

2020

Financial Statements (Unaudited)

Year Ended December 31, 2020

AVIATION EDUCATION FOUNDATION OF COLORADO, INC.

Aviation Education Foundation of Colorado, Inc.
December 31, 2020

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STATEMENT OF FINANCIAL POSITION (Unaudited)

	Dec 31, 20	Dec 31, 19
ASSETS		
Current Assets		
Checking/Savings		
State Bank - Checking		
Scholarship Fund (Gonzalez)	550.00	550.00
Scholarship Fund (Susemihl)	235.00	235.00
State Bank - General	7,735.21	6,936.13
Total State Bank - Checking	8,520.21	7,721.13
Total Checking/Savings	8,520.21	7,721.13
Other Current Assets		
Petty Cash	80.00	80.00
Total Other Current Assets	80.00	80.00
Total Current Assets	8,600.21	7,801.13
TOTAL ASSETS	8,600.21	7,801.13
LIABILITIES & EQUITY		
Equity		
Perm. Restricted Net Assets	785.00	785.00
Unrestricted Net Assets	7,016.13	8,848.43
		-
Net Income	799.08	1,832.30
Total Equity	8,600.21	7,801.13
TOTAL LIABILITIES & EQUITY	8,600.21	7,801.13

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STATEMENT OF ACTIVITIES (Unaudited)

	<u>Jan - Dec</u> <u>20</u>	<u>Jan - Dec</u> <u>19</u>
Income		
Direct Public Support		
Amazon Smile Donations	19.39	41.05
Corporate/Trust Contributions	1,875.00	1,700.00
Individ, Business Contributions	1,705.00	0.00
Total Direct Public Support	<u>3,599.39</u>	<u>1,741.05</u>
Donated Goods & Services		
Donated Use of Facilities	0.00	2,180.00
Total Donated Goods & Services	<u>0.00</u>	<u>2,180.00</u>
Other Types of Income		
Interest Income	2.55	2.55
Total Other Types of Income	<u>2.55</u>	<u>2.55</u>
Special Events Income		
Cost of Direct Benefit	0.00	-37.50
Special Events Contributions	0.00	289.50
Total Special Events Income	<u>0.00</u>	<u>252.00</u>
Total Income	<u>3,601.94</u>	<u>4,175.60</u>
Expense		
Business Expenses		
PayPal Fees	39.31	0.00
Total Business Expenses	<u>39.31</u>	<u>0.00</u>
Donated Expenses		
Donated Facilities	0.00	2,180.00
Total Donated Expenses	<u>0.00</u>	<u>2,180.00</u>
General Administrative		
Communications		
Recruiting Supplies	99.00	0.00
Web Hosting and Protection	0.00	107.88
Total Communications	<u>99.00</u>	<u>107.88</u>
Total General Administrative	<u>99.00</u>	<u>107.88</u>
Program - Pilot Prep		
Resource Materials	164.55	90.55
Total Program - Pilot Prep	<u>164.55</u>	<u>90.55</u>
Program - Summer		
Flight Training	0.00	3,630.00
Food Service	0.00	-0.53

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Total Program - Summer Scholarships & Other Assistance	0.00	3,629.47
Scholarships & Grants	<u>2,500.00</u>	<u>0.00</u>
Total Scholarships & Other Assistance	<u>2,500.00</u>	<u>0.00</u>
Total Expense	<u>2,802.86</u>	<u>6,007.90</u>
Net Income	<u>799.08</u>	<u>-1,832.30</u>

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NOTES TO FINANCIAL STATEMENTS (Unaudited)

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows:

A. Business Operations

The Aviation Education Foundation of Colorado, Inc. (AEFCO) was incorporated in Colorado in 2002 as a “nonprofit” corporation. AEFCO was organized to provide training and/or scholarships for youth with a desire to enter the aviation industry, to provide a knowledge base that keeps pace with aviation’s continual and rapid advancement for general aviation enthusiasts, students, general aviation pilots, aircraft designers and builders. To accomplish its objectives, AEFCO operates these programs:

- The Aviation Summer Flight Experience is an 5-day “camp”, reduced from an 8-day “camp”, where young people learn about aircraft systems, aerodynamics, weather, navigation and take special VIP tours of the Colorado Springs Air Traffic Control Facility and 302nd Airlift Wing, Peterson AFB. Certified Flight Instructors provide flight training and volunteer private pilots supplement with demonstration flights.
- Private Pilot Exam Prep Course is a year-long program where students meet twice monthly to prepare to pass the FAA Knowledge Exam.
- Scholarships/Grants
 - AEFCO Matching Fund Grant - AEFCO will offer Matching Fund Grants to selected students who can show an equal amount of funds being placed on deposit with an approved Certified Flight Instructor (CFI) or Fixed Base Operator (FBO) for flight instruction.
 - Hank Bartlett Scholarship – AEFCO funds may be authorized by the Board for an applicant who demonstrates need.
 - Pedro “Pete” Gonzalez Memorial Scholarship - is funded by EAA Chapter 72. AEFCO Board selects recipients who demonstrate a financial need.
 - Carl Susemilh Memorial Grant – is open to students who require assistance paying the FAA Private Pilot Knowledge Exam fees.

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B. Basis of Accounting

AEFCO follows standards of accounting and financial reporting prescribed for nonprofit organizations. AEFCO uses the cash basis of accounting unless accrual basis is required for purposes of tracking grants receivable and grants/scholarships payable to students.

C. Basis of Presentation

Under of the provisions of generally accepted accounting principles, net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of AEFCO and changes therein are classified and reported as follows:

Unrestricted net assets are not subject to donor-imposed stipulations. Board designated or appropriated amounts are legally unrestricted and are reported as part of the unrestricted class.

Temporarily restricted net assets are subject to donor-imposed stipulations that may or will be met either by actions of AEFCO or the passage of time.

Permanently restricted net assets are subject to donor-imposed stipulations that they be maintained permanently by AEFCO.

D. Revenue Recognition

Contributions are recognized when received from the donor. Contributions that are not restricted by the donor are reported as increases in unrestricted net assets.

All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Sales and special events revenue are recognized when received.

E. Tax Exemption

The Internal Revenue Service has determined AEFCO to be exempt from federal income tax under Section 501(c)(3) of the internal Revenue Code. AEFCO has been classified as a publicly supported organization which is not a private organization under Section 509(a) of the Code.

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AEFCO is not aware of any uncertain tax positions that would require disclosure or accrual in accordance with generally accepted accounting principles.

F. Summarized Financial Information

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles.

NOTE 2 – RESTRICTIONS ON NET ASSETS

Permanently restricted net assets consist of assets to be held indefinitely until used and consisted of the following at December 31, 2017:

Scholarship/Grant	Purpose	
Pedro “Pete” Gonzalez Memorial Scholarship	Flight Training based on financial need	\$ 550.00
Carl Susemihl Memorial Grant	FAA Private Pilot Knowledge Exam fees	235.00
		=====
		\$ 785.00

NOTE 3 – UNRESTRICTED NET ASSETS

Current net income of \$ 799.08 increased unrestricted net assets at December 31, 2020, to \$7,815.21.

NOTE 4– CASH DONATIONS

AEFCO was the recipient of \$1,875 sponsorship from Aerospace Corporation to provide flights relative to the STEM concepts and techniques students are learning each class.

Individuals and Businesses are vital to AEFCO remaining a sustainable organization and meeting the needs of students to reach their goals in professional aviation. These funds are used primarily for Flight Training Scholarship awards and Flight Training during the summer program.

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NOTE 5- DONATED SERVICES AND GIFTS-IN-KIND

Donated services are recognized at fair value when received if such services (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not donated.

Donated Use of Facilities – Due to COVID-19, AEFCO cancelled the summer program and transitioned the Pilot Prep Course to online remote via Moodle LMS and Big Blue Button Video Conference.

Gifts-in-Kind Goods – Goods received are valued at the retail cost, if AEFCO were required to purchase, or the fair market assessment, usually upon advertisement or sale of donated goods. There were no Gifts-in-Kind received in 2020. It is worth noting that the Aviation Supplies & Academics, Inc. (ASA) donation of 25 student access to the software Preppware in late 2018 continued in 2020 for both weekly quizzes and then the boot camp as students prepared to sit for the FAA Private Pilot Knowledge Exam before accesses expiring in September.

Volunteer Time - AEFCO receives donated services that are professional or central to AEFCO's operations. In the past, the estimated value of these services was based on the estimated single dollar value of volunteer time calculated by *Independent Sector*. A volunteer performing a professional task (instruction or accounting) is worth more in the market place than a volunteer doing food service. Therefore, for the year ended December 31, 2017, AEFCO adopted the **Economic Impact Of Volunteers Calculator** created by Points of Light to make the calculation. The calculator estimates the appropriate wage rate for volunteer time based on the value of specific tasks according to market conditions as reported by the US Department of Labor.

The value of the volunteer time for 2020 was drastically reduced due to program cancellations and restructuring caused by safety aspects of COVID-19 that required less volunteer time:

Pilot Prep Course:	
Administrators / Instructors	\$ 45,518.00
Assistants / Mentors	\$ 0.00
Director Activities:	\$ 3,011.00
Development/Bookkeeping:	\$ 8,306.00
Others	\$ 0.00
Total	\$ 56,835.00

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In accordance with GAAP the value of these volunteer hours are not reflected in the financial statements.

NOTE 6 – SPECIAL EVENT REVENUE

Fundraising events were curtailed in 2019 due to conflicts with the scheduling of the MLAA hangar. At December 31, 2020, there were no special events scheduled.

NOTE 7 – SCHOLARSHIPS PAID

AEFCO scholarships all require some percentage of matching by the student/family.

AEFCO Scholarships 2020	
Recipients	Total
Ethan Mathews	1,000.00
Ethan Michon	1,000.00
Isabella Huhn	500.00
(1) Private Pilot - Sgl Engine (2) Private Pilot - Glider (3) Private Pilot - **Instrument Rating	2,500.00

NOTE 8– AVIATION SUMMER ACADEMY EXPENSES AND SUPPORT

The Aviation Summer Academy has become a cornerstone program for AEFCO. Students attend an 5-day “camp” in June where they are introduced to motivational speakers from both private and military careers. They tour aviation businesses that construct or assist builders of experimental aircraft and maintenance hangars for commercial airlines. Due to COVID-19 the June 2020 Summer Program was cancelled.

**Aviation Education Foundation of Colorado, Inc.
December 31, 2020**

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