WYOMING CATHOLIC COLLEGE

FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2020

WYOMING CATHOLIC COLLEGE
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YEAR ENDED JUNE 30, 2020

CliftonLarsonAllen LLP
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INDEPENDENT AUDITORS' REPORT

Board of Directors
Wyoming Catholic College
Lander, Wyoming

We have audited the accompanying financial statements of Wyoming Catholic College (the College), which comprise the statement of financial position as of June 30, 2020, and the related statement of activities, functional expenses and cash flows for the year 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 audit. We conducted our audit 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 auditor's 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 College'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 College'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.

Board of Directors
Wyoming Catholic College

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the College as of June 30, 2020, and the change in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis-of-Matter Regarding Restatement

As discussed in Note 15 to the financial statements, certain errors resulting in understatement of amounts previously reported for scholarships and grants expense and an overstatement of amounts previously reported for tuition and fees revenue for the year-end June 30, 2019, were discovered during the current year audit. In addition, a reclassification was made between net assets with and without donor restriction. Accordingly, these amounts have been restated in the financial statements now presented, and an adjustment has been made to net assets as of June 30, 2019, to correct the error. Our opinion is not modified with respect to that matter.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Minneapolis, Minnesota
April 4, 2023

WYOMING CATHOLIC COLLEGE
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2020

ASSETS	
Cash and Cash Equivalents	$ 2,370,375
Accounts Receivable	114,394
Trust Receivable	44,416
Estate Receivable	171,832
Student and Parent Loans Receivable, Net of Allowance for Doubtful Accounts for 2020 $118,041	2,574,667
Inventories	32,651
Property and Equipment, Net	1,859,193
Land Held for Sale	1,180,000
Unamortized Value of Donated Facilities	309,712
Prepaid Expenses	25,970
Other Assets	188,963
Total Assets	$ 8,872,173
LIABILITIES AND NET ASSETS	
LIABILITIES	
Line of Credit	$ 98,589
Accounts Payable	211,182
Notes Payable	4,787,311
Interest Payable	4,368
Deferred Revenue	641,809
Accrued Liabilities	81,354
Total Liabilities	5,824,613
NET ASSETS	
Without Donor Restrictions	137,755
With Donor Restrictions	2,909,805
Total Net Assets	3,047,560
Total Liabilities and Net Assets	$ 8,872,173

See accompanying Notes to Financial Statements.

WYOMING CATHOLIC COLLEGE
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES AND GAINS			
Tuition and Fees, Net of Scholarships and Grants of $2,537,548	$ 1,638,653	$ -	$ 1,638,653
Room and Board	1,146,923	-	1,146,923
Net Student Tuition and Fees	2,785,576	-	2,785,576
Private Gifts and Grants	2,356,385	1,383,562	3,739,947
Investment Income	54,645	78,433	133,078
Auxiliary Revenue	596,112	-	596,112
Other	376,043	-	376,043
Net Assets Released from Restrictions	239,647	(239,647)	-
Total Revenues and Gains	6,408,408	1,222,348	7,630,756
EXPENSES			
Instruction	2,462,774	-	2,462,774
Continuing Education	48,244	-	48,244
Academic Support	215,210	-	215,210
Student Services	1,663,415	-	1,663,415
Auxiliary	961,046	-	961,046
Institutional Support	2,779,352	-	2,779,352
Total Expenses	8,130,041	-	8,130,041
CHANGE IN NET ASSETS	(1,721,633)	1,222,348	(499,285)
Net Assets - Beginning of Year, as Previously Stated	2,025,940	1,659,621	3,685,561
Prior Period Adjustments	(166,552)	27,836	(138,716)
Net Assets - Beginning of Year, as Restated	1,859,388	1,687,457	3,546,845
NET ASSETS - END OF YEAR	$ 137,755	$ 2,909,805	$ 3,047,560

See accompanying Notes to Financial Statements.

WYOMING CATHOLIC COLLEGE
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2020

	Program Services						Institutional Support				
	Instruction	Continuing Education	Academic Support	Student Services	Auxiliary	Total Program	General and Administration	Development and Public Relations	Facilities and Maintenance	Total Institutional Support	Total
Salaries and Wages	$ 1,366,085	$ 42,194	$ 87,690	$ 533,164	$ 451,145	$ 2,480,278	$ 613,380	$ 416,268	$ 108,331	$ 1,137,979	$ 3,618,257
Employee Benefits	173,890	46	13,521	37,008	19,051	243,516	38,133	31,688	13,454	83,275	326,791
Total Compensation	1,539,975	42,240	101,211	570,172	470,196	2,723,794	651,513	447,956	121,785	1,221,254	3,945,048
Occupancy	352,979	-	63,207	266,307	58,980	741,473	69,798	17,220	10,591	97,609	839,082
Food Service	28,002	-	-	298,607	211,071	537,680	-	19	-	19	537,699
Student Employment	45,302	-	7,065	246,448	28,766	327,581	30,526	21,415	49,377	101,318	428,899
Payroll Taxes	101,827	3,368	6,551	40,583	38,445	190,774	68,915	30,425	7,955	107,295	298,069
Interest on Debt	-	-	-	-	-	-	320,923	-	-	320,923	320,923
Supplies and Minor Equipment	168,930	56	3,586	87,538	43,776	303,886	31,347	-	16,201	47,548	351,434
Travel and Entertainment	20,514	-	6,588	36,320	37,999	101,421	31,841	58,801	11,101	101,743	203,164
Other	17,755	-	17,148	11,467	12,286	58,656	37,630	9,779	26,732	74,141	132,797
Professional Fees	2,570	-	-	22,033	8,432	33,035	52,366	9,872	-	62,238	95,273
Services and Contracting	45,474	2,308	7,154	36,732	37,010	128,678	213,331	27,372	88,976	329,679	458,357
Depreciation	-	-	-	-	-	-	-	-	116,123	116,123	116,123
Equipment Rental	28,183	-	1,111	32,421	8,124	69,839	1,918	2,895	573	5,386	75,225
Course Books	97,780	-	682	-	-	98,462	-	-	-	-	98,462
General Insurance	-	-	-	-	-	-	35,781	-	-	35,781	35,781
Telecommunications	12,863	272	276	12,318	3,057	28,786	6,386	5,078	-	11,464	40,250
Printing and Copying	455	-	-	1,434	2,153	4,042	898	21,266	-	22,164	26,206
Postage and Shipping	165	-	631	1,035	751	2,582	3,503	8,434	-	11,937	14,519
Advertising	-	-	-	-	-	-	29,819	-	-	29,819	29,819
Amortization of Debt Issuance Cost	-	-	-	-	-	-	82,911	-	-	82,911	82,911
Total Expenses	$ 2,462,774	$ 48,244	$ 215,210	$ 1,663,415	$ 961,046	$ 5,350,689	$ 1,669,406	$ 660,532	$ 449,414	$ 2,779,352	$ 8,130,041

See accompanying Notes to Financial Statements.

WYOMING CATHOLIC COLLEGE
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2020

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in Net Assets	$ (499,285)
Adjustments to Reconcile Increase (Decrease) in Net Assets to Net Cash Provided by Operating Activities:	
Depreciation	116,123
Change in Allowance for Doubtful Accounts	(45,291)
Amortization of Donated Use of Facilities	173,954
Amortization of Debt Issuance Cost	82,911
(Increase) Decrease in:	
Accounts Receivable	123,657
Trust Receivable	(16,115)
Inventories	26,785
Prepaid Expenses	(22,303)
Other Assets	(101,905)
Pledge Receivable	500,000
Estate Receivable	(171,832)
Increase (Decrease) in:	
Accounts Payable	(225,178)
Deferred Revenue	360,824
Interest Payable	(3,560)
Accrued Liabilities	35,888
Net Cash Provided by Operating Activities	334,673
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchases of Property and Equipment	(115,242)
Repayments on Student and Parent Loans Receivable	403,879
Issuance of Student and Parent Loans Receivable	(545,790)
Net Cash Used by Financing Activities	(257,153)
CASH FLOWS FROM FINANCING ACTIVITIES	
Principal Payments on Line of Credit	(689,115)
Proceeds from Notes Payable	4,456,100
Principal Payments on Notes Payable	(1,688,711)
Net Cash Provided by Financing Activities	2,078,274
CHANGE IN CASH AND CASH EQUIVALENTS	2,155,794
Cash and Cash Equivalents - Beginning of Year	214,581
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 2,370,375
SUPPLEMENTARY DISCLOSURES OF CASH FLOW INFORMATION	
Cash Payments for Interest	$ 320,923
Scholarships Granted to Students	$ (1,146,923)

See accompanying Notes to Financial Statements.

NOTE 1 NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Wyoming Catholic College (the College) is a four-year coeducational Catholic college based in Lander, Wyoming. Wyoming Catholic College's primary educational objective is to offer a traditional liberal arts education that schools the whole person in three dimensions – physical, intellectual, and spiritual. Revenues are primarily received from: (1) tuition and fees paid by students, and (2) donations from private foundations and individuals. Expenses consist primarily of salaries and other program administration costs, and rent and subsistence costs.

Net Assets

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

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as restricted revenue when received and released from restrictions when the assets are placed in service. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Revenues are reported as increases in net assets without donor restriction unless their use is subject to donor-imposed restrictions. In those cases, amounts received that are restricted by the donor are reported as increases to net assets with donor restriction. When a qualifying expenditure occurs or a time restriction expires, net assets with donor restriction are recognized in the net assets without donor restriction as net assets released from restrictions.

All expenses are reported as decreases in net assets without donor restriction. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by donor stipulation.

Cash and Cash Equivalents

For purposes of reporting the cash flows, the College considers all cash, either on hand or in banks including time deposits, and any highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

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

Accounts and Student and Parent Loans Receivable

The College extends credit to students in the form of accounts receivable and loans for educational purposes. Parents of students are extended loans for their children's educational purposes. These accounts and loans receivable are recorded at the net realizable value expected to be received from students, parents, or third-party payors. Management continually monitors and adjusts its allowances to address any credit risks associated with student accounts or loans receivable. When uncertainty exists as to the collectibility of receivables, an allowance for doubtful accounts and a corresponding charge to bad debts expense is recorded.

Fair Value Measurements

The Fair Value Measurements and Disclosures Topic of the FASB Accounting Standards Codification establishes a framework for fair value measurement and disclosure. It requires that assets and liabilities carried 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.

At June 30, 2020, the College had no assets or liabilities required to be valued using this approach.

Inventories

Inventories are stated at the lower of cost (first in, first out) or net realizable value and consist primarily of textbooks and memorabilia held for sale to students and promotional materials held for free distribution to potential donors.

Property and Equipment

Property and equipment are recorded at cost at the date of acquisition or fair value at the date of donation in the case of gifts.

Depreciation is recorded on a straight-line basis over the estimated useful lives under the following guidelines:

Land Improvements	15 Years
Buildings	20 to 40 Years
Leasehold Improvements	2 to 7 Years
Furniture	7 Years
Equipment	5 to 7 Years
Vehicles	5 Years
Library Books	10 Years
Computer Hardware and Related Equipment	5 Years
Computer Software	3 to 5 Years

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

Property and Equipment (Continued)

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets.

Expenditures for repairs and maintenance that do not prolong the useful lives of fixed assets are charged to expense as incurred, whereas expenditures for acquisitions and improvements in excess of $1,500 are generally capitalized and subsequently depreciated. Library books are capitalized regardless of their cost. Upon retirement, sale, or other disposition of property, the costs and accumulated depreciation are eliminated from the accounts and any gain or loss is included in income on the statement of activities.

Land Held for Sale

Land held for sale consists of properties the College has received, but not yet sold to a developer. This land held for sale is not used in the College's operations. These properties are held at the lower of cost or market. In 2022, the College sold the land for $1.5 million.

Contributions

Contributions received, including unconditional promises, are recognized as revenues when the donors' commitments are received. Long-term unconditional promises are recognized at the estimated present value of the future cash flows, net of allowances. Unconditional promises are discounted using the risk-free interest rate applicable to the period over which the promise is to be received. Promises of noncash assets are recorded at their fair market values. Conditional promises are recorded at their fair values when donor stipulations are substantially met.

Revenue Recognition

Revenue from contracts with customers (students) is recognized when control of the promised goods or services is transferred to customers, in an amount that reflects the consideration expected to be entitled in exchange for those goods or services.

The following table shows the College's tuition revenue disaggregated according to the timing of the transfer of goods or service and by source, as of the year ended June 30, 2020:

Revenue Recognized Over Time:	
Tuition and Fees	$ 4,176,200

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

Revenue Recognition (Continued)

The following table shows the College's auxiliary revenues disaggregated according to the timing of the transfer of goods or service and by source, as of the year ended June 30, 2020:

Revenue Recognized at a Point in Time:		
Catering	$	334,951
Eatery		261,161
Total	$	596,112
Revenue Recognized Over Time:		
Housing & Dining	$	1,146,923
Total Exchange Revenue	$	1,743,035

Performance obligations for catering revenue are generally for services received during a short period of time. Revenue is recognized at the time the event occurs which is typically within the same period that payment is received. Payments received in advance are recorded as deferred revenue on the Statement of Financial Position.

Performance obligations for the eatery relate to the coffee shop and ice cream shop that the College runs on campus. Revenue is recognized at the point in time of the sale as no subsequent performance obligations exist.

The College's contract assets and liabilities consist of the following as of June 30, 2020:

Accounts Receivable - Students	$	114,394
Deferred Revenue - Students		641,809

Performance Obligations and Revenue Recognition

The College has two academic terms. Tuition revenue is recognized in the fiscal year in which the academic programs are delivered, pro-rata over the term of the related semester. Auxiliary revenue is recognized in the fiscal year in which housing and food services are provided, pro-rata over the term of the related semester. Any payments received prior to fiscal year-end related to academic terms that occur subsequent to fiscal year-end are recorded as deferred revenue in the accompanying statement of financial position.

Customer contracts generally have separately stated prices for each performance obligation contained in the contract. Therefore, each performance obligation generally has its own standalone selling price. Arrangements for payment are agreed to prior to registration of the student's first academic term. Many students obtain financial aid resulting in the College receiving a significant amount of the transaction price at the beginning of the academic term.

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

Transaction Price

Revenue, or transaction price, is measured as the amount of consideration expected to be received in exchange for transferring goods or services. Tuition and auxiliary revenues are reported at established rates, net of financial assistance provided by the College.

Students may receive discounts, scholarships, or refunds, which gives rise to variable consideration. The amounts of discounts or scholarships are applied to individual student accounts when such amounts are awarded. Therefore, the transaction price is reduced directly by these discounts or scholarships from the amount of the standard rates charged.

Students who withdraw within the first seven weeks of the academic term may receive a partial refund in accordance with the College's refund policy.

Management reassesses collectability throughout the period revenue is recognized by the College on a student-by-student basis. This reassessment is based upon new information and changes in facts and circumstances relevant to a student's ability to pay. Management also reassesses collectability when a student withdraws from the institution and has unpaid charges.

Contract Balances

Tuition, fees, and auxiliary revenues are recognized in the period classes and services are provided and amounts received for future periods are reported as deferred revenue. Students are billed at the beginning of each academic term and payment is due at that time. The College's performance obligations are to provide educational services in the form of instruction as well as housing facilities and meals during the academic term. As these performance obligations are satisfied over the academic term, deferred revenue is reduced. A significant portion of student payments are from financial aid and other programs and are generally received during the first month of the respective term. When payments are received, accounts receivable is reduced.

The following table depicts activities for deferred revenue related to tuition and fees and auxiliary revenues:

Balance at June 30, 2019	Refunds Issued	Revenue Recognized Included in June 30, 2019 Balance	Cash Received in Advance of Performance	Balance at June 30, 2020
$ 280,985	$ -	$ 280,985	$ 641,809	$ 641,809

The balance of deferred revenue at June 30, 2020 will be recognized as revenue over the academic terms beginning on or after July 1, 2020 as services are rendered.

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

Donated Use of Facilities

The fair value of the future use of these facilities has been recorded as an asset and donor-restricted contribution revenue as of the date of the promise to give based upon fair market value for rental of similar property. This asset is being amortized and rent expense is recognized ratably over the period of intended use of the facilities of eight years.

A discount has been recorded against Unamortized Value of Donated Facilities based on management's best estimate of the present value of the expected fair value of that donated space.

Advertising Expenses

Advertising costs are expensed when incurred. Advertising expense for the year ended June 30, 2020 was $29,819.

Use of 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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain expenses have been allocated among the programs and supporting services benefited.

The College's primary program service is academic instruction. Expenses reported as auxiliary, student services and academic support are incurred in support of this primary program activity. Expenses are directly coded to programs or support services whenever possible. Natural expense attributable to more than one functional expense category are allocated using a variety of cost allocation techniques. Depreciation and occupancy expenses are allocated on a square footage-basis. Compensation and student employment expenses are allocated based upon time and effort reporting that is done.

Income Tax Matters

The College is exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code. Contributions to the College are deductible as allowed under Section 170 of the Code. Management evaluated the College's tax positions and concluded that the College had taken no uncertain tax positions that require adjustments to the financial statements. With few exceptions, the College is no longer subject to income tax examinations by the U.S. Federal, state, or local tax authorities except for the last three years filed.

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

Change in Accounting Principle

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers (Topic 60*6). Subsequent to May 2014, the FASB has issued six ASUs to clarify certain matters related to Topic 606. Topic 606 supersedes the revenue recognition requirements in FASB Accounting Standards Codification (ASC) 605, *Revenue Recognition*, and requires the recognition of revenue when promised goods or services are transferred to customers in an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods or services. The updates address the complexity and understandability of revenue recognition and provide sufficient information to enable financial statements users to understand the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. These financial statements reflect the application of ASC 606 guidance beginning in fiscal year 2020. The adoption of ASU 2014-09 did not impact the College's reported historical revenue therefore has been applied prospectively.

In June 2018, FASB issued ASU 2018-08, *Accounting Guidance for Contributions Received and Made.* This ASU was issued to clarify accounting guidance for contributions received and contributions made. The amendments to this ASU assists entities in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) within the scope of Topic 958, *Not-for-Profit Entities*, or as exchange (reciprocal) transactions subject to other guidance and (2) determining whether a contribution is conditional. These financial statements reflect the adoption of ASU 2018-08 beginning in fiscal year 2020. The implementation of the standard did not impact the College's reported revenue and has been applied prospectively.

Subsequent Events

Events occurring subsequent to the statement of financial position date have been evaluated for financial statement impact or disclosure through April 4, 2023, the date the financial statements were available to be issued.

NOTE 2 LIQUIDITY AND AVAILABILITY

The College's funds are maintained in multiple accounts to balance the goals of maximizing interest returns and minimizing risk of consolidated assets, while maintaining liquidity. The board of directors regularly reviews and monitors the College's operating cash and reserve levels. As of June 30, 2020, the following assets could be made readily available within one year to meet general expenditures:

Cash and Cash Equivalents	$ 2,370,375
Accounts Receivable	114,394
Total	$ 2,484,769

The majority of the College's liquidity is provided by cash and cash equivalents. Based on historical experience, only the portion of accounts receivable and pledge receivable due within one year that has no donor restrictions are considered liquid.

NOTE 3 STUDENT AND PARENT LOANS RECEIVABLES

The College issues uncollateralized loans to students based on financial need. Student loans are funded through institutional resources and notes payable. Allowances for doubtful accounts are established based on prior collection experience and current economic factors which, in management's judgment, could influence the ability of loan recipients to repay the amounts per the loan terms. At June 30, 2020, net student loans represent 29% of total assets.

Loans in Repayment	$	2,338,030
Loans in Deferment		354,678

NOTE 4 TRUST RECEIVABLE

The receivable is the estimated present value of the College's interest in a charitable remainder trust. The trust has a fair market value of $56,972 as of June 30, 2020. The value of the trust is given to the College upon the death of the donor. Based on the age of the donor, there is an estimated life of 13.4 years for the trust when created in April 2014. The College is to contribute the lesser of 5% of the trust or income on the investment each year to the donor. The net present value of the investment and payments owed to the donor were discounted at 5% for a net present value of the trust of $44,416 as of June 30, 2020.

NOTE 5 PROPERTY AND EQUIPMENT

Property and equipment consist of the following as of June 30, 2020:

Land Improvements	$	208,438
Buildings and Improvements		1,567,800
Leasehold Improvements		139,100
Furniture and Equipment		479,252
Vehicles		224,497
Library Books		71,927
Total		2,691,014
Less: Accumulated Depreciation		1,174,051
Total		1,516,963
Land		340,650
Construction in Progress		1,580
Total Property and Equipment, Net	$	1,859,193

Depreciation expense of $116,123 in fiscal year 2020 has been allocated to the functional operating expense categories within the Statement of Activities based primarily on specific identification of buildings utilized within each function.

NOTE 6 DONATED USE OF FACILITIES

The College has been promised free use of certain facilities for student housing and activities. Rent expense of $173,954 was recognized during the fiscal year ended June 30, 2020.

The donated use of facilities pledge is summarized as follows as of June 30, 2020:

Donated Use of Facilities Expected to be Utilized in:		
Less than One Year	$	192,234
One to Five Years		202,273
Gross Unamortized Value Over Five Years of Donated Facilities		394,507
Less: Present Value Discount		84,795
Net Unamortized Value of Donated Facilities	$	309,712

NOTE 7 RENTAL COMMITMENTS

The College has entered into various operating leases for real estate which provide for specified minimum lease payments. Some of the leases are month to month and others are for longer terms. The longer term leases have remaining terms ranging from one to seven years. The minimum future rentals on all noncancelable operating leases are as follows:

Year Ending June 30,		Noncancelable Operating Leases
2021	$	435,038
2022		98,557
2023		56,779
2024		60,279
2025		40,556
Total Minimum Lease Payments	$	691,209

Building rental expense for the year ended June 30, 2020 was $507,700. In addition, equipment rental for the year ended June 30, 2020 was $75,225.

NOTE 8 LINE OF CREDIT

As of July 5, 2017, the College renegotiated a $500,000 revolving line of credit with a bank. This line of credit was available for operating purposes and was secured by real estate owned by the College. The line of credit carried a variable interest rate of the Wall Street Journal Prime rate plus 0.50% with a floor of 6.0%. This line was refinanced and cancelled in fiscal year 2020 as a part of a debt consolidation.

On January 9, 2019 the College negotiated a $289,585 line of credit for a 356 day term with a bank. This line of credit was available for operating purposes and was secured by real estate owned by the College. The line of credit carried a variable interest rate of the Wall Street Journal Prime rate plus 1.00%. This line was refinanced and cancelled in fiscal year 2020 as a part of a debt consolidation.

On September 30, 2019, the College secured a revolving line of credit with a bank that matured on September 30, 2021 and has been extended to April 30, 2023. This line of credit is available for operating purposes and is secured by real estate, cash, and student loans owned by the College. The line of credit carries a variable interest rate of the Wall Street Journal Prime rate plus 1.0% (4.25% on June 30, 2020). Accrued interest is paid monthly, beginning on October 30, 2019, with the principal balance and all remaining accrued but unpaid interest at maturity. As of June 30, 2020, the outstanding balance on this line of credit was $98,589.

NOTE 9 NOTES PAYABLE

As of June 30 2020, notes payable consisted of the following:

Description		
Note payable to a private party; principal and interest payable in monthly installments of $1,754; interest accrues at a fixed rate of 6%; note matured on October 1, 2019 but has been extended indefinitely by verbal agreement; secured by a deed of trust on land with a cost of $65,000 and building with a depreciated cost of $260,908	$	240,467
Note payable to a bank; principal and interest payable in monthly installments of $1,950; interest accrues at a fixed rate of 5.5%; note matures on July 1, 2030; secured by a mortgage dated June 30, 2015 on real property located in Fremont County, valued at $312,954		180,049
Note Payable to a related party; principal and interest payable in monthly installments of $1,000 beginning June 2016 and ending June 2017, $1500 beginning July 2017 and ending June 2020, $2,500 beginning July 2020 and ending May 2021; interest accrues at a fixed rate of 6% and the note is secured by $101,118 in student loans receivable.		29,353
Note payable to a bank; principal and interest payable in monthly installments of $555 beginning August 2015 and ending July 2020; interest accrues at a fixed rate of 5% and the note is secured by a vehicle with a depreciated cost of $-0-		411
Note payable to a private party; principal and interest payable in monthly installments of $1,098 beginning in September 2019 and ending August 2029; interest accrues at a fixed rate of 5%; secured by a guaranty.		96,708
Unsecured note payable to a private party; interest payable in quarterly installments of $313 beginning in August 2020 and ending May 2025 with principal and unpaid accrued interest due in May 2025; interest accrues at a fixed rate of 5%.		25,000

NOTE 9 NOTES PAYABLE (CONTINUED)

Description		
Note payable to a bank; principal and interest payable in monthly installments of $445 beginning March 2020 and ending February 2024; interest accrues at a fixed rate of 5% and the note is secured by a vehicle with a depreciated cost of $14,000.	$	17,791
Note payable to a bank; principal and interest payable in monthly installments of $492 beginning June 2020 and ending May 2024; interest accrues at a fixed rate of 5% and the note is secured by a vehicle with a depreciated cost of $16,824.		20,903
Note payable to a bank; principal and interest payable in monthly installments of $245 beginning January 2019 and ending September 2024; interest accrues at a fixed rate of 5.85% and the note is secured by a vehicle with a depreciated cost of $13,404		9,460
Note payable to a bank; principal and interest payable in monthly installments of $24,780 beginning October 2019 and ending September 2024; interest accrues at a fixed rate of 5.85% and the note is secured by $180,717 in student and parent loans receivable, $575,000 in college cash deposits and $1,425,000 in related party deposits		3,428,069
Promissory note issued as part of the Paycheck Protection Program. The note commenced April 7, 2020 and accrues interest at 1%. Interest and principal are due in full on April 7, 2022. Note was forgiven on March 19, 2021.		739,100
Total	$	4,787,311

The schedule of maturities for each of the next five years is as follows:

Year Ending June 30,		Amount
2021	$	160,015
2022		887,397
2023		159,353
2024		161,811
2025		3,039,042
Thereafter		379,693
Total	$	4,787,311

NOTE 10 NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions as of June 30, 2020 are restricted for the following purposes:

Scholarships	$	91,948
Native American Recruitment and Mentoring		165,646
Use of Facilities		309,712
Capital Improvements		200,000
Perpetuity		2,142,499
Total	$	2,909,805

Net assets released from donor restrictions by incurring expenses satisfying the restricted purposes specified by the donor as follows:

Scholarships	$	22,743
Native American Recruitment and Mentoring		42,950
Use of Facilities		173,954
Total	$	239,647

Net assets held in perpetuity at June 30, 2020 consist primarily of endowment corpus, with donor stipulations that they be invested in perpetuity to provide a perpetual source of income. As of June 30, 2020, the College has six individual funds established to function as endowments.

The first fund consists of $1,250 which has been received from various donors and designated by those donors to be donor-restricted in perpetuity. The income from this fund is available for operations. This fund is held in cash and cash equivalents, and no investment or spending policies have yet been adopted for this fund.

The second fund consists of $1,000,000, which was received during the fiscal year ended June 30, 2009 from a private donor. The donor-stipulated that the $1,000,000 corpus be invested in perpetuity and that the earnings from such corpus be available for use to recruit, mentor, and provide scholarships to Native American students. The College has chosen to invest the corpus in its own plant by using the funds to construct six dormitories at its campus. As of June 30, 2010, the entire $1,000,000 had been invested in the building project, and the project was completed.

The College will pay interest on the investment to the endowment, after taking into account any Native American scholarships distributed during the year, at an annual rate of 5.5% for the first five years. After that, the interest rate will be adjusted. The corpus of $1,000,000 will be repaid to the endowment ratably over a period of twenty years. Interest earned by the endowment for the year June 30, 2020 ended was $62,192. Because the College has, in effect, loaned funds to itself, no note receivable or payable has been recorded on the Statement of Financial Position. The earnings were appropriated during the year ended June 30, 2020, and therefore, the balance of the endowment is $1,000,000 at June 30, 2020. During the year ended June 30, 2020, the College expended $42,950 in Native American scholarships utilizing endowment investment earnings.

NOTE 10 NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)

The third fund consists of $44,416 in a charitable remainder trust held by a third-party. The trust balance will be received upon the death of the donor. The income from this fund will be used for scholarships.

The fourth fund consists of $25,000 which has been made available to fund up to 5 loans of $5,000 to students meeting certain criteria. The College is obligated to repay loans on behalf of students who make final vows after entering a convent or seminary, or who are unable to repay for any reason.

The fifth fund consists of $800,000 received from an estate to endow a scholarship or scholarships in the name of the donor's family. The corpus of the gift is to be preserved and retained so that the income only is expended.

The sixth fund consists of $100,000 to fund scholarships to students demonstrating financial need and other qualifying traits. The corpus of the gift is to be preserved and retained so that the income only is expended.

Net assets of the endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions. The board of trustees of the College has interpreted the state's Uniform Prudent Management of Institutional Funds Act (UPMIFA) 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 College classifies as net assets with donor restrictions the original value of the gifts to the donor-restricted endowment, the value of subsequent gifts to the donor-restricted endowment, and accumulated earnings that are required to be classified as donor-restricted based on donor stipulations. The remaining portion of the donor-restricted endowment fund that is not classified in net assets with donor restriction held in perpetuity is classified as net assets with donor restriction that is purpose restricted until those amounts are appropriated for expenditure by the College in a manner consistent with the standard of prudence prescribed by UPMIFA.

NOTE 11 CONCENTRATION OF CREDIT RISK

The College maintains its bank accounts at a high-quality financial institution. College management monitors account levels at its banks and periodically transfers funds to maximize Federal Deposit Insurance Corporation coverage; however, cash balances periodically exceed federally insured limits. The College has not experienced any losses in such accounts. The College believes it is not exposed to any significant credit risk on cash and cash equivalents.

NOTE 12 RELATED-PARTY TRANSACTIONS

During the fiscal year ended June 30, 2020, the College received $71,355 of contributions from members of the board and employees.

The lessor of two of the College's leased buildings is a member of the College's Board of Directors. The College received approximately $62,000 in free use of facilities from the board member during the year ended June 30, 2020.

During the fiscal year ended June 30, 2020, the College refinanced $478,053 in related party loans as a part of a debt consolidation loan with a commercial bank.

NOTE 13 RETIREMENT PLAN

The College has a defined contribution retirement plan for its employees. Under this plan, the College and plan participants contribute to individual employee retirement accounts which fund individual retirement benefits. Plan participants may defer a percentage of their salary up to the annual Federal limit on Simple IRA plans. The College matches those deferrals up to 3% of the plan participant's earnings.

The expense for the College's matching contributions was $43,844 for the year ended June 30, 2020.

NOTE 14 SUBSEQUENT EVENTS

Subsequent to June 30, 2020, the College entered into purchase agreements for building to support and enhance to College's activities. Some of these properties were leased by the College prior to their purchase. The total purchase price of these buildings was approximately $8.2 million. These purchases were financed with cash reserves, contributions, and mortgages totaling approximately $7.3 million.

On December 6, 2021, Ria R Squared Inc, (Ria), an investment advisory and portfolio management company, filed a lawsuit against the College for the return of approximately $239,000. These funds were the remaining unreturned balance of a $10 million donation to the College subsequent to June 30, 2020 from funds fraudulently obtained by the donor. In November 2022, the College and Ria agreed to settle the lawsuit and the College transferred the funds to Ria and the lawsuit was dismissed.

The College rented an apartment from Yalapapus I, LLC, (Yalapapus) in 2019 for one of its chaplains. Significant mold growth was discovered in the apartment which the landlord blamed on our tenant's use of a humidifier. The principal of Yalapapus indicated that the College, as lessee, was responsible for damages to the property and mitigation. In October 2021, without any admission of liability, the College made a settlement payment in the amount of $100,000 for a full release and forever discharge from all claims related to this matter.

NOTE 15 RESTATEMENT

During fiscal year 2020, adjustments were discovered that impacted amounts reported in prior years. The correction of these conditions falls under the category of "correction of an error in previously issued financial statements" following the accounting standards related to *Accounting Change and Error Corrections*.

Certain adjustments were discovered during the current year that relate to accounting for tuition and fees revenue and scholarships and grants. These adjustments resulted in an overstatement of tuition and fees revenue of $26,051, and an understatement of scholarships and grants expense of $112,665. The net impact of this change was a decrease in beginning net assets without donor restriction in the amount of $138,716 for fiscal year 2020.

In addition, a reclassification was made between net assets with and without donor restriction due to a fund not being properly classified as an endowment. The net impact of this change was an increase in beginning net assets with donor restriction and a corresponding decrease in beginning net assets without donor restriction of $27,836 for fiscal year 2020.

NOTE 16 ESTATE RECEIVABLE

During the year ended June 30, 2020, the College was notified they were a beneficiary of an estate. Amounts received subsequent to June 30, 2020 total $171,832, and is recorded as a receivable on the Statement of Financial Position.

NOTE 17 RISKS AND UNCERTAINTIES

During the fiscal year, the World Health Organization declared the spread of Coronavirus Disease (COVID-19) a worldwide pandemic. Subsequent to year-end, the COVID-19 pandemic continues to have significant effects on global markets, supply chains, businesses, and communities. Specific to Wyoming Catholic College, COVID-19 may impact various parts of its 2021 operations and financial results, including, but not limited to, declines in enrollment, loss of auxiliary revenues, additional bad debts, costs for increased use of technology, or potential shortages of personnel. Management believes Wyoming Catholic College has taken appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as these events are still developing.