

CATHOLIC CHARITIES OF IDAHO, INC.

FINANCIAL STATEMENTS

**YEAR ENDED JUNE 30, 2022
(WITH COMPARATIVE TOTALS
FOR YEAR ENDED JUNE 30, 2021)**



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CATHOLIC CHARITIES OF IDAHO, INC.
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2022
(WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2021)

INDEPENDENT AUDITORS' REPORT	1
FINANCIAL STATEMENTS	
STATEMENT OF FINANCIAL POSITION	4
STATEMENT OF ACTIVITIES	5
STATEMENT OF FUNCTIONAL EXPENSES	6
STATEMENT OF CASH FLOWS	7
NOTES TO FINANCIAL STATEMENTS	8



INDEPENDENT AUDITORS' REPORT

Board of Directors
Catholic Charities of Idaho, Inc.
Boise, Idaho

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Catholic Charities of Idaho, Inc. (Catholic Charities), which comprise the financial position as of June 30, 2022, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Catholic Charities of Idaho, Inc. as of June 30, 2022, 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of Catholic Charities of Idaho, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore, is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Catholic Charities of Idaho, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Catholic Charities of Idaho, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Board of Directors
Catholic Charities of Idaho, Inc.

Report on Summarized Comparative Information

We have previously audited Catholic Charities of Idaho, Inc.'s June 30, 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 24, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2021 is consistent, in all material respects, with the audited financial statements from which it has been derived.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Boise, Idaho
January 30, 2023

CATHOLIC CHARITIES OF IDAHO, INC.
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2022
(WITH COMPARATIVE TOTALS AS OF JUNE 30, 2021)

	2022	2021
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 199,729	\$ 313,038
Short-Term Investments	174,402	355,922
Accounts Receivable	9,064	49,851
Pledges Receivable	11,600	1,600
Grants Receivable	60,805	16,539
Due from Roman Catholic Diocese of Boise	419,838	372,963
Prepaid Expenses and Other Assets	64,705	52,697
Total Current Assets	940,143	1,162,610
PROPERTY AND EQUIPMENT, NET	43,568	20,834
OTHER ASSETS		
Investments - Long Term	2,650,132	2,604,535
Total Assets	\$ 3,633,843	\$ 3,787,979
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable	\$ 33,014	\$ 37,038
PPP Loan	-	158,690
Accrued Expenses and Other Liabilities	81,944	65,358
Deferred Rent	47,801	2,874
Total Current Liabilities	162,759	263,960
NET ASSETS		
Without Donor Restrictions	2,748,928	2,821,532
With Donor Restrictions	722,156	702,487
Total Net Assets	3,471,084	3,524,019
Total Liabilities and Net Assets	\$ 3,633,843	\$ 3,787,979

See accompanying Notes to Financial Statements.

CATHOLIC CHARITIES OF IDAHO, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022
(WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2021)

	2022		2021	
	Without Donor Restrictions	With Donor Restrictions	Total	Total
SUPPORT AND REVENUE				
Contributions	\$ 1,158,881	\$ 150,000	\$ 1,308,881	\$ 900,696
Grants	345,930	-	345,930	126,874
Program Fees and Services	204,279	-	204,279	145,452
Special Events	2,400	-	2,400	78,603
In-Kind Revenue	99,448	-	99,448	11,907
Investment Income (Loss), Net	(440,427)	-	(440,427)	348,566
Rental Income	20,128	-	20,128	-
Other Income	160,095	-	160,095	140,276
Net Assets Released from Restrictions	130,331	(130,331)	-	-
Total Support and Revenue	1,681,065	19,669	1,700,734	1,752,374
EXPENSES				
Program Services	1,484,983	-	1,484,983	942,483
Fundraising	140,466	-	140,466	115,155
Management and General	128,220	-	128,220	149,515
Total Expenses	1,753,669	-	1,753,669	1,207,153
CHANGE IN NET ASSETS	(72,604)	19,669	(52,935)	545,221
Net Assets - Beginning of Year	2,821,532	702,487	3,524,019	2,978,798
NET ASSETS - END OF YEAR	\$ 2,748,928	\$ 722,156	\$ 3,471,084	\$ 3,524,019

See accompanying Notes to Financial Statements.

CATHOLIC CHARITIES OF IDAHO, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2022
(WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2021)

	2022							2021
	Program Services				Supporting Services			Total
	Counseling Services	Immigration Services	Catholic Engagement	Pathways	Fundraising	Management and General	Total	
Payroll and Benefits	\$ 256,931	\$ 216,484	\$ 37,833	\$ 383,811	\$ 96,215	\$ 73,336	\$ 1,064,611	\$ 826,202
Direct Program Delivery	922	31,076	150	109,898	-	-	142,046	45,072
Contract Services	26,331	3,583	321	40,126	1,029	38,387	109,777	107,323
Communications	379	51	-	1,155	1,674	-	3,259	3,444
General and Operating	20,384	17,281	3,833	30,595	20,913	6,833	99,839	75,920
Facilities and Equipment	30,444	32,182	3,081	109,135	15,699	9,564	200,105	141,354
Travel and Meetings	755	2,192	11	45,382	464	100	48,904	7,838
Other Expenses	-	-	-	80,656	4,472	-	85,128	-
Total	\$ 336,146	\$ 302,849	\$ 45,229	\$ 800,758	\$ 140,466	\$ 128,220	\$ 1,753,669	\$ 1,207,153

See accompanying Notes to Financial Statements.

CATHOLIC CHARITIES OF IDAHO, INC.
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2022
(WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2021)

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ (52,935)	\$ 545,221
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation	17,287	7,972
Unrealized (Gain) Loss on Investments	478,933	(357,384)
(Gain) Loss on Sale of Investments	30,430	(9,861)
Gain on Extinguishment of Debt	(158,690)	(140,233)
(Increase) Decrease in Assets:		
Accounts Receivable	40,787	(29,621)
Grants Receivable	(44,266)	14,973
Pledges Receivable	(10,000)	-
Due from Roman Catholic Diocese of Boise	(46,875)	(13,228)
Prepaid Expenses	(12,008)	(8,198)
Increase (Decrease) in Liabilities:		
Accounts Payable	(4,024)	25,665
Accrued Expenses and Other Liabilities	16,586	34,735
Deferred Rent	44,927	(5,242)
Net Cash Provided by Operating Activities	300,152	64,799
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Assets	(40,021)	(3,935)
Purchase of Investments	(1,046,439)	(2,131,482)
Proceeds from Sale of Investments	672,999	1,232,150
Net Cash Used by Investing Activities	(413,461)	(903,267)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from PPP Loan	-	158,690
Net Cash Provided by Financing Activities	-	158,690
NET CHANGE IN CASH AND CASH EQUIVALENTS	(113,309)	(679,778)
Cash and Cash Equivalents - Beginning of Year	313,038	992,816
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 199,729	\$ 313,038

See accompanying Notes to Financial Statements.

CATHOLIC CHARITIES OF IDAHO, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(WITH COMPARATIVE TOTALS AS OF JUNE 30, 2021)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization

Catholic Charities of Idaho, Inc. (the Organization) is a Section 501(c)(3) nonprofit social services organization dedicated to providing social services and social justice for all people regardless of religion, age, gender, disability, race/ethnicity, income, or background. The Organization was incorporated in July 2000 and began delivering services in June 2001. The Organization prioritizes volunteerism and collaborative endeavors with other organizations and Catholic parishes and strives to advance the dignity of individuals, families, and communities by strengthening families, advocating justice, and engaging the community to serve the common good. The Organization has a vision of an Idaho where hope prevails, justice reigns, and people are transformed. Support for the Organization's programs and services is made up of donations, grants, contract revenues, and fees for services.

Basis of Presentation

All financial statements are prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The Organization follows financial statement presentation requirements issued by the Financial Accounting Standards Board (FASB) for nonprofit entities. Under these provisions net assets, revenues, gains, losses, and expenses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified into the following two categories:

Net Assets Without Donor Restrictions - Resources that are free of donor-imposed restrictions. All revenues, expense, gains, and losses that are not changes in temporarily restricted net assets are considered unrestricted. Any limitations on these funds are determined by the board of directors. Donor restricted contributions or grants whose restrictions are met in the same reporting period are reported as support without donor 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.

CATHOLIC CHARITIES OF IDAHO, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(WITH COMPARATIVE TOTALS AS OF JUNE 30, 2021)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

The Organization considers all highly liquid investments available for current use with an original maturity of three months or less to be cash equivalents. At times, such deposits may exceed federally insured limits. At times, a portion of the investment portfolio may be invested in cash equivalents and has been reflected as investments.

Pledges Receivable

Unconditional promises to give cash and other assets are reported at fair value at the date the promise is received. Pledges that are expected to be collected within one year are recorded at their net realizable value. Pledges that are expected to be collected in future years are recorded at the present value of the amount expected to be collected. The discounts on those amounts are computed using an imputed interest rate applicable to the year in which the pledge is received. Conditional pledges, including pending bequests, are not included as support until such time as the conditions are substantially met. Management estimates that all pledges receivable are fully collectible and no allowance for doubtful pledges has been recognized as of June 30, 2022 and 2021.

Property and Equipment

Expenditures for property, plant, equipment, and leasehold improvements (and donated property at fair value), in excess of \$2,000 are capitalized, while replacements, maintenance, and repairs, which do not improve or extend the life of the respective assets, are expensed as incurred. Depreciation is provided on a straight-line basis over the estimated useful lives of the assets, from 3 to 5 years.

The Organization reviews its property and equipment whenever events or changes in circumstances indicate that the carrying value of such property may not be recoverable. Recoverability is measured by a comparison of the carrying amount of the asset to the expected value to be used in operations over the remaining useful life of the asset. If the asset is considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount of the asset exceeds the fair value of the asset.

Depreciation expense for the years ended June 30, 2022 and 2021 was \$7,972 and \$7,972, respectively.

Deferred Rent

Rent expense is reported on the straight-line basis over the life of the lease. The difference between this expense and the prescribed cash outlay per the agreement is presented on the balance sheet as Deferred Rent. The liability totaled \$47,801 and \$2,874 as of June 30, 2022 and 2021, respectively.

CATHOLIC CHARITIES OF IDAHO, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(WITH COMPARATIVE TOTALS AS OF JUNE 30, 2021)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition

The Organization recognizes contributions when cash, securities, or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met.

Noncash contributions which have a readily determinable market value, or which are intended for internal use by the Organization (such as equipment and supplies) are recorded as revenue based upon their market value at the date of donation.

A portion of the Organization's revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. The Organization received cost-reimbursable grants of \$86,897 and \$32,226 that have not been recognized at 2022 and 2021, respectively, because qualifying expenditures have not yet been incurred.

Donated property is recorded as a contribution at estimated fair value at date of receipt. Donated food and clothing and donated services are valued at their fair value and are presented as revenue and expense, when incurred. Donated services are recorded as contributions when the services (a) create or enhance nonfinancial assets or (b) require specialized skills that are provided by individuals possessing those skills and would typically be purchased if not provided by donation.

To determine revenue recognition for the arrangements that the Organization determines are within the scope of *Topic 606*, the Organization performs the following five steps: (1) identify the contract(s) with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligation in the contract, and (5) recognize revenue when (or as) the Organization satisfied a performance obligation.

Program fees and services include revenue related to immigration and counseling services and is recognized at the time the service is provided.

Fair Value Measurements

FASB Accounting Standards Codification 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

CATHOLIC CHARITIES OF IDAHO, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(WITH COMPARATIVE TOTALS AS OF JUNE 30, 2021)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurements (Continued)

The three levels of the fair value hierarchy are described as follows:

Level 1 – Inputs that utilize quoted prices (unadjusted) in active markets for identical assets or liabilities that we can access at the measurement date.

Level 2 – Inputs that include quoted prices for similar assets and liabilities in active markets and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument. Fair values for these instruments are estimated using pricing models, quoted prices of securities with similar characteristics, or discounted cash flows.

Level 3 – Inputs that are unobservable inputs for the asset or liability, which are typically based on an entity's own assumptions, as there is little, if any, related market activity.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. There have been no changes in the valuation methodologies used at June 30, 2022 and 2021.

Investment Valuation and Income Recognition

The Organization's investments are valued at fair value. 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.

Investments in equity securities, including common stock, exchange traded funds, and American depository receipts that are traded on a national securities exchange are stated at the last quoted sales price. Investments in money market and mutual funds are valued at the net asset value of shares held on the valuation date.

Purchases and sales of securities are recorded on a trade-date basis. Investment income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the Organization's gains and losses on investments bought and sold as well as held during the year.

Advertising Expenses

Advertising expenditures are expensed as incurred. Advertising expense for the years ended June 30, 2022 and 2021 was \$1,585 and \$2,116, respectively.

CATHOLIC CHARITIES OF IDAHO, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(WITH COMPARATIVE TOTALS AS OF JUNE 30, 2021)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes

The Organization is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code (IRC) and is subject to federal income tax only on net unrelated business income. The Organization currently has no unrelated business income and is not considered a private foundation within the meaning of Section 509(a) of the IRC and all charitable contributions are considered tax deductible.

Functional Expenses

The costs of providing the various programs have been summarized on a functional basis in the statement of activities. The Organization's policy is to allocate and record expenses to programs and supporting services based on the direct association of that expense to the particular program or supporting service. Costs that cannot be directly associated are allocated based on defined percentages that differ depending on the type of expense. Allocation methods vary depending on the costs to be allocated and may be based on total expenses, square footage, hours worked, or employee counts. Significant attention is focused to assure that only costs directly attributable to programs are allocated to programs. The expenses are allocated include depreciation, and office and occupancy, which are both allocated on a square footage basis, as well as salaries and benefits, which are allocated on the basis of estimates of time and effort.

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 the reported amounts 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.

Subsequent Events

The Organization has evaluated events and transactions for potential recognition or disclosure in these financial statements through January 30, 2023, the date the financial statements were available to be issued.

Comparative Totals

The financial statements include certain prior year summarized comparative information. The prior year information is presented in total, not by the net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2021, from which the summarized information was derived.

CATHOLIC CHARITIES OF IDAHO, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(WITH COMPARATIVE TOTALS AS OF JUNE 30, 2021)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reclassifications

Certain amounts in the prior year financial statements have been reclassified for comparative purposes to confirm with the presentation of the current year financial statements. Such reclassifications resulted in no changes to previously reported change in total net assets.

Change in Accounting Principle

Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2020-07 *Presentation and Disclosure by Not-For-Profit Entities for Contributed and Nonfinancial Assets*. The ASU enhances the presentation and disclosure of contributed nonfinancial assets. This ASU is effective for annual periods beginning after June 15, 2021.

New Accounting Pronouncement Effective in Future Accounting Periods

Leases

In February 2016, the FASB issued ASU No. 2016-02, *Leases*, which is a comprehensive lease accounting standard that requires entities that lease assets (lessees) to recognize the assets and related liabilities for the rights and obligations created by the leases on the balance sheet for leases with terms exceeding 12 months. The lessee in a lease will be required to initially measure the right-of-use asset and the lease liability at the present value of the remaining lease payments, as well as capitalize initial direct costs as part of the right-of-use asset. The standard will be effective for the entity for annual periods beginning after December 15, 2021; however, early application is permitted. Management is currently evaluating the impact this guidance will have on its financial statements.

NOTE 2 FAIR VALUE MEASUREMENTS

The following tables set forth, by level within the fair value hierarchy, the Organization's assets and liabilities at June 30:

	2022			Total
	Level 1	Level 2	Level 3	
Investments:				
Domestic Equities	\$ 1,442,656	\$ -	\$ -	\$ 1,442,656
Foreign Equities	421,850	-	-	421,850
Real Estate	128,496	-	-	128,496
Fixed Income	819,468	-	-	819,468
Total	<u>2,812,470</u>	-	-	<u>2,812,470</u>
Money Market Fund				<u>12,064</u>
Total Investments				<u>\$ 2,824,534</u>

CATHOLIC CHARITIES OF IDAHO, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(WITH COMPARATIVE TOTALS AS OF JUNE 30, 2021)

NOTE 2 FAIR VALUE MEASUREMENTS (CONTINUED)

	2021			Total
	Level 1	Level 2	Level 3	
Investments:				
Domestic Equities	\$ 1,260,140	\$ -	\$ -	\$ 1,260,140
Foreign Equities	429,476	-	-	429,476
Fixed Income	1,252,968	-	-	1,252,968
Total	2,942,584	-	-	2,942,584
Money Market Fund				17,873
Total Investments				\$ 2,960,457

NOTE 3 PROPERTY AND EQUIPMENT

Land, building, and equipment consist of the following as of June 30:

	2022	2021
Vehicles	\$ 38,223	\$ 16,600
Office Furniture and Equipment	37,590	30,606
Leasehold Improvements	26,692	15,278
Total Property and Equipment, at Cost	140,095	93,090
Less: Accumulated Depreciation	(58,937)	(41,650)
Property and Equipment, Net	\$ 43,568	\$ 20,834

NOTE 4 NET ASSETS

Net assets with donor restrictions are available for the following purposes or time periods at June 30, 2022 and 2021:

	2022	2021
Memorial Fund (Eastern Idaho) - Long Term	\$ 646,356	\$ 596,356
Memorial Fund (Eastern Idaho) - Operating	22,764	53,095
Jeker Foundation	1,200	1,200
Economic Stability - TANF IDA	19,799	19,799
Charitable Works of the Church - ICF	32,037	32,037
Total Donor Restricted Net Assets	\$ 722,156	\$ 702,487

The net assets released from restrictions of \$130,331 for the year ended June 30, 2022 were from gifts restricted for operations. The net assets released from restrictions of \$125,909 for the year ended June 30 2021, were from gifts restricted for operations, counseling and adult education classes.

CATHOLIC CHARITIES OF IDAHO, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(WITH COMPARATIVE TOTALS AS OF JUNE 30, 2021)

NOTE 5 GIFTS IN KIND

The Organization had the following gifts in kind for the years ended June 30, 2022 and 2021:

Description	2022 Amount	2021 Amount	Usage in Program/Activities	Donor-Imposed Restrictions	Fair Value Techniques
Supplies	\$ 66,550	\$ -	Afghan Placement Assistance Program	For use solely in the Afghan Placement Assistance Program	Value determined from prices included on new donations, or estimated prices of identical or similar products based on fair market value
Diapers	4,791	-	Pathways Diaper Program	For use solely in the Pathways Diaper Program	Value determined from prices included on new donations, or estimated prices of identical or similar products based on fair market value
Vehicle	13,790	-	Donated vehicle for Asset Acquisition Program	For use solely in the Asset Acquisition Program	Value determined from Kelly Blue Book mediam private party sale, requested on the date of sale.
IT services			Development/ Communications	Unrestricted	Value determined from the corresponding Hourly Mean Wage provided by the U.S. Bureau of Labor Statistics Employment & Waqes # at the time of Fiscal Year End
	<u>14,317</u>	<u>11,907</u>			
	<u>\$ 99,448</u>	<u>\$ 11,907</u>			

The Organization does not sell donated in-kind supplies and only distributes those goods for program use. The donated in-kind vehicle was resold as part of the Asset Acquisition Program.

NOTE 6 RETIREMENT PLAN

The Organization has a tax-deferred annuity plan qualified under Section 403(b) of the IRC. The plan is available to eligible employees of the Organization and is self-directed by participants. Employees are allowed to make elective deferrals up to the maximum allowed by law (based on a calendar year). The Organization contributes up to 3% of an employee's eligible wages to the plan, depending on their years of service. For the years ended June 30, 2022 and 2021, retirement expense totaled \$13,157 and \$10,713, respectively.

NOTE 7 RELATED PARTY TRANSACTIONS

The Organization received an annual contribution from the Roman Catholic Diocese of Boise. For the years ended June 30, 2022 and 2021, the Organization recorded revenue of \$419,838 and \$372,963, respectively. Included in accounts receivable as of June 30, 2022 and 2021 was \$419,838 and \$372,963, respectively. Included in accounts payable as of June 30, 2022 and 2021 was \$-0- and \$10,292, respectively. The Organization has \$18,511 and \$12,936 on deposit with the Diocese in its deposit and loan fund at June 30, 2022 and 2021, respectively.

CATHOLIC CHARITIES OF IDAHO, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(WITH COMPARATIVE TOTALS AS OF JUNE 30, 2021)

NOTE 7 RELATED PARTY TRANSACTIONS (CONTINUED)

Approximately 25% and 21% of the Organization's revenue was received from Roman Catholic Diocese of Boise for the years ended June 30, 2022 and 2021, respectively. The current level of the Organization's operations and program services may be impacted, or segments discontinued if funding is not renewed.

NOTE 8 LEASE COMMITMENTS

The Organization leases spaces and office equipment under operating leases. For the years ended June 30, 2022 and 2021, total rental expense was \$127,686 and \$83,281, respectively.

Future minimum rental payments required under operating leases that have initial or remaining noncancelable lease terms in excess of one year as of June 30, 2022 are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2023	\$ 96,738
2024	109,384
2025	121,062
2026	132,556
2027	144,052
Thereafter	181,792
Total	<u>\$ 785,584</u>

NOTE 9 LIQUIDITY

Catholic Charities of Idaho monitors liquidity required to meet its operating needs and contractual commitments consistent with annual operating budgets and use of restricted funds periodically, while also striving to maximize investments in a manner consistent with the board approved Investment Policy Statement. Status of funds held in all types, such as cash, investments, and securities are reviewed quarterly by corporate management, the board finance committee, and the entire board of directors throughout the normal course of financial reporting and analysis. This review ensures appropriate levels of liquidity are being maintained with the near-term, mid-term, and long-term perspective attributable to various classifications of funds.

CATHOLIC CHARITIES OF IDAHO, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(WITH COMPARATIVE TOTALS AS OF JUNE 30, 2021)

NOTE 9 LIQUIDITY (CONTINUED)

Stratification of funds, as described in our Investment Policy Statement and related to funder-requirements and designations, plus anticipated use and board directives, is summarized as follows:

Fund Group	Horizon	Nature of Investments	Target Range
Immediately available cash required to cover varying revenue streams throughout a one-year business cycle	Less than one year	Checking and Savings Accounts, Certificates of Deposit (CD), and Money Market Accounts	\$150,000 to \$250,000
Short-Term Funds	2 to 8 year horizon	CDs, Money Market Accounts, and Term-Appropriate investment vehicles	\$250,000 to \$500,000
Mid-Term Funds	9 to 15 year horizon	Term-Appropriate investment vehicles	\$400,000 to \$500,000
Long-Term Funds	Greater than 15 year horizon	Term-Appropriate investment vehicles	\$700,000 or Greater
Restricted Funds	As required by the restriction, could be any of the above listed horizons	Consistent with the horizon relative to the restriction	Restricted Amount

	<u>2022</u>	<u>2021</u>
Cash and Cash Equivalents	\$ 199,729	\$ 313,038
Investments	2,824,534	2,960,457
Accounts Receivable	9,064	49,851
Grants Receivable	60,805	16,539
Pledges Receivable	11,600	1,600
Due from Roman Catholic Diocese of Boise	419,838	372,963
Total Funds Held	<u>3,525,570</u>	<u>3,714,448</u>
Restricted Funds Held (With a Portion to be Held for up to 20 Years)	<u>722,156</u>	<u>702,487</u>
Unrestricted Funds Held	<u>\$ 2,803,414</u>	<u>\$ 3,011,961</u>

CATHOLIC CHARITIES OF IDAHO, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022
(WITH COMPARATIVE TOTALS AS OF JUNE 30, 2021)

NOTE 10 LONG-TERM DEBT

On May 5, 2020, the Organization received a loan from Montana Community Development Corporation dba: MoFi in the amount of \$140,233 to fund payroll, rent, utilities, and interest on mortgages and existing debt through the Paycheck Protection Program (the PPP Loan).

On February 3, 2021, the SBA processed the Organizations' PPP Loan forgiveness application and notified MoFi the PPP Loan qualified for full forgiveness. Loan proceeds were received by the bank from the SBA on this date. Therefore, the Organization was legally released from the debt and the loan forgiveness has been recorded as other income during the year ended June 30, 2021.

On January 28, 2021, the Organization received a second loan from MoFi in the amount of \$158,690 to fund payroll, rent, utilities, and interest on mortgages and existing debt through the Paycheck Protection Program (the PPP Loan). On February 2, 2022, the SBA processed the Organizations' PPP Loan forgiveness application and notified MoFi the PPP Loan qualified for full forgiveness. Loan proceeds were received by the bank from the SBA on this date. Therefore, the Organization was legally released from the debt and the loan forgiveness has been recorded as other income during the year ended June 30, 2022.

The SBA may review funding eligibility and usage of funds in compliance with the program based on dollar threshold and other factors. The amount of liability, if any, from potential noncompliance cannot be determined with certainty; however, management is of the opinion that any review will not have a material adverse impact on the Organization's financial position.



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