Climb
WYOMING

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED SEPTEMBER 30, 2020

CLIMB
d/b/a CLIMB WYOMING

FINANCIAL REPORT

SEPTEMBER 30, 2020

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Climb d/b/a Climb Wyoming
Cheyenne, Wyoming

Report on the Financial Statements

We have audited the accompanying financial statements of Climb d/b/a Climb Wyoming (the "Organization"), which comprise the Statements of Financial Position as of September 30, 2020 and 2019, the related Statements of Activities, Functional Expenses, and Cash Flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 Organization'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 Organization's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of September 30, 2020 and 2019, 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.

McGee, Hearne & Paiz, LLP

Cheyenne, Wyoming
February 24, 2021

Climb
d/b/a Climb Wyoming

Statements of Financial Position
September 30, 2020 and 2019

ASSETS	**2020**	2019
Current Assets		
Cash and cash equivalents	**$ 2,302,493**	$ 1,383,052
Certificates of deposit	**653,786**	501,713
Grants receivable	**733,157**	952,655
Contract and other receivables	**42,911**	193
Pledges receivable, net of doubtful accounts (2020 $6,301; 2019 $8,494) (Notes 1 and 2)	**254,768**	213,773
Prepaid contracted services	**1,564**	17,305
Prepaid rent and insurance	**14,014**	15,817
	4,002,693	3,084,508
Noncurrent Assets		
Investments (Note 4)	**135,090**	126,399
Cash held for permanent endowment (Note 3)	**6,123**	6,832
Investments held for permanent endowment (Notes 3 and 4)	**1,049,091**	992,643
Certificates of deposit	**232,802**	369,633
Pledges receivable, net of discount (Note 1)	**35,037**	131,744
Furniture and equipment, net of accumulated depreciation (2020 $151,905; 2019 $169,419)	**11,160**	9,780
	1,469,303	1,637,031
Total assets	**$ 5,471,996**	$ 4,721,539

LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued expenses	**$ 38,542**	$ 126,613
Deferred revenue	**274,716**	376,498
Note payable (Note 9)	**500,000**	-
Total liabilities	**813,258**	503,111
Net Assets		
Without donor restrictions	**2,893,941**	2,515,937
With donor restrictions (Note 3)		
Subject to the passage of time or expenditure for specified purpose	**709,583**	703,016
Endowment Funds:		
Original gifts (corpus)	**784,411**	784,411
Accumulated endowment earnings	**270,803**	215,064
Total endowment funds	**1,055,214**	999,475
Total net assets with donor restrictions	**1,764,797**	1,702,491
Total net assets	**4,658,738**	4,218,428
Total liabilities and net assets	**$ 5,471,996**	$ 4,721,539

See Notes to Financial Statements.

Climb
d/b/a Climb Wyoming

Statements of Activities
Years Ended September 30, 2020 and 2019

	2020			2019		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Additions to Net Assets						
Federal grant revenue	$ 3,756,969	$ -	$ 3,756,969	$ 4,182,945	$ -	$ 4,182,945
Individual and corporate donation income	885,903	316,572	1,202,475	747,585	341,095	1,088,680
Foundation and corporate grant revenue	247,180	189,473	436,653	131,881	348,134	480,015
State and local grant revenue	113,539	-	113,539	170,347	-	170,347
Contracted service income	229,564	-	229,564	-	-	-
Realized and unrealized gains (losses) on investments	-	49,954	49,954	-	(7,181)	(7,181)
Interest income	18,576	14,208	32,784	15,482	14,459	29,941
Miscellaneous income	7,549	-	7,549	9,693	-	9,693
	5,259,280	570,207	5,829,487	5,257,933	696,507	5,954,440
Net Assets Released from Restrictions (Note 3)	507,901	(507,901)	-	704,702	(704,702)	-
Total revenue and additions	5,767,181	62,306	5,829,487	5,962,635	(8,195)	5,954,440
Expenses and Reductions in Net Assets						
Program services	4,359,642	-	4,359,642	4,574,363	-	4,574,363
Management and support	607,273	-	607,273	672,085	-	672,085
Fundraising	422,262	-	422,262	400,580	-	400,580
Total expenses and reductions	5,389,177	-	5,389,177	5,647,028	-	5,647,028
Net increase (decrease) in net assets	378,004	62,306	440,310	315,607	(8,195)	307,412
Net Assets, beginning of year	2,515,937	1,702,491	4,218,428	2,200,330	1,710,686	3,911,016
Net Assets, end of year	$ 2,893,941	$ 1,764,797	$ 4,658,738	$ 2,515,937	$ 1,702,491	$ 4,218,428

See Notes to Financial Statements.

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Statements of Functional Expenses
Years Ended September 30, 2020 and 2019

	2020				2019			
	Program Services	**Management and Support**	**Fundraising**	**Total**	Program Services	Management and Support	Fundraising	Total
Program coordination and salary	**$ 1,749,818**	**416,226**	**246,205**	**$ 2,412,249**	$ 1,754,338	$ 475,736	$ 239,416	$ 2,469,490
Facility	**408,333**	**24,679**	**37,730**	**470,742**	385,236	31,024	30,662	446,922
Mental health provider	**455,602**	**-**	**-**	**455,602**	568,325	-	-	568,325
Participant and employer recruitment	**292,098**	**60**	**-**	**292,158**	135,183	-	-	135,183
Contracted services	**214,909**	**52,256**	**9,689**	**276,854**	225,973	45,786	13,094	284,853
Employee health and retirement benefits	**201,779**	**34,990**	**14,848**	**251,617**	198,765	38,649	13,897	251,311
Employer payroll taxes	**150,411**	**36,046**	**22,018**	**208,475**	153,858	42,830	22,078	218,766
Participant tuition	**203,590**	**-**	**-**	**203,590**	348,894	-	-	348,894
Participant wage reimbursement	**152,790**	**-**	**-**	**152,790**	211,083	-	-	211,083
Participant incentives	**135,690**	**-**	**-**	**135,690**	120,083	-	-	120,083
Participant group life skills training	**112,878**	**-**	**-**	**112,878**	69,371	-	-	69,371
Staff development and training	**74,433**	**16,923**	**7,755**	**99,111**	105,471	15,656	6,007	127,134
Office supplies	**70,005**	**19,289**	**9,279**	**98,573**	51,704	7,192	8,829	67,725
Events and mailing	**-**	**-**	**51,346**	**51,346**	-	-	38,530	38,530
Staff travel	**28,343**	**1,753**	**14,571**	**44,667**	120,793	7,670	17,259	145,722
Participant career clothing	**32,588**	**-**	**-**	**32,588**	35,242	-	-	35,242
Insurance	**19,348**	**3,633**	**1,945**	**24,926**	16,437	5,316	2,018	23,771
Participant transportation assistance	**12,553**	**-**	**-**	**12,553**	16,556	-	-	16,556
Participant screenings	**9,540**	**-**	**-**	**9,540**	9,597	-	-	9,597
Training Workshops Provided	**7,541**	**-**	**-**	**7,541**	-	-	-	-
Participant license and certification	**7,100**	**-**	**-**	**7,100**	15,437	-	-	15,437
Participant recognition events	**6,939**	**-**	**-**	**6,939**	9,161	-	-	9,161
Bad debt expense	**-**	**-**	**6,108**	**6,108**	-	-	7,820	7,820
Graduate services	**5,950**	**-**	**-**	**5,950**	14,555	-	-	14,555
Depreciation expense	**4,739**	**644**	**468**	**5,851**	5,025	1,451	678	7,154
Repair and maintenance	**2,226**	**774**	**300**	**3,300**	2,832	775	292	3,899
GED instruction	**439**	**-**	**-**	**439**	94	-	-	94
Substance abuse evaluation and collaborative treatment	**-**	**-**	**-**	**-**	350	-	-	350
	$ 4,359,642	**$ 607,273**	**$ 422,262**	**$ 5,389,177**	$ 4,574,363	$ 672,085	$ 400,580	$ 5,647,028

See Notes to Financial Statements.

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Statements of Cash Flows
Years Ended September 30, 2020 and 2019

	2020	2019
Cash Flows from Operating Activities		
Net change in net assets	**$ 440,310**	$ 307,412
Adjustments to reconcile net increase in net assets to net cash provided by operating activities:		
Depreciation	**5,851**	7,154
Realized and unrealized (gain) loss on investments held for endowment	**(43,326)**	6,491
Realized and unrealized (gain) loss on investments	**(6,628)**	690
Contributions received for endowment purposes	**-**	(100)
Change in operating assets and liabilities:		
Prepaid expenses	**17,544**	(1,269)
Receivables	**232,492**	129,325
Accounts payable and accrued expenses	**(88,071)**	(14,848)
Deferred revenue	**(101,782)**	54,395
Net cash provided by operating activities	**456,390**	489,250
Cash Flows from Investing Activities		
Purchase of investments - permanent endowment	**(347,399)**	(433,378)
Purchase of investments	**(39,819)**	(47,522)
Sale of investments - permanent endowment	**334,277**	421,962
Sale of investments	**37,756**	46,000
Purchase of certificates of deposit	**(247,824)**	(404,105)
Redemption of certificates of deposit	**232,582**	390,438
Purchase of property and equipment	**(7,231)**	-
Net cash (used in) investing activities	**(37,658)**	(26,605)
Cash Flows from Financing Activities		
Contributions restricted for endowment purposes	**-**	100
Proceeds from notes payable	**500,000**	-
Net cash provided by financing activities	**500,000**	100
Change in cash and cash equivalents	**918,732**	462,745
Cash and Cash Equivalents		
Beginning	**1,389,884**	927,139
Ending	**$ 2,308,616**	$ 1,389,884

See Notes to Financial Statements.

Note 1. Nature of Business and Significant Accounting Policies

Nature of business: Climb d/b/a Climb Wyoming (the "Organization") is a not-for-profit corporation, which operates solely for charitable purposes of training and placing low-income single mothers in jobs that successfully support their families. The Organization achieves this mission through Climb Wyoming programs that provide employer driven job skills training and placement, life skills training, counseling, and the support necessary to ensure self-sufficiency and long-term success.

A summary of significant accounting policies follows:

Basis of accounting: The Organization conforms to accounting principles generally accepted in the United States of America as applicable to not-for-profit entities. Revenue is recognized when earned and expenses are recorded when incurred.

Financial statement presentation: The Organization has adopted the *Not-for-Profit Entities* Topic 958 of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) as the basis of presentation of its financial statements. This Topic establishes standards for external financial reporting by not-for-profit organizations and requires that resources be classified for accounting and reporting purposes into two net asset categories:

> *Net assets without donor restrictions*: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the Board of Directors. These also include Board-designated or appropriated amounts.
>
> *Net assets with donor restrictions*: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; these restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, where the donor has stipulated the funds must be maintained in perpetuity.

It also requires the Organization to distinguish between contributions received for each net asset category, in accordance with donor-imposed conditions.

Income taxes: The Organization is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC). Contributions to the Organization are deductible as allowed under Section 170 of the IRC.

Management evaluated the Organization's tax positions and concluded that the Organization had taken no uncertain tax positions that require adjustments to the financial statements. With few exceptions, the Organization 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.

Cash and cash equivalents: For purposes of reporting cash flows, the Organization considers all demand deposits, money market accounts, and highly-liquid debt instruments with an original maturity of three months or less to be cash equivalents.

The Organization maintains its cash in bank deposit accounts, which, at times, may exceed Federally insured limits. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

Pledges receivable: Pledges receivable represent amounts committed by donors that have not been received by the Organization. Pledges receivable that are expected to be collected within one year are recorded at net realizable value. Pledges receivable that are expected to be collected in future years are recorded at fair value, which is measured as the present value of their future cash flows. The discounts on those amounts were computed using an interest rate of 4% for the years ended September 30, 2020 and 2019. Amortization of the discount is included in donation income. The unamortized discount was $7,723 and $14,056 as of September 30, 2020 and 2019, respectively.

Gross pledges receivable, prior to the discount and allowance for doubtful accounts, as of September 30, 2020 and 2019 are due in:

	2020	2019
Less than one year	**$ 261,069**	$ 222,267
One to five years	**42,760**	145,800
	$ 303,829	$ 368,067

Investments: The Organization accounts for its investments under ASC Topic 958, *Accounting for Certain Investments Held by Not-for-Profit Organizations*. Under this topic, investments in marketable securities with readily determinable fair values are valued at their fair values in the Statements of Financial Position. Unrealized gains and losses are included in the change in net assets in the accompanying Statements of Activities. Non-brokered certificates of deposit are presented separately on the face of the Statement of Financial Position and are carried at cost plus accrued interest. Brokered certificates of deposit are included within investments disclosed in Note 4 and are reported at fair value. The investment portfolio disclosed in Note 4 is diversified among major industry sectors.

Fair value measurements: ASC Topic 820, *Fair Value Measurements and Disclosures,* 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.

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. Level 2 valuations are based on quoted market prices for identical assets in less than active markets.

The Organization invests in professionally managed portfolios. The Organization has valued these investments utilizing the Level 1 approach, with the exception of brokered certificates of deposit and debt securities, which are valued utilizing the Level 2 approach.

Depreciation: It is the Organization's policy to capitalize property and equipment over $3,000 with a useful life of at least three years. Furniture and equipment is stated at cost at the date of acquisition or acquisition value at the date of donation in the case of gifts. Depreciation on furniture and equipment is calculated using the straight-line method. Furniture and equipment are depreciated over their useful lives of three to seven years. Expenditures for repairs and maintenance are expensed when incurred.

Revenue Recognition: The Organization recognizes revenue in accordance with ASC Topic 958, *Not-for-Profit Entities and* ASC Topic 606, *Revenue from Contracts with Customers.* Accordingly, the Organization evaluates whether a transfer of assets is (1) an exchange transaction in which a resource provider is receiving commensurate value in return for the resources transferred or (2) a contribution.

If the transfer of assets is determined to be an exchange transaction, the Organization applies guidance under ASC Topic 606, *Revenue from Contracts with Customers*. ASC 606 provides for a five-step model for recognizing revenue from contracts with customers as follows:

- Identify the contract with a customer
- Identify the performance obligations in the contract
- Determine the transaction price
- Allocate the transaction price to the performance obligations in the contract
- Recognize revenue when or as performance obligations are satisfied

If the transfer of assets is determined to be a contribution, ASC 958, *Not-for-Profit Entities applies.* Under ASC 958, the Organization evaluates whether the contribution is conditional based upon whether the agreement includes both (1) one or more barriers that must be overcome before the Organization is entitled to the assets transferred and promised and (2) a right of return of assets transferred or a right of release of a promisor's obligation to transfer assets.

Contracted service income: Contracted service income is recognized in accordance with ASC 606. Specifically contracted service income is recognized in the period in which the contracted service (performance obligation) is provided and is recognized per the terms of the individual agreements/contracts. Revenue is recorded at the transaction price, which includes fixed consideration, and is generally recognized at a point in time. Certain contracts have more than one performance obligation. Revenue related to these contracts is recognized over time as each performance obligation is satisfied.

Grants (Federal, State, and Local): The Organization recognizes grants revenue in accordance with ASC Topic 958. Grants received are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses and are recognized as costs are incurred. Grant revenue is deferred when amounts received from grant and contract sponsors have not yet been earned under the terms of the agreement. Grants receivable include amounts due from Federal, state, and local grant programs. All grants are considered by management to be fully collectible; no allowance for doubtful accounts has been accrued.

Individual and corporate donation income: The Organization recognizes contribution income in accordance with ASC Topic 958. Unconditional promises to give are recognized as revenue or gain in the period received and as assets, decreases of liabilities, or expenses, depending on the form of the benefits received. Depending on the existence or nature of any donor restrictions, unconditional contributions received are recorded as increases in net assets with donor restrictions or net assets without donor restrictions. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and promises become unconditional. There were no conditional promises to give received by the Organization during the years ended June 30, 2020 and 2019.

Functional allocation of expenses: The costs of providing program and supporting services have been reported on a functional basis in the Statements of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefitted, based on management's estimate of the relative attention and effort exerted toward specific functional areas.

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 may differ from those estimates.

Subsequent events: Events occurring subsequent to the Statement of Financial Position date have been evaluated for financial statement impact or disclosure through February 24, 2021, the date the financial statements were available to be issued.

Note 2. Related-Party Transactions

During the years ended September 30, 2020 and 2019, the Organization contracted with related parties for office space in the amount of $36,648 and $36,097, respectively. During the years ended September 30, 2020 and 2019, the Organization received donations from related parties totaling $46,514 and $27,259, respectively, and had pledges receivable from related parties at year end totaling $57,864 and $25,944, respectively.

Note 3. Restricted Funds and Endowments

The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets.

Net assets released from restrictions: Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrences of other events specified by donors. Net assets released from restrictions amounted to $507,901 and $704,702 during the years ended September 30, 2020 and 2019, respectively.

Net assets with donor restrictions: Donor-restricted net assets are available for the following purposes or periods as of September 30:

	2020			
	Endowment Corpus	**Endowment Accumulated Earnings**	**Other Donor Restrictions**	**Total**
Long-Term Operations	**$ 650,200**	**$ 239,155**	**$ -**	**$ 889,355**
Locations	**134,211**	**31,648**	**673,471**	**839,330**
Facilities, equipment, operating expenses	**-**	**-**	**10,536**	**10,536**
Organization activities other than personnel-related expenses	**-**	**-**	**25,576**	**25,576**
	$ 784,411	**$ 270,803**	**$ 709,583**	**$ 1,764,797**

	2019			
	Endowment Corpus	Endowment Accumulated Earnings	Other Donor Restrictions	Total
Long-Term Operations	$ 650,200	$ 193,073	$ -	$ 843,273
Locations	134,211	21,991	695,859	852,061
Facilities, equipment, operating expenses	-	-	-	-
Organization activities other than personnel-related expenses	-	-	7,157	7,157
	$ 784,411	$ 215,064	$ 703,016	$ 1,702,491

Endowment: As of September 30, 2020, and 2019, the Organization had received donor-restricted endowments totaling $1,055,214 and $999,475, respectively, which are classified within net assets with donor restrictions. As of September 30, 2020, and 2019, $6,123 and $6,832, respectively, of these permanent endowment funds are temporarily being held as cash until suitable investment opportunities are identified and the remaining $1,049,091 and $992,643, respectively, have been invested in equity and debt securities, mutual funds, U.S. Treasury securities, and certificates of deposit. In accordance with the endowment agreement, the income earned by the permanent endowment shall be used for initiatives that address the operational priorities and mission of the Organization.

The changes in endowment net asset composition by type of funds during the years ended September 30, 2020 and 2019 are as follows:

	Without Restrictions	**With Restrictions**	**Total**
		2020	
Endowment net assets, beginning of year	**$ -**	**$ 999,475**	**$ 999,475**
Investment return:			
Investment income, net	**-**	**55,739**	**55,739**
Endowment net assets, end of year	**$ -**	**$ 1,055,214**	**$ 1,055,214**

	Without Restrictions	With Restrictions	Total
		2019	
Endowment net assets, beginning of year	$ -	$ 992,985	$ 992,985
Investment return:			
Investment income, net	-	6,390	6,390
Donation income	-	100	100
Endowment net assets, end of year	$ -	$ 999,475	$ 999,475

The Organization has interpreted Wyoming'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 fund absent any explicit donor stipulation to the contrary.

As a result of this interpretation, the Organization classifies donor-restricted net assets: (*a*) the original value of the permanent endowment, (*b*) the original value of subsequent gifts to the permanent endowment, and (*c*) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the endowment fund;
2. The purposes of the Organization and the donor-restricted endowment fund;
3. General economic conditions;
4. The possible effect of inflation and deflation;

5. The expected total return from income and the appreciation of investments;
6. Other resources of the Organization; and
7. The investment policies of the Organization.

Funds with deficiencies: From time-to-time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Organization to retain as a fund of perpetual duration. These deficiencies would be a result of unfavorable market fluctuations that occur shortly after the investment of new donor restricted endowment contributions and continued appropriation for certain programs that are deemed prudent by the Board of Directors. There were no deficiencies of this nature as of September 30, 2020 or 2019.

Endowment return objectives, risk parameters and spending policy: The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Organization must hold in perpetuity or for a donor-specified period. It is the Organization's policy to appropriate actual earnings on endowment investments.

Note 4. Investments

The cost and fair values of marketable securities are as follows at September 30, 2020 and 2019:

	2020		2019	
	Cost	**Fair Value**	Cost	Fair Value
Certificates of deposit, brokered	**$ -**	**$ -**	$ 42,883	$ 42,986
Equity securities	**732,345**	**949,926**	614,367	784,839
U.S. Treasury securities	**-**	**-**	267,071	264,881
Mutual funds	**231,500**	**234,255**	25,000	26,336
Total marketable securities	**$ 963,845**	**$ 1,184,181**	$ 949,321	$ 1,119,042

The Organization's investment portfolio is subject to concentration of credit risk. At September 30, 2020 there were two investments totaling $473,382 and at September 30, 2019, there were three investments totaling $617,792, where the individual investment was greater than or equal to 10% of the fair value of the investment portfolio.

Note 5. Economic Dependence

During the years ended September 30, 2020 and 2019, the Organization was highly dependent on grant revenue and contracted services revenue received from the State of Wyoming through grants and contracts provided by the Department of Family Services. Revenue from this source accounted for approximately 59% and 65% of total revenue for the years ended September 30, 2020 and 2019, respectively.

Note 6. Lease Commitments

The Organization leases office space and a telephone system under various leases, which expire through November 30, 2022. The total minimum lease commitment at September 30, 2020 under these leases is as follows:

2021	$	312,963
2022		234,332
2023		14,494
	$	561,789

Rental expense for all operating leases included in the Statements of Function Expenses totaled $375,451 and $360,028, including the in-kind rental expense of $8,250 and $9,000 for the years ended September 30, 2020 and 2019, respectively.

Note 7. Liquidity and Availability of Financial Assets

The Organization has a goal to maintain financial assets, which consist of cash, cash equivalents, certificates of deposit, and current receivables, which are sufficient to meet the normal operating expenses for one year. The following reflects the Organization's financial assets as of the Statement of Financial Position date, reduced by amounts not available for general use within one year of the Statement of Financial Position date because of donor-imposed restrictions. Amounts available includes amounts determined to be used for restricted purposes only as established by the endowments. The Organization's Board of Directors has set a policy regarding their level of reserves and evaluates it on an annual basis.

The Organization's financial assets available within one year of the Statement of Financial Position date for general expenditures are as follows:

	2020	2019
Cash and cash equivalents	**$ 2,302,493**	$ 1,383,052
Certificates of Deposit	**653,786**	501,713
Grant Receivables	**733,157**	952,655
Contracts and Other Receivables	**42,911**	193
Current Portion of Pledge Receivable	**254,768**	213,773
Total financial assets	**3,987,115**	3,051,386
Less: net assets with donor restrictions	**709,583**	703,016
Financial assets available to meet cash needs for general expenditures within one year	**$ 3,277,532**	$ 2,348,370

Note 8. Recently Issued Accounting Pronouncements

Adopted:

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*. This amendment clarifies the principles for recognizing revenue and develops a common revenue standard for accounting principles generally accepted in the United States of America (U.S. GAAP) and International Financial Reporting Standards (IFRS). Specifically, this amendment removes inconsistencies and weaknesses in revenue requirements; provides a more robust framework for addressing revenue issues; improves comparability of revenue recognition practices across entities, industries, jurisdictions, and capital markets; provides more useful information to users of financial statements through improved disclosure requirements; and simplifies the preparation of financial statements by reducing the number of requirements to which an entity must refer.

In August 2015, the FASB issued ASU 2015-14, which deferred the effective date of ASU 2014-09. Subsequent to ASU 2015-14, the FASB has issued additional ASUs that affect the guidance in ASU 2014-09. For nonpublic entities, the amendments in all ASUs related to Topic 606 are effective for fiscal years beginning after December 15, 2018. The provisions of this ASU were applied to the Organization’s financial statements as of September 30, 2020 using the full retrospective method. No prior-period restatement was required, as there was no direct or indirect effect on net assets or change in net assets.

In June 2018, the FASB issued ASU 2018-08, *Not-for-Profit Entities (Topic 958)*: *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The amendments clarify and improve current guidance about 1) evaluating whether a transaction should be accounted for as a contribution or an exchange transaction and 2) determining whether a contribution is conditional. The provisions of this ASU were applied to the Organization’s financial statements as of September 30, 2020.

Upcoming:

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. This amendment applies to any entity that enters into a lease, with some specified scope exemptions, and was issued to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the Statement of Financial Position and disclosing key information about lease arrangements.

In October 2019, the FASB issued ASU 2019-10, which deferred the effective date of ASU 2016-02. For nonpublic entities, the amendments are effective for fiscal years beginning after December 15, 2020. Early adoption is allowed. Upon adoption, the amendment must be applied to the beginning of the earliest period presented using a modified retrospective approach.

The Organization is currently evaluating the impacts that the provisions of the above statement will have on the Organization’s financial statements.

Note 9. Coronavirus Aid, Relief, and Economic Security Act

During March 2020, a global pandemic was declared by the World Health Organization related to the rapidly growing outbreak of a novel strain of coronavirus (COVID-19). The pandemic has and continues to significantly impact the economic conditions in the U.S. as Federal, state and local governments react to the public health crisis and has created significant uncertainties in the U.S. economy. It is unknown how long the adverse economic conditions associated with the coronavirus will last and what the complete financial effect will be, if any, to the Organization.

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was enacted to, amongst other provisions, provide emergency assistance for individuals, families and businesses affected by the coronavirus pandemic, including the Payroll Protection Program (the "Program") implemented by the U.S. Small Business Administration.

Due to economic uncertainty and in order to retain its workforce, the Organization obtained a Payroll Protection loan under the Program in the amount of $500,000. The loan accrues interest at a rate of 1.00% and is unsecured. The Organization can apply for loan forgiveness after 24 weeks, if the Organization used the loan proceeds for eligible purposes and met the loan's employee retention criteria. Eligible expense include payroll, employee benefits, utilities, rent and mortgage obligations, and certain covered operational, supplier, and worker protection expenses. Further, to be eligible for full forgiveness, no more than 40% of the loan proceeds can be used on non-payroll expenses. Upon receipt of the Organization's request for loan forgiveness, a decision on the amount to be forgiven will be rendered within 60 days. The Program provides for deferment of principal and interest payments until the date the Organization learns the amount of loan forgiveness. Should the Organization not receive full forgiveness, the Organization has 2 years to repay principal and interest. The forgiveness of the loan will not constitute taxable income.

The Organization has not yet applied for loan forgiveness. However, they believe they will meet the criteria for full forgiveness.