

**SAGINAW AREA CATHOLIC SCHOOLS**  
**Saginaw, Michigan**

**FINANCIAL STATEMENTS**  
**June 30, 2021**



**Gardner | Provenzano**  
**Thomas & Luplow**

**CERTIFIED PUBLIC ACCOUNTANTS**

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# Gardner | Provenzano Thomas & Luplow

CERTIFIED PUBLIC ACCOUNTANTS

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## INDEPENDENT AUDITOR'S REPORT

August 24, 2021

To the Board of Trustees  
Saginaw Area Catholic Schools  
Saginaw, Michigan

We have audited the accompanying financial statements of Saginaw Area Catholic Schools (a nonprofit organization), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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 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.

### **Basis for Qualified Opinion**

As explained in Note 1 to the financial statements, Saginaw Area Catholic Schools chooses to expense purchases of property, furniture, and equipment with an estimated useful life greater than one year in the year of purchase. Accounting principles generally accepted in the United States of America require that all capital expenditures be capitalized and depreciated over their estimated useful lives. The effects on the accompanying financial statements of the failure to capitalize and depreciate capital assets have not been determined.

### **Qualified Opinion**

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of Saginaw Area Catholic Schools as of June 30, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Report on Summarized Comparative Information**

We have previously audited Saginaw Area Catholic Schools' 2021 financial statements, and our report dated October 29, 2020, expressed a qualified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.

### **Adoption of New Accounting Standards**

As described in Note 1 to the financial statements, Saginaw Area Catholic Schools changed its method of accounting for revenue recognition in 2021 as required by provisions of FASB Accounting Standards Update 2014-09 *Revenue from Contracts with Customers*. Our opinion is not modified with respect to that matter.

Certified Public Accountants

SAGINAW AREA CATHOLIC SCHOOLS  
STATEMENT OF FINANCIAL POSITION  
JUNE 30, 2021  
(With Comparative Totals at June 30, 2020)

	Without Donor Restrictions	With Donor Restrictions	Totals 2021	2020
<u>Assets</u>				
Cash	\$ 229,367	\$ -	\$ 229,367	\$ 497,058
Deposit and loan accounts	3,198	283,019	286,217	352,616
Accounts receivable - net of allowance for doubtful accounts of \$303,181 (\$299,342 in 2020)	949,721	-	949,721	833,246
Due from unrestricted	-	-	-	111,607
Due from restricted	-	-	-	86,387
Scrip inventory	4,447	-	4,447	10,217
Prepaid expenses	3,071	-	3,071	551
Total assets	<u>\$ 1,189,804</u>	<u>\$ 283,019</u>	<u>\$ 1,472,823</u>	<u>\$ 1,891,682</u>
<u>Liabilities and Net Assets</u>				
<u>Liabilities</u>				
Accounts payable	\$ 303,960	\$ -	\$ 303,960	\$ 231,976
Accrued payroll and related taxes	171,184	-	171,184	161,302
Loans payable	429,436	-	429,436	445,154
Loan payable - Payroll Protection Program	-	-	-	571,400
Due to restricted	-	-	-	373
Due to unrestricted	-	-	-	86,387
Deferred revenue	4,850	-	4,850	6,043
Advance comprehensive fees	17,144	-	17,144	18,645
Advance registration fees	49,119	-	49,119	39,327
Advance tuition payments	282,715	-	282,715	259,542
Total liabilities	<u>1,258,408</u>	<u>-</u>	<u>1,258,408</u>	<u>1,820,149</u>
<u>Net Assets</u>				
Net assets (deficit)	(68,604)	283,019	214,415	71,533
Total liabilities and net assets	<u>\$ 1,189,804</u>	<u>\$ 283,019</u>	<u>\$ 1,472,823</u>	<u>\$ 1,891,682</u>

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

SAGINAW AREA CATHOLIC SCHOOLS  
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS  
FOR THE YEAR ENDED JUNE 30, 2021  
(With Comparative Totals for the Year Ended June 30, 2020)

	Without Donor Restrictions	With Donor Restrictions	Totals	
			2021	2020
Operating activities				
Donations and bequests	\$ 117,651	\$ 241,036	\$ 358,687	\$ 387,760
Other revenue	84,434	-	84,434	92,222
Fundraising	318,757	-	318,757	421,843
Tuition	1,826,415	-	1,826,415	1,907,338
Parish assessments	1,279,665	-	1,279,665	1,289,586
Student fees	132,331	-	132,331	142,403
Transportation fees	-	-	-	26,778
Student lunch sales	57,436	-	57,436	56,874
Adult lunch sales	1,878	-	1,878	1,895
Admission fees	9,322	-	9,322	43,170
Student activities	1,677	-	1,677	17,555
Athletic revenue	10,771	-	10,771	8,894
Advertising revenue	10,260	-	10,260	11,340
Total revenue and support before releases	3,850,597	241,036	4,091,633	4,407,658
Net assets released from restrictions	293,536	(293,536)	-	-
Total revenue and support	4,144,133	(52,500)	4,091,633	4,407,658
Operating expenses				
High school	1,118,144	-	1,118,144	1,181,044
Elementary school	1,819,639	-	1,819,639	1,733,055
Athletics	321,261	-	321,261	335,036
Administration	1,035,753	-	1,035,753	1,024,094
Development	131,854	-	131,854	134,867
Food service	104,674	-	104,674	125,505
Total operating expenses	4,531,325	-	4,531,325	4,533,601
Change in net assets from operating activities	(387,192)	(52,500)	(439,692)	(125,943)
Nonoperating activities				
Payroll Protection Loan forgiveness	571,400	-	571,400	-
Interest	4,869	6,305	11,174	6,543
Change in net assets from nonoperating activities	576,269	6,305	582,574	6,543
Change in net assets	189,077	(46,195)	142,882	(119,400)
Net assets, beginning of year (deficit)	(257,681)	329,214	71,533	190,933
Net assets, end of year (deficit)	\$ (68,604)	\$ 283,019	\$ 214,415	\$ 71,533

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

SAGINAW AREA CATHOLIC SCHOOLS  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2021  
(With Comparative Totals for the Year Ended June 30, 2020)

	Current Year					Prior Year	
	Program Activities					Total Expenses	
	High School	Elementary School	Athletics	Total Program		2021	2020
Salaries	\$ 443,275	\$ 898,728	\$ 94,294	\$ 1,436,297	\$ 575,887	\$ 703,377	\$ 2,139,674
Benefits	147,808	260,321	22,149	430,270	129,070	10,570	592,724
Payroll taxes	31,822	65,872	9,080	106,774	52,823	1,504	166,827
Total salaries and related expenses	622,905	1,224,921	125,523	1,973,349	757,780	925,876	2,899,225
Goodwill	-	-	-	-	-	-	-
Donations and assistance	900	50	-	950	500	500	1,450
Scholarships	3,200	-	-	3,200	8,114	8,114	11,314
Professional and technical	10,065	44,709	48,872	103,646	88,078	92,995	196,641
Office and teaching supplies	34,686	49,572	205	84,463	6,172	9,945	94,408
Dues and memberships	1,756	2,397	1,396	5,549	373	602	6,151
Conferences and retreats	46	730	-	776	-	-	776
Bad debt	-	-	-	-	3,838	3,838	3,838
Travel and transportation	278	52	700	1,030	262	262	1,292
Publicity and promotion	-	177	-	177	15,475	14,819	30,471
Telephone	-	5,415	1,147	6,562	6,528	6,528	13,090
Utilities	123,387	71,440	11,732	206,559	-	-	206,559
Service contracts	101,531	130,477	435	232,443	2,189	2,189	234,632
Repairs and maintenance	17,921	47,543	66,825	132,289	43,883	-	193,655
Furnishings and equipment	90,611	80,934	9,920	181,465	45,541	1,658	177,830
Rentals and leases	1	-	12,333	12,334	25,582	478	207,525
Insurance	2,480	19,096	1,794	23,370	-	-	12,334
Athletic expense	-	-	9,857	9,857	37,813	37,813	61,183
Student activities	3,814	887	-	4,701	-	-	9,857
Taxes and assessments	2,448	768	-	3,216	-	-	4,701
Bank charges	-	-	-	-	-	-	-
Interest	-	-	-	-	20,167	20,167	20,167
Fundraising	102,115	140,077	30,522	272,714	8,282	8,282	19,867
Food service	-	394	-	394	8,699	8,699	9,483
Subtotal	495,239	594,718	195,738	1,285,695	277,973	346,405	1,748,494
Total expenses	\$ 1,118,144	\$ 1,819,639	\$ 321,261	\$ 3,259,044	\$ 1,035,753	\$ 1,272,281	\$ 4,533,601

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

SAGINAW AREA CATHOLIC SCHOOLS  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
Cash flows from operating activities		
Increase (decrease) in net assets	\$ 142,882	\$ (119,400)
Changes in operating assets and liabilities which provided (used) cash:		
Accounts receivable	(116,475)	113,368
Scrip inventory	5,770	(1,674)
Prepaid expenses	(2,520)	1,558
Due from unrestricted	25,220	25,365
Due to restricted	86,014	(136,599)
Accounts payable	71,984	(26,766)
Accrued payroll and related taxes	9,882	(19,933)
Advance comprehensive fee	(1,501)	3,745
Advance registration fee	9,792	(17,435)
Advance tuition payments	23,173	(21,835)
Deferred revenue	(1,193)	6,043
Net cash provided by operating activities	<u>253,028</u>	<u>(193,563)</u>
Cash flows from financing activities		
Loan proceeds - Payroll Protection Program	(571,400)	571,400
Principal payments on loans	(15,718)	(15,094)
Net cash provided by (used in) financing activities	<u>(587,118)</u>	<u>556,306</u>
Net increase (decrease) in cash and cash equivalents	(334,090)	362,743
Beginning cash and cash equivalents	<u>849,674</u>	<u>486,931</u>
Ending cash and cash equivalents	<u>\$ 515,584</u>	<u>\$ 849,674</u>
Supplemental disclosures of cash flow information		
Interest paid	<u>\$ 8,282</u>	<u>\$ 9,483</u>

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



## SAGINAW AREA CATHOLIC SCHOOLS NOTES TO FINANCIAL STATEMENTS

### NOTE 1--Summary of Significant Accounting Policies

#### Nature of Organization

Saginaw Area Catholic Schools (SACS) is a Catholic school system whose mission is to nurture, educate, and develop future Catholic leaders for an increasingly diverse world by providing a high quality education for students and by providing education opportunities to grow in their faith formation within the Catholic Church and the greater community. The Catholic schools that are part of this school system are Nouvel Catholic Central High School and Nouvel Catholic Central Elementary School. SACS' enrollment is approximately 615 students and its revenue comes primarily from tuition payments, student fees, parish assessments, fund raising, and contributions.

#### Basis of Presentation

The financial statements of the Organization have been prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America. The financial statements are presented in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958 dated August 2016, and the provisions of the American Institute of Certified Public Accountants (AICPA) "Audit and Accounting Guide for Not-for-Profit Organizations" (the "Guide"). (ASC) 958-205 was effective January 1, 2018.

Under the provisions of the Guide, net assets and revenues, and gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified as follows:

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. The Organization's board may designate assets without restrictions for specific operational purposes from time to time.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Non-Profit Organization or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds by maintained in perpetuity.

SAGINAW AREA CATHOLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS

NOTE 1--Summary of Significant Accounting Policies(Continued)

Contributions

Unconditional contributions are recognized when pledged and recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Gifts of cash and other assets are reported with donor restricted support if they are received with donor stipulations that limit the use of the donated assets.

When a restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as net assets without donor restriction support. Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Contributions restricted for the acquisition of land, buildings, and equipment are reported as net assets without donor restriction upon acquisition of the assets and the assets are placed in service.

Measure of Operations

The statement of activities reports all changes in net assets, including changes in net assets from operating and non-operating activities. Operating activities consist of those items attributable to SACS's ongoing activities. Non-operating activities are limited to resources that generate return from investments, endowment contributions, financing costs, and other activities considered to be of a more unusual or nonrecurring nature.

Functional Expenses

The costs of providing program and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among program services and supporting services benefited. Such allocations are determined by management on an equitable basis.

## SAGINAW AREA CATHOLIC SCHOOLS NOTES TO FINANCIAL STATEMENTS

### NOTE 1--Summary of Significant Accounting Policies (Continued)

#### Functional Expenses(Continued)

The expenses that are allocated include the following:

<u>Expense</u>	<u>Method of Allocation</u>
Salaries	Full time equivalent
Benefits	Full time equivalent
Payroll taxes	Full time equivalent
Goodwill	Time and effort
Donations and assistance	Time and effort
Scholarships	Time and effort
Professional and technical	Time and effort
Office and teaching supplies	Time and effort
Dues and memberships	Time and effort
Conferences and retreats	Time and effort
Bad debt	Time and effort
Travel and transportation	Time and effort
Publicity and promotion	Time and effort
Telephone	Time and effort
Utilities	Time and effort
Service contracts	Time and effort
Repairs and maintenance	Time and effort
Furnishings and equipment	Time and effort
Rentals and leases	Time and effort
Insurance	Time and effort
Athletic expense	Time and effort
Student activities	Time and effort
Taxes and assessments	Time and effort
Bank charges	Time and effort
Interest	Time and effort
Fundraising	Time and effort
Food service	Time and effort

#### Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that could affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

#### Cash and Equivalents

Cash consists of cash on hand and demand deposits with financial institutions and the Diocese of Saginaw Interparish Deposit and Loan Program. There were no cash equivalents at June 30, 2021 and 2020.

#### Accounts Receivable and Allowance

Accounts receivable are stated at the outstanding principle balance adjusted for the allowance for doubtful accounts. The allowance is calculated by management based on historical collection data and current past due accounts.

SAGINAW AREA CATHOLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS

NOTE 1--Summary of Significant Accounting Policies (Continued)

Donated Services

A significant portion of Saginaw Area Catholic School's functions are conducted by unpaid officers, committee members, and volunteers. The value of this contributed time is not reflected in the accompanying financial statements since the volunteers' time does not meet the criteria necessary for recognition.

Property, Furniture and Equipment

It is the policy of Saginaw Area Catholic Schools to expense purchases of property, furniture, and equipment in the year of purchase.

Income Taxes

Saginaw Area Catholic Schools is a non-profit organization, which is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

Date of Management's Review

Subsequent events were evaluated through August 24, 2021, which is the date the financial statements were available to be issued.

Change in Accounting Principle

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*, to clarify the principles of recognizing revenue, create common revenue recognition guidance, and improve disclosures. Accordingly, Saginaw Area Catholic Schools has elected to implement this standard using a full retrospective adjustment of the prior year financial statements. Net assets did not change as a result of this change.

NOTE 2--Assets with Donor Restrictions

Assets with donor restrictions are restricted for the following purposes or periods at June 30, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
College Scholarship	\$ 20,858	\$ 13,211
Financial Aid Scholarship	56,656	65,457
Brian Stephens Scholarship	40,672	41,851
Ryan Markey Scholarship	2,938	3,874
Academic Purposes	161,895	204,821
	<u>\$ 283,019</u>	<u>\$ 329,214</u>

SAGINAW AREA CATHOLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS

NOTE 3--Lease Agreements

Saginaw Area Catholic Schools rents the first two floors of the building at 2555 Wieneke Road under a written agreement with the Diocese of Saginaw to house Nouvel Catholic Central High School for \$1 per year. SACS is responsible for all of the costs of maintaining its building space.

Each of the individual schools that are part of the SACS system leases its copy machine. SACS incurred expenses of \$20,882 and \$16,891 associated with these leases during the years ended June 30, 2021 and 2020, respectively. Also included in the lease agreements are volume-based usage charges for the copy machines.

Minimum future commitments under these lease agreements are listed below.

<u>School Year</u>	<u>Amount</u>
2021/22	\$ 14,608
2022/23	14,608
	<u>\$ 29,216</u>

NOTE 4--Retirement

Saginaw Area Catholic School's defined benefit retirement plan is provided for eligible lay employees under the Michigan Catholic Employees Retirement Plan (administered by the Michigan Catholic Conference). SACS contributes 8.6% of the eligible employee's salary to the plan. Contributions of \$170,824 and \$175,186 were made on behalf of employees by Saginaw Area Catholic Schools for the years ending June 30, 2021 and 2020, respectively.

NOTE 5--Concentration of Credit Risk

Cash is held at a federally insured credit union and the Diocese of Saginaw Interparish Deposit and Loan Program. Saginaw Area Catholic Schools has \$286,217 deposited in the Diocese of Saginaw Interparish Deposit and Loan Program. Amounts deposited with the Diocese of Saginaw Interparish Deposit and Loan Program Foundation are uninsured.

SAGINAW AREA CATHOLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS

NOTE 6--Accounts Receivable

Accounts receivable at June 30, 2021 and 2020 are as follows:

	<u>2021</u>	<u>2020</u>
Parish assessments	\$ 979,911	\$ 873,987
Tuition	263,359	251,290
Other	9,632	7,311
Less allowance for doubtful accounts - tuition	(92,671)	(114,035)
Less allowance for doubtful accounts - assessments	(210,510)	(185,307)
Net accounts receivable	<u>\$ 949,721</u>	<u>\$ 833,246</u>

NOTE 7--Loans Payable

The loans payable amount consists of two loans from the Diocese of Saginaw. The first was taken for cash flow purposes, has an unpaid principal balance of \$198,495, charges interest at 4%, and requires equal monthly payments of \$2,000. The second loan is related to unpaid building rent for the Nouvel Catholic Central High School building, has a principal balance of \$230,941, and charges interest at .25% annually. The loan will balloon on February 1, 2022 and is required to be paid in full by that date. SACS may make principal payments at any time before that date without penalty. Interest charged to expense on these loans totaled \$8,282 during the year ended June 30, 2021, and \$9,483 during the year ended June 30, 2020.

Estimated principal maturities of the loans are as follows:

<u>School Year</u>	<u>Amount</u>
2021/22	\$ 254,941
2022/23	24,000
2023/24	24,000
2024/25	24,000
2025/26	24,000
2026/27 and beyond	78,495
	<u>\$ 429,436</u>

NOTE 8--Assets without Donor Restrictions – Deficit

Saginaw Area Catholic Schools has an asset without donor restrictions deficit of \$68,604 at June 30, 2021. Management is working to eliminate the deficit net assets position through the budgetary process.

SAGINAW AREA CATHOLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS

NOTE 9--Liquidity and the Availability of Financial Assets

The following reflects SACS's financial assets as of the balance sheet date, reduced by the amounts not available for general use.

	<u>2021</u>	<u>2020</u>
Assets at year end	\$ 1,472,823	\$ 1,891,682
Less those not available for general expenditures within one year:		
Scrip inventory	(4,447)	(10,217)
Prepaid expenses	(3,071)	(551)
Assets available to meet general expenditures within one year	<u>\$ 1,465,305</u>	<u>\$ 1,880,914</u>

NOTE 10--Revenue from Contracts with Customers

The following summarizes revenue by type for years ended June 30, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Revenue from contracts with customers	\$ 2,610,719	\$ 2,207,353
Revenue from other sources	2,052,314	2,200,305
Interest income	11,174	6,543
Total revenue	<u>\$ 4,674,207</u>	<u>\$ 4,414,201</u>

Bad debt expense as a result of impairment loss on receivables on contract with customers and revenue from other sources was \$3,838 and \$104,879 for the years ended June 30, 2021 and 2020, respectively.

All revenue from contracts with customers is earned at a point in time for the years ended June 30, 2021 and 2020.

The following summarizes contract assets:

	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>July 1, 2019</u>
Accounts receivable	\$ 263,359	\$ 251,290	\$ 219,490

The following summarizes contract liabilities:

	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>July 1, 2019</u>
Advance tuition & fees	\$ 348,978	\$ 317,514	\$ 303,011

SAGINAW AREA CATHOLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS

NOTE 11--COVID-19

As a result of the global coronavirus pandemic of 2020, many organizations' financial picture has seen an unanticipated change. The duration and full effects of the outbreak are currently unknown as the global picture continues to change daily. While management is hopeful that the impact is temporary in nature, a description of known and anticipated circumstances expected to have a significant impact on our organization as of the date of management's review is as follows:

Parish assessments - Due to the shutdowns that were experienced during 2020, the churches of the Diocese of Saginaw were required to be closed and a dispensation was given for weekly Mass attendance. While the dispensation has been lifted and the churches are now open, there continues to be concerns about gathering large groups inside of the churches and Mass attendance has suffered. If Mass attendance does not return to pre-pandemic levels, the individual parishes may not be able to continue the current level of parish assessments.