

HOLY CROSS MINISTRIES OF UTAH

FINANCIAL STATEMENTS

December 31, 2018 and 2017

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CERTIFIED PUBLIC
ACCOUNTANTS AND
BUSINESS ADVISORS

INDEPENDENT AUDITORS' REPORT

**To the Board of Directors
Holy Cross Ministries of Utah
Salt Lake City, Utah**

We have audited the accompanying financial statements of Holy Cross Ministries of Utah, which comprise the statements of financial position as of December 31, 2018 and 2017, and 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of the accounting policies used and 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 Holy Cross Ministries of Utah as of December 31, 2018 and 2017, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

WSRP, JIC

Salt Lake City, Utah
September 10, 2019

HOLY CROSS MINISTRIES OF UTAH
STATEMENTS OF FINANCIAL POSITION
December 31, 2018 and 2017

	2018	2017
ASSETS		
CURRENT ASSETS		
Cash	\$ 107,047	\$ 24,770
Investments	11,712,164	12,561,379
Prepaid expenses	1,337	7,472
Accounts receivable	10,000	-
TOTAL CURRENT ASSETS	11,830,548	12,593,621
EQUIPMENT	32,337	51,467
TOTAL ASSETS	\$ 11,862,885	\$ 12,645,088
 LIABILITIES AND NET ASSETS		
ACCOUNTS PAYABLE AND ACCRUED EXPENSES	\$ 250,454	\$ 87,900
TOTAL LIABILITIES	250,454	87,900
NET ASSETS		
Net assets without donor restrictions	11,608,149	12,527,467
Net assets with donor restrictions	4,282	29,721
TOTAL NET ASSETS	11,612,431	12,557,188
TOTAL LIABILITIES AND NET ASSETS	\$ 11,862,885	\$ 12,645,088

The accompanying notes are an integral part of the financial statements.

HOLY CROSS MINISTRIES OF UTAH
STATEMENTS OF ACTIVITIES
Years ended December 31, 2018 and 2017

	2018	2017
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS;		
REVENUES, SUPPORT, AND GAINS		
Grant revenues and contribution income	\$ 198,290	\$ 178,729
Program fees	185,369	274,899
Interest income	52,978	59,708
Net realized investment gain	432,660	426,735
Net unrealized investment gain (loss)	(708,397)	1,102,933
Net assets released from restriction	711,525	746,044
TOTAL REVENUES, SUPPORT, AND GAINS	872,425	2,789,048
EXPENSES		
Programs and services		
Education expenses	501,279	595,134
Health expenses	307,295	192,084
Justice expenses	528,310	572,125
Total programs and services	1,336,884	1,359,343
Management and general expenses	435,819	309,322
Fundraising expenses	19,040	15,185
TOTAL EXPENSES	1,791,743	1,683,850
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	(919,318)	1,105,198
CHANGE IN NET ASSETS WITH DONOR RESTRICTIONS		
Restricted grant revenue and contribution income	681,804	692,358
Investment income	4,282	2,030
Net assets released from restriction	(711,525)	(746,044)
CHANGE IN NET ASSETS WITH DONOR RESTRICTIONS	(25,439)	(51,656)
CHANGE IN NET ASSETS	(944,757)	1,053,542
NET ASSETS		
Balance - beginning of year	12,557,188	11,503,646
Balance - end of year	\$11,612,431	\$12,557,188

The accompanying notes are an integral part of the financial statements.

HOLY CROSS MINISTRIES OF UTAH
STATEMENT OF FUNCTIONAL EXPENSES
Year ended December 31, 2018

	<u>Education Expenses</u>	<u>Health Expenses</u>	<u>Justice Expenses</u>	<u>Management and General Expenses</u>	<u>Fundraising Expenses</u>	<u>Total Expenses</u>
Salaries and wages	\$ 267,431	\$ 144,172	\$ 311,323	\$ 258,794	\$ -	\$ 981,720
Benefits	143,009	111,167	149,448	91,632	-	495,256
Rent	22,901	22,900	22,903	23,114	-	91,818
Equipment and building maintenance	18,164	11,470	12,834	12,072	-	54,540
Communications and public relations	2,316	886	11,095	11,625	19,040	44,962
Supplies	17,833	5,599	5,778	13,283	-	42,493
Professional Fees	14,032	3,855	4,464	6,138	-	28,489
Depreciation	4,783	4,783	4,783	4,782	-	19,131
Travel	6,648	1,301	919	7,929	-	16,797
Dues and subscriptions	2,688	90	2,241	2,784	-	7,803
Miscellaneous	1,474	1,072	2,522	3,666	-	8,734
TOTAL FUNCTIONAL EXPENSES	<u><u>\$ 501,279</u></u>	<u><u>\$ 307,295</u></u>	<u><u>\$ 528,310</u></u>	<u><u>\$ 435,819</u></u>	<u><u>\$ 19,040</u></u>	<u><u>\$ 1,791,743</u></u>

The accompanying notes are an integral part of the financial statements.

HOLY CROSS MINISTRIES OF UTAH
STATEMENT OF FUNCTIONAL EXPENSES
Year ended December 31, 2017

	<u>Education Expenses</u>	<u>Health Expenses</u>	<u>Justice Expenses</u>	<u>Management and General Expenses</u>	<u>Fundraising Expenses</u>	<u>Total Expenses</u>
Salaries and wages	\$ 428,326	\$ 115,522	\$ 428,804	\$ 157,199	\$ -	\$ 1,129,851
Benefits	58,251	19,789	88,522	87,152	-	253,714
Rent	24,771	24,654	24,654	24,821	-	98,900
Dues and subscriptions	18,013	10,355	12,191	6,087	-	46,646
Equipment and building maintenance	11,445	9,885	8,856	10,604	-	40,790
Professional fees	16,367	5,942	4,455	6,866	-	33,630
Supplies	14,582	969	3,719	3,698	-	22,968
Depreciation	13,218	2,474	598	3,787	-	20,077
Travel	9,614	2,400	231	3,991	-	16,236
Communications and public relations	-	-	-	19	15,185	15,204
Miscellaneous	547	94	95	5,098	-	5,834
TOTAL FUNCTIONAL EXPENSES	<u>\$ 595,134</u>	<u>\$ 192,084</u>	<u>\$ 572,125</u>	<u>\$ 309,322</u>	<u>\$ 15,185</u>	<u>\$ 1,683,850</u>

The accompanying notes are an integral part of the financial statements.

HOLY CROSS MINISTRIES OF UTAH
STATEMENTS OF CASH FLOWS
Years ended December 31, 2018 and 2017

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (944,757)	\$ 1,053,542
Adjustments to reconcile change in net assets to net cash used by operating activities		
Depreciation	19,131	20,077
Interest income	(57,260)	(61,908)
Net realized investment gain	(432,660)	(426,735)
Net unrealized investment (gain) loss	708,397	(1,102,933)
Changes in operating assets and liabilities		
Trade accounts receivable	(10,000)	-
Prepaid expenses	6,135	(7,472)
Accounts payable and accrued expenses	162,554	(2,969)
Net cash used by operating activities	(548,460)	(528,398)
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash paid for purchases of equipment	-	(28,000)
Cash from sale of investments	630,737	455,835
Net cash flows from investing activities	630,737	427,835
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	82,277	(100,563)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	24,770	125,333
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 107,047	\$ 24,770

The accompanying notes are an integral part of the financial statements.

HOLY CROSS MINISTRIES OF UTAH
NOTES TO FINANCIAL STATEMENTS
December 31, 2018 and 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Business Activity

Holy Cross Ministries of Utah (the Organization) is a Utah non-profit organization. The Organization is organized for the purposes of engaging in charitable benevolent, eleemosynary, educational, and scientific activities and purposes, all in furtherance of the healing mission of the Roman Catholic Church and care for the poor and underserved.

The Organization is sponsored by the Congregation of the Sisters of the Holy Cross (the Congregation), a religious institute of the Roman Catholic Church. The Organization is exempt from federal income taxes on related activities pursuant to Section 501(a) of the Internal Revenue Code.

The mission statement of the Organization is:

We respond to the underserved for needs, health, and well being. We share God-given resources, connect people to community services, and assist individuals and families towards independence and full participation in the community. We do this to fulfill the mission of Jesus Christ and in the spirit of the Sisters of the Holy Cross.

The Organization fulfills its mission by soliciting and receiving gifts, grants, bequests, contributions, and other financial aid from the general public and other sources, including lawful grants and distributions from foundations or current affiliates of the Organization. The Organization has the authority to accumulate, distribute, and administer such funds and property in accordance with the discretion of its Board of Trustees (the Board) for the purposes of: (1) working in a cooperative ministry with Catholic Community Services-Utah (CCS) to respond to the unmet needs in Utah communities; (2) developing and delivering services complementary to those of CCS with specific emphasis on outreach to the undocumented, underserved, and at-risk persons - in education, health, and justice services as detailed below; (3) providing other support to people in the community through charitable and benevolent programs; and (4) providing assistance and meeting the current and capital needs of any qualified, tax-exempt organization.

The Organization's three main programs are:

- Education: The Organization focuses on helping children grow up to be healthy, caring, and responsible; which leads to better academic gains. In alignment with the overwhelming research which shows that providing high-quality education for children yields significant long-term benefits for both women and children, the Organization provides educational programming for children ages 0-3-years-old and their parents. Additionally, the Organization recognizes the extreme impact of summer learning loss for students who don't have access to academic resources in the recess between each school year, which is why the Organization focuses on providing a safe, quality program for elementary-aged children over the summer months.

HOLY CROSS MINISTRIES OF UTAH
NOTES TO FINANCIAL STATEMENTS
December 31, 2018 and 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Business Activity (continued)

- Health: Many Hispanics in Utah face critical risk factors with regards to their health - they are often unfamiliar with local healthcare and food supplement options, and many fear discrimination. Recognizing the needs of this population, Holy Cross Ministries' Promotoras - bilingual, bicultural outreach workers - strive to ensure that all families are healthy, safe, and can navigate complex health and social systems. The Promotoras have been characterized as “bridge builders”. They play a central role in community integration and are key to every program at the Organization.
- Justice: The Organization is dedicated to helping immigrant families participate in the community and gain self-sufficiency. Recognizing that there are limited accessible resources for low-income families in Utah, the Organization’s team of attorneys and Board of Immigration Appeals (BIA) Accredited Representatives work with immigrants and their families to gain legal status and participate more fully in the community by providing consultations, legal support for immigrant victims of violence, support for humanitarian and temporary status applicants, family reunification assistance, and citizenship services.

Financial Statement Preparation

The Organization's accounting policies conform to accounting principles generally accepted in the United States of America (GAAP). The financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) in Accounting Standards Codification (ASC) 958, *Not-for-Profit Entities*. During 2018, the Organization adopted Accounting Standards Update (ASU) 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. Under those standards, net assets, contributions, service fees, gains, losses, and expenses are classified as net assets with donor restrictions and net assets without donor restrictions, depending on the existence and/or nature of any donor restrictions and based upon the following criteria:

Net Assets Without Donor Restrictions – Net assets without donor restrictions are able to be spent by the Organization at its discretion and are subject to self-imposed limits by action of the governing board. Board-designated net assets may be earmarked for future programs, investment, contingencies, purchase or construction of fixed assets, or other uses. As of December 31, 2018 and 2017, there were no Board-designated net assets.

Net Assets With Donor Restrictions – Net assets with donor restrictions include contributions of cash and other assets received with donor stipulations that limit the use of the donated assets, or have been restricted by the donor to be held and invested in perpetuity. When a donor restriction expires or a purpose restriction is accomplished, net assets with restrictions are reclassified to net assets without restrictions and reported in the statement of activities as net assets released from restrictions.

HOLY CROSS MINISTRIES OF UTAH
NOTES TO FINANCIAL STATEMENTS
December 31, 2018 and 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and revenues and expenses during the reporting period. Actual results could differ from those estimates.

Concentrations of Credit Risk

The Organization's financial instruments that may be exposed to concentrations of credit risk consist primarily of temporary cash investments and investments.

The Organization maintains its cash balances at financial institutions. At times such balances may exceed federally insured limits. The Organization has not experienced any losses in such accounts. The Organization believes it is not exposed to any significant credit risk on cash.

As discussed in Note 4, most of the Organization's investments are held and managed by the Congregation. Accordingly the Organization believes it is not exposed to any significant credit risk on investments.

Cash and Cash Equivalents

Cash equivalents are generally comprised of certain highly liquid investments with maturities of three months or less at the date of purchase.

Investments

The Organization's investments are reported at fair value, with unrealized gains and losses included in income. Realized gains and losses are determined on the basis of the actual cost of the securities sold. Permanent declines in value, if any, are included in income. Dividends on equity securities are recognized in income when declared.

Property and Equipment

Property and equipment are stated at cost net of accumulated depreciation. Expenditures that increase values or extend useful lives are capitalized and routine maintenance and repairs are charged to expense in the year incurred. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Depreciation begins in the month of acquisition or when constructed or developed assets are ready for their intended use.

Income Taxes

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

HOLY CROSS MINISTRIES OF UTAH
NOTES TO FINANCIAL STATEMENTS
December 31, 2018 and 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition

Program fees consist of revenues earned in conducting the Organization's programs and services and are charged on a sliding scale based on the participant's ability to pay. The Organization charges a nominal fee to families who participate in its after-school, summer, and school readiness programs, as well as for legal immigration services, and recognizes program fee revenue when the service is provided and payment is reasonably assured.

Contributions of donated cash and other assets are recorded at their fair values in the period in which they are received.

Fair Value of Investments

Fair value is defined as the amount 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. The following hierarchy prioritizes the inputs to valuation methodologies used to measure fair value:

- Level 1 inputs are quoted prices for identical assets and liabilities in active markets.
- Level 2 inputs are observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets or quoted prices for identical or similar assets and liabilities in markets that are not active.
- Level 3 inputs are unobservable inputs that reflect the Organization's own assumptions, consistent with reasonably available assumptions made by other market participants.

Functional Allocation of Expenses

The costs of programs and supporting services have been summarized on a functional basis in the statements of activities. All direct costs are charged to the functional area they pertain to. Indirect costs are charged to programs and supporting services based on estimates made by management, taking into account the nature of the expense and how it relates to the functional area. General and administrative costs include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

Advertising and Promotion

All costs associated with advertising and promoting the Organization's goods and services are expensed in the year incurred. Advertising expense totaled \$44,962 and \$15,204 for the years ended December 31, 2018 and 2017, respectively.

HOLY CROSS MINISTRIES OF UTAH
NOTES TO FINANCIAL STATEMENTS
December 31, 2018 and 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Promises to Give

The Organization receives certain promises to give from outside organizations. Promises to give may be unconditional or conditional. A promise is unconditional if its receipt depends only on the passage of time or demand by the organization and no right of return of any assets transferred exists. Conditional promises generally (a) depend on some future event occurring before the promisor is bound or (b) allow for a right of return of assets depending on some future event. A conditional promise to give is not recorded as a contribution until the condition on which it depends is substantially met. As of December 31, 2018 and 2017, the organization had conditional promises to give from a single cost reimbursement grant in the amount of \$262,648 and \$131,676, respectively. The promise is recorded as revenue once the expenditures related to the grant are incurred.

Reclassifications

Certain reclassifications have been made to the Organization's December 31, 2017 financial statements to conform to the current year presentation. Total assets, liabilities, net assets and changes in net assets remained unchanged as a result of these reclassifications.

Subsequent Events

Management of the Organization has evaluated subsequent events through September 10, 2019, which is also the date the financial statements were available to be issued. No subsequent events were noted during this evaluation that require recognition or disclosure in these financial statements.

NOTE 2 - EQUIPMENT

Equipment is as follows:

	2018	2017
Cost:		
Vehicles	\$ 83,624	\$ 290,370
Computers and software	14,793	-
Furniture and equipment	11,970	-
	110,387	290,370
Accumulated depreciation	(78,050)	(238,903)
	\$ 32,337	\$ 51,467

HOLY CROSS MINISTRIES OF UTAH
NOTES TO FINANCIAL STATEMENTS
December 31, 2018 and 2017

NOTE 3 - RELATED ENTITY TRANSACTIONS

The Congregation holds and manages the Augusta Fund on behalf of the Organization. See Note 4 for details. The Congregation also processes payroll on behalf of the Organization.

Park City School District - School district contributes resources for school programs, mostly related to staff and space required to offer classes. No funds are transferred.

University of Utah Health Care System - South Main Clinic - Holy Cross provides staffing for translation in the clinic. No funds are transferred.

People's Health Clinic - Holy Cross provides staffing for translation in the clinic. The clinic pays Holy Cross for its services.

\$ 11,094

Association for Utah Community Health (AUCH) - Payments received for use of Holy Cross' conference room

\$ 9,000

NOTE 4 - INVESTMENTS

Investments are as follows:

	2018	2017
Investments held in the Augusta Fund	\$ 11,610,599	\$ 12,455,531
Other investments	101,565	105,848
	<u>\$ 11,712,164</u>	<u>\$ 12,561,379</u>

The Organization has commingled assets in the Augusta Fund of the Congregation. Such investments are held and managed by the Congregation. Investment income from the Augusta Fund is utilized to support operational activities. The Organization participates in a pro rata share of interest and dividend income, income (loss) from partnerships, realized gains and losses on investments, and investment fees and expenses.

The fair value measurements for the organization's investments are as follows:

	Fair Value Measurement				
	2018	Fair Value	Level 1	Level 2	Level 3
Mutual funds	\$ 101,565	\$ 101,565	\$ -	\$ -	
Investments measured at net asset value - Held in the Augusta Fund		11,610,599			
		<u>\$ 11,712,164</u>	<u>\$ 101,565</u>	<u>\$ -</u>	<u>\$ -</u>

HOLY CROSS MINISTRIES OF UTAH
NOTES TO FINANCIAL STATEMENTS
December 31, 2018 and 2017

NOTE 4 - INVESTMENTS (CONTINUED)

<u>2017</u>	Fair Value Measurement			
	Fair Value	Level 1	Level 2	Level 3
Mutual funds	\$ 105,848	\$ 105,848	\$ -	\$ -
Investments measured at net asset value - Held in the Augusta Fund	12,455,531			
	<u>\$ 12,561,379</u>	<u>\$ 105,848</u>	<u>\$ -</u>	<u>\$ -</u>

The Organization's investments measured at net asset value consist of the Catholic Endowment Fund, the Endowment Fund Pool, various hedge funds, and an interest in a perpetual trust. The net asset value is used as a practical expedient to estimate fair value. This practical expedient would not be used if it is determined to be probable that the fund will sell the investment for an amount different from the reported net asset value.

The Catholic Endowment Fund is a private investment partnership designed for nonprofit organizations. The assets of the partnership may be invested with independent money managers or in other collective interest vehicles such as exchange-traded funds, open-end mutual funds, and private investment funds. The Fund invests in a broad variety of assets, including global equities, high-yield bonds, commodities, REITs, TIPS, inflation-linked bonds, and cash equivalents.

The objectives of the Endowment Fund Pool are to provide a predictable stable stream of earnings to ensure that the purchasing power of the fund assets does not decline over time. The pool consists of short-term investments, public equities, fixed income, securities, marketable alternatives, private equity, real estate, and other real assets.

Return on investment securities recorded on the accompanying statements of activities as of December 31, 2018 and 2017 are as follows:

	2018	2017
Unrealized gains (losses)	\$ (708,397)	\$ 1,102,933
Interest income	52,978	59,708
Realized losses	432,660	426,735
Total investment return (loss)	<u>\$ (222,759)</u>	<u>\$ 1,589,376</u>

HOLY CROSS MINISTRIES OF UTAH
NOTES TO FINANCIAL STATEMENTS
December 31, 2018 and 2017

NOTE 5 - OPERATING LEASES

The Organization leases office space and office equipment under non-cancelable operating leases. Total rent expense for the years ended December 31, 2018 and 2017 was \$91,818 and \$98,900, respectively.

Future minimum lease payments are as follows:

	2019	\$ 87,288
	2020	94,563
	2021	86,772
	2022	89,062
	2023	74,048
	Thereafter	<u>-</u>
		<u>\$ 431,733</u>

NOTE 6 - CONTRIBUTED SERVICES

Contributed services that 1) create or enhance nonfinancial assets or 2) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation are recognized as revenue in the financial statements. The Organization recognized \$0 and \$0, respectively, in contributed services and related expenses during the years ended December 31, 2018 and 2017. Of this amount, \$0 and \$0, respectively, was applicable to fundraising and development activities, \$0 and \$0, respectively, was applicable to management and general activities, and \$0 and \$0, respectively, was applicable to programs and missions. The Organization also received 0 and 600 hours, respectively, in other volunteer services during the years ended December 31, 2018 and 2017 that did not meet the criteria outlined above and therefore were not recognized as revenue.

NOTE 7 - NET ASSETS WITH DONOR RESTRICTIONS

The Organization had \$4,282 and \$29,721, respectively, in net assets with donor restrictions as of December 31, 2018 and 2017. Net assets with donor restrictions of \$711,525 and \$746,044, respectively, were released from restriction during the years ended December 31, 2018 and 2017. The December 31, 2018 and 2017 net assets with donor restrictions included the following amounts:

	<u>2018</u>	<u>2017</u>
Grants for Health and Education	\$ -	\$ 27,691
Investment income	<u>4,282</u>	<u>2,030</u>
	<u>\$ 4,282</u>	<u>\$ 29,721</u>

HOLY CROSS MINISTRIES OF UTAH
NOTES TO FINANCIAL STATEMENTS
December 31, 2018 and 2017

NOTE 8 - AVAILABILITY OF FINANCIAL ASSETS

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 contractual or donor-imposed restrictions of internal designations. Amounts not available include amounts set aside for long-term investing that could be drawn upon if the governing board approves that action.

	2018	2017
Financial Assets		
Cash	\$ 107,047	\$ 24,770
Short-term investments	11,712,164	12,561,379
Total financial assets	11,819,211	12,586,149
Less contractual or donor-imposed funds		
Other donor restrictions	(4,282)	(29,721)
Financial assets available to meet cash needs for general expenditures within one year	\$ 11,814,929	\$ 12,556,428

NOTE 9 - EMPLOYEE BENEFIT PLAN

The Organization maintains a 403(b) retirement savings plan (the Plan) for the benefit of its employees. The Organization made payments of \$228,205 and \$33,643 to the Plan during 2018 and 2017, respectively.

NOTE 10 - INFORMATION ABOUT LIQUIDITY

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the Organization invests cash in excess of daily requirements in short-term liquid investments. To help manage unanticipated liquidity needs, or in the event of financial distress, the Organization has investments in government securities and other securities that can be quickly turned into cash, and which bear favorable rates in the investment strategy.