schedule O) | 9 | |
| 10 | Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B)) | 10 | 5,518,844 |

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII

| | Yes | No |
|---|-----|----|
| 1 Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> 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? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis | | ✓ |
| b Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis | ✓ | |
| 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. | ✓ | |
| 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. | | |

SCHEDULE A
(Form 990 or 990-EZ)

Public Charity Status and Public Support

OMB No. 1545-0047

2013

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

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 990 or Form 990-EZ.

▶ Information about Schedule A (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

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—Non-functionally integrated
- 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) | | ✓ |

| (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 monetary support |
|--|-------------------|---|---|----|--|----|---|----|----------------------------------|
| | | | Yes | No | Yes | No | Yes | No | |
| (A) Waukesha County Technical College | 39-6005054 | 6 | ✓ | | ✓ | | ✓ | | 1,133,582 |
| (B) | | | | | | | | | |
| (C) | | | | | | | | | |
| (D) | | | | | | | | | |
| (E) | | | | | | | | | |
| Total | | | | | | | | | 1,133,582 |

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) 2009 | (b) 2010 | (c) 2011 | (d) 2012 | (e) 2013 | (f) Total |
|--|----------|----------|----------|----------|----------|-----------|
| 1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") | | | | | | |
| 2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf | | | | | | |
| 3 The value of services or facilities furnished by a governmental unit to the organization without charge | | | | | | |
| 4 Total. Add lines 1 through 3 | | | | | | |
| 5 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) | | | | | | |
| 6 Public support. Subtract line 5 from line 4. | | | | | | |

Section B. Total Support

| Calendar year (or fiscal year beginning in) ► | (a) 2009 | (b) 2010 | (c) 2011 | (d) 2012 | (e) 2013 | (f) Total |
|--|----------|----------|----------|----------|-----------|--------------------------|
| 7 Amounts from line 4 | | | | | | |
| 8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources | | | | | | |
| 9 Net income from unrelated business activities, whether or not the business is regularly carried on | | | | | | |
| 10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.) | | | | | | |
| 11 Total support. Add lines 7 through 10 | | | | | | |
| 12 Gross receipts from related activities, etc. (see instructions) | | | | | 12 | |
| 13 First five years. 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 stop here | | | | | | <input type="checkbox"/> |

Section C. Computation of Public Support Percentage

| | | |
|--|-----------|--------------------------|
| 14 Public support percentage for 2013 (line 6, column (f) divided by line 11, column (f)) | 14 | % |
| 15 Public support percentage from 2012 Schedule A, Part II, line 14 | 15 | % |
| 16a 33 1/3% support test—2013. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization | | <input type="checkbox"/> |
| b 33 1/3% support test—2012. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization | | <input type="checkbox"/> |
| 17a 10%-facts-and-circumstances test—2013. 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 stop here. 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 10%-facts-and-circumstances test—2012. 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 stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization | | <input type="checkbox"/> |
| 18 Private foundation. 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"/> |

**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.

▶ Information about Schedule D (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2013

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 | 116 | |
| 2 Aggregate contributions to (during year) | 354,453 | |
| 3 Aggregate grants from (during year) | 392,358 | |
| 4 Aggregate value at end of year | 1,892,653 | |

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? Yes 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? Yes 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 XIII, 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 XIII, 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
 - b** Scholarly research
 - c** Preservation for future generations
 - d** Loan or exchange programs
 - e** Other _____
- 4** Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.
- 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 XIII and complete the following table:
- | | Amount |
|--|-----------|
| c Beginning balance | 1c |
| d Additions during the year | 1d |
| e Distributions during the year | 1e |
| f Ending balance | 1f |
- 2a** Did the organization include an amount on Form 990, Part X, line 21? Yes No
- b** If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII

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 |
|---|------------------|----------------|--------------------|----------------------|---------------------|
| 1a Beginning of year balance | 841,494 | 790,299 | 762,536 | 741,499 | 715,390 |
| b Contributions | 22,700 | 45,824 | 24,098 | 17,466 | 24,299 |
| c Net investment earnings, gains, and losses | 3,921 | 5,371 | 3,665 | 3,571 | 1,810 |
| d Grants or scholarships | | | | | |
| e Other expenditures for facilities and programs | | | | | |
| f Administrative expenses | | | | | |
| g End of year balance | 868,115 | 841,494 | 790,299 | 762,536 | 741,499 |

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
- (ii)** related organizations

| | Yes | No |
|---------------|-----|----|
| 3a(i) | | ✓ |
| 3a(ii) | | ✓ |
| 3b | | |

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

4 Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11a. 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 |
|---------------------------------|--------------------------------------|---------------------------------|------------------------------|----------------|
| 1a Land | | 49,319 | | 49,319 |
| b Buildings | | 2,711,222 | 1,512,528 | 1,198,694 |
| c Leasehold improvements | | | | |
| d Equipment | | 139,701 | 139,701 | -0- |
| e Other | | 5,970 | 5,970 | -0- |

Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).) 1,248,013

Part VII Investments – Other Securities.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11b. 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) ----- | | |
| Total. (Column (b) must equal Form 990, Part X, col. (B) line 12.) ▶ | | |

Part VIII Investments – Program Related.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

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

Part IX Other Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

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

Part X Other Liabilities.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

| 1. (a) Description of liability | (b) Book value |
|---|----------------|
| (1) Federal income taxes | |
| (2) Accrued Vacation | 65,455 |
| (3) Accrued Sick Leave | 15,556 |
| (4) | |
| (5) | |
| (6) | |
| (7) | |
| (8) | |
| (9) | |
| Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶ | 81,011 |

2. Liability for uncertain tax positions. In Part XIII, 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). Check here if the text of the footnote has been provided in Part XIII

**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.

OMB No 1545-0047

2013

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

Name of the organization

▶ Information about Schedule I (Form 990) and its instructions is at www.irs.gov/form990.

▶ Attach to Form 990.

Employer identification number

39-1325835

WCTC Foundation, Inc.

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. 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 | | | 776,151 | FMV | Bldg mat'ls/supplies/equip | Student technical 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) (2013)

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 | 463 | 357,431 | -0- | FMV | N/A |
| 2 | | | | | |
| 3 | | | | | |
| 4 | | | | | |
| 5 | | | | | |
| 6 | | | | | |
| 7 | | | | | |

Part IV Supplemental Information. Provide the information required in Part I, line 2, Part III, column (b), 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 - \$1,500.

**SCHEDULE J
(Form 990)**

Compensation Information

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

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

▶ Attach to Form 990. ▶ See separate instructions.

▶ Information about Schedule J (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2013

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

Name of the organization

WCTC Foundation, Inc.

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.

- | | |
|--|--|
| <input type="checkbox"/> First-class or charter travel | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input type="checkbox"/> Travel for companions | <input type="checkbox"/> Payments for business use of personal residence |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees |
| <input type="checkbox"/> Discretionary spending account | <input type="checkbox"/> 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 directors, trustees, and officers, including 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, but explain in Part III.

- | | |
|--|--|
| <input checked="" type="checkbox"/> Compensation committee | <input type="checkbox"/> Written employment contract |
| <input type="checkbox"/> Independent compensation consultant | <input type="checkbox"/> Compensation survey or study |
| <input type="checkbox"/> Form 990 of other organizations | <input type="checkbox"/> 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? | 4a | | ✓ |
| b Participate in, or receive payment from, a supplemental nonqualified retirement plan? | 4b | | ✓ |
| c Participate in, or receive payment from, an equity-based compensation arrangement? | 4c | | ✓ |

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? | 5a | | ✓ |
| b Any related organization? | 5b | | ✓ |
- 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? | 6a | | ✓ |
| b Any related organization? | 6b | | ✓ |
- 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 |
|----|-----|----|
| 1a | | |
| 1b | | |
| 2 | | |
| 3 | | |
| 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 and Title | (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, President | (i) 132,123 | (ii) -0- | (iii) 2,453 | 4,910 | -0- | 139,486 | -0- |
| 2 | | | | | | | |
| 3 | | | | | | | |
| 4 | | | | | | | |
| 5 | | | | | | | |
| 6 | | | | | | | |
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| 11 | | | | | | | |
| 12 | | | | | | | |
| 13 | | | | | | | |
| 14 | | | | | | | |
| 15 | | | | | | | |
| 16 | | | | | | | |

SCHEDULE O
(Form 990 or 990-EZ)

Supplemental Information to Form 990 or 990-EZ

OMB No 1545-0047

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

2013

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 990 or 990-EZ.

▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

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.



**WCTC
FOUNDATION INC.**

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

**Board of Directors
2013-2014**

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

Howard Halaska
Consultant

Brian Henke
Owner, Henke Investments

Judy Jorgensen
Retired WCTC Dean

Mark Jorgensen
Management Representative, WCTC

Jan Lennon
Civic Volunteer

Mary Manning
Vice President, Finance, Spacesaver Corp.

Mary C. Owen, R.N.
Civic Volunteer

Dick Richards
Owner, Country Springs Hotel & Conference Center

James P. Riley
Vice President, Waukesha State Bank

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

Stuart Schroeder
Paul Sehmer
Mary Manning
Mary C. Owen
Dan Wolfgram

Chairperson
Past Chairperson
Vice Chairperson
Secretary
Treasurer

as of 07/16/13

WCTC FOUNDATION, INC.

Pewaukee, Wisconsin

FINANCIAL STATEMENTS

Including Independent Auditors' Report

As of and for the years ended June 30, 2014 and 2013

WCTC FOUNDATION, INC.

TABLE OF CONTENTS As of and for the years ended June 30, 2014 and 2013

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INDEPENDENT AUDITORS' REPORT

Board of Directors
WCTC Foundation, Inc.
Pewaukee, Wisconsin

We have audited the accompanying financial statements of WCTC Foundation, Inc. (the "Foundation"), which comprise the statements of financial position as of June 30, 2014 and 2013, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Foundation as of June 30, 2014 and 2013, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Brian Tilly Vuchow Krause, LLP

Milwaukee, Wisconsin
October 3, 2014

WCTC FOUNDATION, INC.

STATEMENTS OF FINANCIAL POSITION As of June 30, 2014 and 2013

| | <u>2014</u> | <u>2013</u> |
|---|---------------------|---------------------|
| ASSETS | | |
| CURRENT ASSETS | | |
| Cash and cash equivalents | \$ 409,292 | \$ 356,143 |
| Accounts receivable | 12,936 | 6,487 |
| Contributions receivable | 20,828 | 295,114 |
| Prepaid expenses | <u>1,929</u> | <u>1,999</u> |
| Total Current Assets | <u>444,985</u> | <u>659,743</u> |
| INVESTMENTS | <u>3,909,053</u> | <u>3,534,032</u> |
| PROPERTY AND EQUIPMENT | | |
| Land | 49,319 | 51,204 |
| Land improvements | 5,970 | 5,970 |
| Buildings | 2,711,222 | 2,711,222 |
| Equipment | <u>139,701</u> | <u>139,701</u> |
| | 2,906,212 | 2,908,097 |
| Less accumulated depreciation | <u>(1,658,199)</u> | <u>(1,585,581)</u> |
| Net Property and Equipment | <u>1,248,013</u> | <u>1,322,516</u> |
| TOTAL ASSETS | <u>\$ 5,602,051</u> | <u>\$ 5,516,291</u> |
| LIABILITIES AND NET ASSETS | | |
| CURRENT LIABILITIES | | |
| Accounts payable | \$ 1,672 | \$ 6,843 |
| Deferred revenue | 524 | 524 |
| Accrued vacation payable | <u>65,455</u> | <u>57,353</u> |
| Total Current Liabilities | 67,651 | 64,720 |
| LONG-TERM LIABILITIES | | |
| Accrued sick leave payable | <u>15,556</u> | <u>15,955</u> |
| TOTAL LIABILITIES | <u>83,207</u> | <u>80,675</u> |
| NET ASSETS | | |
| Unrestricted | 1,665,297 | 1,666,780 |
| Temporarily restricted | 2,985,432 | 2,927,342 |
| Permanently restricted | <u>868,115</u> | <u>841,494</u> |
| TOTAL NET ASSETS | <u>5,518,844</u> | <u>5,435,616</u> |
| TOTAL LIABILITIES AND NET ASSETS | <u>\$ 5,602,051</u> | <u>\$ 5,516,291</u> |

See accompanying notes to financial statements.

WCTC FOUNDATION, INC.

STATEMENTS OF ACTIVITIES
For the years ended June 30, 2014 and 2013

| | 2014 | | | 2013 | | | |
|--------------------------------------|---------------------|---------------------|-------------------|---------------------|---------------------|-------------------|---------------------|
| | Unrestricted | Temporarily | Permanently | Unrestricted | Temporarily | Permanently | |
| | | Restricted | Restricted | | Restricted | Restricted | Restricted |
| | | | Total | | | Total | |
| REVENUE AND SUPPORT | | | | | | | |
| Contributions | \$ 393,863 | \$ 388,594 | \$ 22,700 | \$ 805,157 | \$ 354,121 | \$ 45,824 | \$ 646,959 |
| Fee for service revenue | 235,638 | - | - | 235,638 | - | - | 179,260 |
| Capital campaign | - | 59,166 | - | 59,166 | 390,651 | - | 390,651 |
| Fundraising activities | - | - | - | - | 87,510 | - | 87,510 |
| Rent | 375,575 | - | - | 375,575 | - | - | 369,246 |
| Interest and dividend income | 24,966 | 20,080 | 3,921 | 48,967 | 25,145 | 5,371 | 53,252 |
| Realized gain on investments | - | 153,743 | - | 153,743 | 150,991 | - | 150,991 |
| Unrealized gain on investments | - | 182,476 | - | 182,476 | 67,934 | - | 67,934 |
| Net assets released from restriction | 745,969 | (745,969) | - | - | (569,253) | - | - |
| Total Revenue and Support | <u>1,776,011</u> | <u>58,090</u> | <u>26,621</u> | <u>1,860,722</u> | <u>507,099</u> | <u>51,195</u> | <u>1,945,803</u> |
| EXPENSES | | | | | | | |
| Program Activities | | | | | | | |
| Rental property expenses | 270,624 | - | - | 270,624 | - | - | 268,026 |
| Scholarships | 357,431 | - | - | 357,431 | - | - | 417,315 |
| Grants to WCTC | 776,151 | - | - | 776,151 | - | - | 336,429 |
| Total Program Activities | <u>1,404,206</u> | <u>-</u> | <u>-</u> | <u>1,404,206</u> | <u>-</u> | <u>-</u> | <u>1,021,770</u> |
| Administrative | 319,060 | - | - | 319,060 | - | - | 307,859 |
| Fundraising activities | 54,228 | - | - | 54,228 | - | - | 60,510 |
| Total Expenses | <u>1,777,494</u> | <u>-</u> | <u>-</u> | <u>1,777,494</u> | <u>-</u> | <u>-</u> | <u>1,390,139</u> |
| Change in Net Assets | (1,483) | 58,090 | 26,621 | 83,228 | (2,630) | 51,195 | 555,664 |
| NET ASSETS, BEGINNING OF YEAR | <u>1,666,780</u> | <u>2,927,342</u> | <u>841,494</u> | <u>5,435,616</u> | <u>1,669,410</u> | <u>2,420,243</u> | <u>4,879,952</u> |
| NET ASSETS, END OF YEAR | <u>\$ 1,665,297</u> | <u>\$ 2,985,432</u> | <u>\$ 868,115</u> | <u>\$ 5,518,844</u> | <u>\$ 2,927,342</u> | <u>\$ 841,494</u> | <u>\$ 5,435,616</u> |

See accompanying notes to financial statements.

WCTC FOUNDATION, INC.

STATEMENTS OF CASH FLOWS For the years ended June 30, 2014 and 2013

| | <u>2014</u> | <u>2013</u> |
|--|-------------------|-------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Changes in net assets | \$ 83,228 | \$ 555,664 |
| 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 | 1,885 | 2,014 |
| Net realized gain on long-term investments | (153,743) | (150,991) |
| Net unrealized gain on long-term investments | (182,476) | (67,934) |
| Contributions restricted for endowments | (22,700) | (45,824) |
| Changes in operating assets and liabilities | | |
| Accounts and contributions receivable | 267,837 | (279,708) |
| Prepaid expenses | 70 | 6 |
| Accounts payable | (5,171) | 6,249 |
| Deferred revenue | - | (2,877) |
| Compensated absences | 7,703 | 8,179 |
| Net Cash Provided by Operating Activities | <u>69,251</u> | <u>97,396</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of investments | (785,772) | (3,393,044) |
| Proceeds from sale of investments | <u>746,970</u> | <u>3,345,190</u> |
| Net Cash Used in Investing Activities | <u>(38,802)</u> | <u>(47,854)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Receipt of endowment gifts | <u>22,700</u> | <u>45,824</u> |
| Net Increase in Cash and Cash Equivalents | 53,149 | 95,366 |
| CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR | <u>356,143</u> | <u>260,777</u> |
| CASH AND CASH EQUIVALENTS - END OF YEAR | <u>\$ 409,292</u> | <u>\$ 356,143</u> |

See accompanying notes to financial statements.

WCTC FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS As of and for the years ended June 30, 2014 and 2013

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. Cash and cash equivalents invested with investment managers are included in investments.

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, 2014 and 2013

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

PROPERTY AND EQUIPMENT

Property and equipment are stated at cost if purchased or fair 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 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, 2014 and June 30, 2013.

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, 2014 and 2013

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 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, 2014 and 2013. All contributions are expected to be collected within one year. There were no pledges collateralized or limited in use.

IN-KIND CONTRIBUTIONS

In-kind contributions of equipment and services are recognized as revenues in the period received. Expenses relating to in-kind contributions received are recognized as the equipment and services are received. Commitments of services that are to be provided in future years are recorded as contributions receivable.

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.

NOTE 2 - CASH AND CASH EQUIVALENTS

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

| | <u>2014</u> | <u>2013</u> |
|--|-------------------|-------------------|
| Cash and cash equivalents - interest-bearing demand deposits | <u>\$ 409,292</u> | <u>\$ 356,143</u> |

WCTC FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS As of and for the years ended June 30, 2014 and 2013

NOTE 2 - CASH AND CASH EQUIVALENTS (CONTINUED)

Of the balance above, \$250,000 was covered by federal depository insurance. The Foundation has not experienced any losses in such accounts and believes it is not exposed to any significant risk of loss.

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, 2014:

| | <u>Total</u> | <u>Level 1</u> | <u>Level 2</u> | <u>Level 3</u> |
|-------------------------|---------------------|---------------------|----------------|----------------|
| ASSETS | | | | |
| Money market funds | \$ 223,081 | \$ 223,081 | \$ - | \$ - |
| Fixed income securities | 1,008,496 | 1,008,496 | - | - |
| Mutual funds | <u>2,677,476</u> | <u>2,677,476</u> | - | - |
| | | | | |
| Total | <u>\$ 3,909,053</u> | <u>\$ 3,909,053</u> | <u>\$ -</u> | <u>\$ -</u> |

WCTC FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS As of and for the years ended June 30, 2014 and 2013

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, 2013:

| | Total | Level 1 | Level 2 | Level 3 |
|-------------------------|--------------|--------------|---------|---------|
| ASSETS | | | | |
| Money market funds | \$ 102,017 | \$ 102,017 | \$ - | \$ - |
| Fixed income securities | 1,055,217 | 1,055,217 | - | - |
| Mutual funds | 2,376,798 | 2,376,798 | - | - |
| Total | \$ 3,534,032 | \$ 3,534,032 | \$ - | \$ - |

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.

Fixed income securities - Fixed income securities are classified as Level 1 if they are traded in an active market for which closing prices are readily available.

Mutual funds - Mutual funds are classified as Level 1 if they are traded in an active market for which closing 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, 2014 and 2013 amounted to \$65,455 and \$57,353, 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, 2014 and 2013 amounted to \$15,556 and \$15,955, 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, 2014 and 2013

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 as approved by the State of Wisconsin Department of Financial Institutions.

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 \$192,004 and \$189,409 for the years ended June 30, 2014 and 2013, respectively. The original lease term expiration date was December 31, 2004. 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, 2015. 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 statement of financial position, 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 \$1,885 and \$2,014 as rent expense for the years ended June 30, 2014 and 2013, respectively, and will do so for each subsequent year over the term of the lease.

WCTC paid \$235,638 and \$179,260 to the Foundation for the years ended June 30, 2014 and 2013 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, 2014 and 2013 as follows:

| | <u>2014</u> | <u>2013</u> |
|--|---------------------|---------------------|
| Net investment in land, buildings, and equipment | \$ 1,248,013 | \$ 1,320,631 |
| Undesignated | <u>417,284</u> | <u>346,149</u> |
| Total Unrestricted Net Assets | <u>\$ 1,665,297</u> | <u>\$ 1,666,780</u> |

WCTC FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS As of and for the years ended June 30, 2014 and 2013

NOTE 7 - NET ASSETS (CONTINUED)

Temporarily restricted net assets consist of the following at June 30, 2014 and 2013:

| | <u>2014</u> | <u>2013</u> |
|--|---------------------|---------------------|
| Contributed use of land | \$ - | \$ 1,885 |
| Contributions for scholarships | 2,985,432 | 2,597,220 |
| Capital Campaign - Indoor Firing Range | - | 328,237 |
| | <u>\$ 2,985,432</u> | <u>\$ 2,927,342</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 \$256,230 and \$252,819 are included in revenue for the years ended June 30, 2014 and 2013, respectively.

The Foundation also leases space in its apartment building to WCTC for \$9,945 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, 2014 are as follows:

| | |
|------|-------------------|
| 2015 | \$ 349,642 |
| 2016 | 221,960 |
| | <u>\$ 571,602</u> |

NOTE 9 - ENDOWMENT

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 Foundation's endowment consists of approximately 53 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.

WCTC FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

As of and for the years ended June 30, 2014 and 2013

NOTE 9 - ENDOWMENT (CONTINUED)

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

Endowment net asset composition by type of fund consists of the following as of June 30, 2014:

| | <u>Temporarily Restricted</u> | <u>Permanently Restricted</u> | <u>Total</u> |
|----------------------------------|-----------------------------------|-----------------------------------|--------------|
| Donor-restricted endowment funds | \$ 192,705 | \$ 868,115 | \$ 1,060,820 |

Endowment net asset composition by type of fund consists of the following as of June 30, 2013:

| | <u>Temporarily Restricted</u> | <u>Permanently Restricted</u> | <u>Total</u> |
|----------------------------------|-----------------------------------|-----------------------------------|--------------|
| Donor-restricted endowment funds | \$ 194,311 | \$ 841,494 | \$ 1,035,805 |

WCTC FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS As of and for the years ended June 30, 2014 and 2013

NOTE 9 - ENDOWMENT (CONTINUED)

Changes in endowment net assets for the year ended June 30, 2014 are as follows:

| | <u>Unrestricted</u> | <u>Temporarily Restricted</u> | <u>Permanently Restricted</u> | <u>Total</u> |
|--|---------------------|-----------------------------------|-----------------------------------|------------------|
| Endowment net assets, July 1, 2013 | \$ - | \$ 194,311 | \$ 841,494 | \$ 1,035,805 |
| Investment return: | | | | |
| Investment income | - | 36,522 | 3,921 | 40,443 |
| Contributions | - | 14,426 | 22,700 | 37,126 |
| Appropriation of endowment assets for expenditure | - | (52,554) | - | (52,554) |
| Endowment net assets, June 30, 2014 | \$ - | \$ 192,705 | \$ 868,115 | \$ 1,060,820 |

Changes in endowment net assets for the year ended June 30, 2013 are as follows:

| | <u>Unrestricted</u> | <u>Temporarily Restricted</u> | <u>Permanently Restricted</u> | <u>Total</u> |
|--|---------------------|-----------------------------------|-----------------------------------|------------------|
| Endowment net assets, July 1, 2012 | \$ - | \$ 135,377 | \$ 790,299 | \$ 925,676 |
| Investment return: | | | | |
| Investment income | - | 50,253 | 5,371 | 55,624 |
| Funds transferred in | - | 19,579 | - | 19,579 |
| Contributions | - | 20,531 | 45,824 | 66,355 |
| Appropriation of endowment assets for expenditure | - | (31,429) | - | (31,429) |
| Endowment net assets, June 30, 2013 | \$ - | \$ 194,311 | \$ 841,494 | \$ 1,035,805 |

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.

WCTC FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS As of and for the years ended June 30, 2014 and 2013

NOTE 9 - ENDOWMENT (CONTINUED)

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.

NOTE 10 - SUBSEQUENT EVENTS

In preparing these financial statements, the Foundation has evaluated subsequent events and transactions for potential recognition or disclosure through October 3, 2014 which is the date that the financial statements were approved and available to be issued.

Application for Extension of Time To File an Exempt Organization Return

▶ **File a separate application for each return.**
▶ **Information about Form 8868 and its instructions is at www.irs.gov/form8868.**

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box
- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form).

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Electronic filing (e-file). You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit www.irs.gov/efile and click on *e-file for Charities & Nonprofits*.

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension—check this box and complete Part I only

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Enter filer's identifying number, see instructions

| | | |
|---|---|--|
| Type or print File by the due date for filing your return See instructions | Name of exempt organization or other filer, see instructions. WCTC Foundation, Inc. | Employer identification number (EIN) or 39-1325835 |
| | Number, street, and room or suite no. If a P O box, see instructions 800 Main Street | Social security number (SSN) |
| | City, town or post office, state, and ZIP code For a foreign address, see instructions Pewaukee, WI 53072 | |
| | | |

Enter the Return code for the return that this application is for (file a separate application for each return) 0 1

| Application Is For | Return Code | Application Is For | Return Code |
|--|-------------|-----------------------------------|-------------|
| Form 990 or Form 990-EZ | 01 | Form 990-T (corporation) | 07 |
| Form 990-BL | 02 | Form 1041-A | 08 |
| Form 4720 (individual) | 03 | Form 4720 (other than individual) | 09 |
| Form 990-PF | 04 | Form 5227 | 10 |
| Form 990-T (sec. 401(a) or 408(a) trust) | 05 | Form 6069 | 11 |
| Form 990-T (trust other than above) | 06 | Form 8870 | 12 |

• The books are in the care of ▶ Cary Tessmann, CFO WCTC 800 Main Street Pewaukee, WI 53072

Telephone No. ▶ 262-691-5214 Fax No. ▶ 262-691-5087

- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ . If this is for the whole group, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension is for.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until February 15, 20 15, to file the exempt organization return for the organization named above. The extension is for the organization's return for:
▶ calendar year 20 ____ or

▶ tax year beginning July 1, 20 13, and ending June 30, 20 14.

2 If the tax year entered in line 1 is for less than 12 months, check reason: Initial return Final return
 Change in accounting period

| | | | |
|---|-----------|----|-----|
| 3a If this application is for Forms 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions. | 3a | \$ | N/A |
| b If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit. | 3b | \$ | |
| c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions. | 3c | \$ | N/A |

Caution. If you are going to make an electronic funds withdrawal (direct debit) with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions