



Consolidated Financial Statements,  
Schedule of Expenditures of Federal Awards, and Reports  
Required by Government Auditing Standards and the Uniform  
Guidance

June 30, 2024 and 2023

**Guadalupe Center Educational  
Programs, Inc.**

Guadalupe Center Educational Programs, Inc.

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June 30, 2024 and 2023

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## Independent Auditor's Report

The Board of Directors  
Guadalupe Center Educational Programs, Inc.  
Salt Lake City, Utah

### Report on the Audit of the Consolidated Financial Statements

#### ***Opinion***

We have audited the consolidated financial statements of Guadalupe Center Educational Programs, Inc., which comprise the consolidated statements of financial position as of June 30, 2024 and 2023, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements referred to above present fairly, in all material respects, the financial position of Guadalupe Center Educational Programs, Inc. as of June 30, 2024 and 2023, 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) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of Guadalupe Center Educational Programs, 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 Consolidated Financial Statements***

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

### ***Auditor's Responsibilities for the Audit of the Consolidated Financial Statements***

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 and *Government Auditing Standards* 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 consolidated financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 Guadalupe Center Educational Programs, 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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Guadalupe Center Educational Programs, 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.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplemental schedules and the accompanying schedule of expenditures of federal awards, as required by Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated January 23, 2025, on our consideration of Guadalupe Center Educational Programs, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of Guadalupe Center Educational Programs, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Guadalupe Center Educational Programs, Inc.'s internal control over financial reporting and compliance.



Salt Lake City, Utah  
January 23, 2025

Guadalupe Center Educational Programs, Inc.  
Consolidated Statements of Financial Position  
June 30, 2024 and 2023

	2024	2023
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 1,945,354	\$ 1,724,737
Government grants and contracts receivable	609,157	617,598
Other receivables	5,092	9,619
Prepaid expenses and deposits	6,421	13,402
Total current assets	2,566,024	2,365,356
Property and equipment, net	6,039,485	6,345,036
Investments	735,114	664,823
Endowment - investments	1,069,838	943,393
Beneficial interest in assets held by recipient organization	258,340	241,373
	\$ 10,668,801	\$ 10,559,981
<b>Liabilities and Net Assets</b>		
Current liabilities		
Accounts payable	\$ 22,988	\$ 72,705
Accrued liabilities	392,898	300,013
Total current liabilities	415,886	372,718
Net assets		
Without donor restrictions		
Undesignated	8,605,290	8,757,899
Board designated endowment	1,069,838	943,393
Total net assets without donor restrictions	9,675,128	9,701,292
With donor restrictions		
Purpose restrictions	319,447	244,598
Endowment	258,340	241,373
Total net assets with donor restrictions	577,787	485,971
Total net assets	10,252,915	10,187,263
	\$ 10,668,801	\$ 10,559,981

Guadalupe Center Educational Programs, Inc.

Consolidated Statements of Activities  
Years Ended June 30, 2024 and 2023

	2024	2023
Net Assets Without Donor Restrictions		
Public support		
Private donations	\$ 291,554	\$ 677,889
Revenue		
Interest income	-	107
Net investment return	214,876	130,292
Other	10,338	6,788
Special events revenue	222,092	207,050
Less costs of direct benefits to donors	(118,789)	(87,116)
	620,071	935,010
Net Assets Released from Restrictions		
Restrictions satisfied	7,924,712	7,842,463
Total public support and revenue without donor restrictions	8,544,783	8,777,473
Expenses		
Program services		
Guadalupe Charter School	4,975,793	4,865,641
Adult Education Program	739,655	732,315
Preschool Program	1,167,892	1,219,441
Toddler Beginnings	353,477	315,148
In-Home Program	458,596	478,842
Total program services	7,695,413	7,611,387
Supporting services		
Management and general	418,371	557,001
Fundraising	457,163	486,094
Total supporting services	875,534	1,043,095
Total expenses	8,570,947	8,654,482
Change in Net Assets Without Donor Restrictions	(26,164)	122,991

(Continued)

Guadalupe Center Educational Programs, Inc.  
Consolidated Statements of Activities  
Years Ended June 30, 2024 and 2023

	2024	2023
With Donor Restrictions - Purpose Restrictions		
Public support		
Private donations	\$ 1,212,908	\$ 767,047
Public grants and contracts		
Charter School - federal funding	1,676,721	1,980,637
Charter School - state funding	3,224,397	3,005,041
Other government funding	1,877,554	2,234,489
Net Assets Released from Restrictions		
Restrictions satisfied	(7,924,712)	(7,842,463)
Change in Net Assets With Donor Restrictions from Operations	66,868	144,751
Change in Interest in Net Assets of Recipient Organization	24,948	18,441
Change in Net Assets With Donor Restrictions	91,816	163,192
Change in Net Assets	65,652	286,183
Net Assets, Beginning of Year	10,187,263	9,901,080
Net Assets, End of Year	\$ 10,252,915	\$ 10,187,263



Guadalupe Center Educational Programs, Inc.  
Consolidated Statement of Functional Expenses  
Year Ended June 30, 2024

	Program Services						Supporting Services			Total Expenses
	Guadalupe Charter School	Adult Education Program	Preschool Program	Toddler Beginnings	In-Home Program	Total	Management and General	Fundraising	Total	
Salaries	\$ 3,194,719	\$ 531,108	\$ 756,345	\$ 229,953	\$ 310,637	\$ 5,022,762	\$ 169,329	\$ 306,994	\$ 476,323	\$ 5,499,085
Benefits	714,044	102,943	221,527	40,423	61,672	1,140,609	104,775	68,925	173,700	1,314,309
Professional and technical service	200,431	11,289	51,107	5,289	8,644	276,760	40,642	5,660	46,302	323,062
Purchased property services (repairs and maintenance)	216,888	16,791	48,377	58,164	11,121	351,341	8,955	7,059	16,014	367,355
Other purchased services	21,078	2,078	6,909	1,135	7,649	38,849	9,681	-	9,681	48,530
Supplies	470,296	33,400	33,642	2,150	6,384	545,872	6,558	30,435	36,993	582,865
Depreciation	145,403	40,275	43,987	15,908	26,083	271,656	11,310	23,905	35,215	306,871
Other	12,934	1,771	5,998	455	26,406	47,564	67,121	14,185	81,306	128,870
Special events	-	-	-	-	-	-	-	118,789	118,789	118,789
<b>Total expenses</b>	<b>4,975,793</b>	<b>739,655</b>	<b>1,167,892</b>	<b>353,477</b>	<b>458,596</b>	<b>7,695,413</b>	<b>418,371</b>	<b>575,952</b>	<b>994,323</b>	<b>8,689,736</b>
Less expenses included as revenue on the consolidated statement of activities - costs of direct benefits to donors	-	-	-	-	-	-	-	(118,789)	(118,789)	(118,789)
<b>Total expenses</b>	<b>\$ 4,975,793</b>	<b>\$ 739,655</b>	<b>\$ 1,167,892</b>	<b>\$ 353,477</b>	<b>\$ 458,596</b>	<b>\$ 7,695,413</b>	<b>\$ 418,371</b>	<b>\$ 457,163</b>	<b>\$ 875,534</b>	<b>\$ 8,570,947</b>

Guadalupe Center Educational Programs, Inc.  
Consolidated Statement of Functional Expenses  
Year Ended June 30, 2023

	Program Services						Supporting Services			Total Expenses
	Guadalupe Charter School	Adult Education Program	Preschool Program	Toddler Beginnings	In-Home Program	Total	Management and General	Fundraising	Total	
Salaries	\$ 3,015,529	\$ 508,953	\$ 773,221	\$ 206,493	\$ 319,011	\$ 4,823,207	\$ 147,294	\$ 269,976	\$ 417,270	\$ 5,240,477
Benefits	688,252	100,555	198,992	36,082	58,124	1,082,005	86,114	70,713	156,827	1,238,832
Professional and technical service	217,283	6,651	60,401	3,290	5,975	293,600	45,816	3,292	49,108	342,708
Purchased property services (repairs and maintenance)	284,173	47,222	67,296	37,813	31,729	468,233	4,505	16,647	21,152	489,385
Other purchased services	35,035	2,851	4,625	1,579	8,423	52,513	10,907	62	10,969	63,482
Supplies	474,327	17,444	60,174	12,090	6,289	570,324	14,091	85,920	100,011	670,335
Depreciation	145,869	46,394	49,223	17,373	31,554	290,413	12,032	26,716	38,748	329,161
Other	5,173	2,245	5,509	428	17,737	31,092	236,242	12,768	249,010	280,102
Special events	-	-	-	-	-	-	-	87,116	87,116	87,116
<b>Total expenses</b>	<b>4,865,641</b>	<b>732,315</b>	<b>1,219,441</b>	<b>315,148</b>	<b>478,842</b>	<b>7,611,387</b>	<b>557,001</b>	<b>573,210</b>	<b>1,130,211</b>	<b>8,741,598</b>
Less expenses included as revenue on the consolidated statement of activities - costs of direct benefits to donors	-	-	-	-	-	-	-	(87,116)	(87,116)	(87,116)
<b>Total expenses</b>	<b>\$ 4,865,641</b>	<b>\$ 732,315</b>	<b>\$ 1,219,441</b>	<b>\$ 315,148</b>	<b>\$ 478,842</b>	<b>\$ 7,611,387</b>	<b>\$ 557,001</b>	<b>\$ 486,094</b>	<b>\$ 1,043,095</b>	<b>\$ 8,654,482</b>

Guadalupe Center Educational Programs, Inc.

Consolidated Statements of Cash Flows

Years Ended June 30, 2024 and 2023

	2024	2023
Operating Activities		
Change in net assets	\$ 65,652	\$ 286,183
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation	306,871	329,161
Loss on disposal of property and equipment	-	83,766
Impairment loss - construction in process	-	130,984
Change in interest in net assets of recipient organization	(24,948)	(18,441)
Net investment return	(214,876)	(130,292)
Changes in operating assets and liabilities		
Government grants and contracts receivable	8,441	(226,519)
Other receivables	4,527	2,105
Prepaid expenses and deposits	6,981	22,859
Accounts payable and accrued liabilities	43,168	24,797
Deferred revenue	-	(33,851)
Net Cash from Operating Activities	195,816	470,752
Investing Activities		
Purchases of property and equipment	(1,320)	(295,482)
Proceeds from interest in net assets of recipient organization	7,981	9,622
Purchases of investments	18,018	9,677
Proceeds from the sale of endowment investments	-	(105)
Purchases of endowment investments	122	-
Net Cash from (used for) Investing Activities	24,801	(276,288)
Net Change in Cash and Cash Equivalents	220,617	194,464
Cash and Cash Equivalents, Beginning of Year	1,724,737	1,530,273
Cash and Cash Equivalents, End of Year	\$ 1,945,354	\$ 1,724,737

**Note 1 - Summary of Significant Accounting Policies****Operational Purpose**

Guadalupe Center Educational Programs, Inc. is a nonprofit corporation organized under the laws of the State of Utah to provide educational services as a sustainable way to end the cycle of poverty in families. The In-Home program sends counselors into low-income homes to help new parents create an environment that nurtures their child's cognitive development. Toddler Beginnings and Preschool Programs expose young learners to the school environment and ensure kindergarten readiness. Students enter the Guadalupe Charter School (GCS) at age five to continue their high-quality, individualized education until 6th grade. The Adult Education Program offers classes in English as a second language, U.S. citizenship, and job skills to parents and adult community members. Funding for these programs comes from private donations, government grants and contracts.

GCS received charter school status starting in the 2007/2008 school year. Charter schools are funded by the State of Utah on a per pupil basis. The Utah State Legislature appropriates funds each year to replace a portion of the property tax revenues usually distributed through local school districts that are not available to charter schools. Charter schools, including GCS, may apply for state, federal, and specialized funds if qualifying students are served in approved programs. GCS is governed by a local board of trustees comprised of parents as well as members of the Board of Directors (the Board) of Guadalupe Center Educational Programs Inc. and the community at large.

**Principles of Consolidation**

The accompanying consolidated financial statements include the accounts of Guadalupe Center Educational Programs, Inc., Guadalupe Holding Company (GHC), and Friends of Guadalupe (FOG). The consolidated entities are collectively referred to as "GEP." All significant intercompany accounts and transactions have been eliminated in the consolidated financial statements. GHC and FOG are tax-exempt supporting organizations organized during October 2013 in connection with the financing, construction, and ownership of the Guadalupe School building, which was completed and placed in service during August 2014.

The accompanying consolidated financial statements of GEP have been prepared using the accrual method of accounting.

**Cash and Cash Equivalents**

All cash and highly liquid financial instruments with original maturities of three months or less, which are neither held for nor restricted by donors for long-term purposes, are considered to be cash and cash equivalents.

**Promises to Give/Government Grants and Contracts Receivable**

Unconditional promises to give expected to be collected within one year are recorded at net realizable value. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the consolidated statements of activities. Management determines the allowance for uncollectable promises to give based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Promises to give are written off when deemed uncollectable. At June 30, 2024 and 2023, the allowance was \$0.

**Property and Equipment**

Property and equipment additions over \$5,000 are recorded at cost, or if donated, at fair value on the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets ranging from three to thirty-nine years, or in the case of capitalized leased assets or leasehold improvements, the lesser of the useful life of the asset or the lease term. When assets are sold or otherwise disposed of, the cost and related depreciation or amortization are removed from the accounts, and any resulting gain or loss is included in the consolidated statements of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

The carrying values of property and equipment are reviewed for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. GEP has determined that certain long-lived assets were impaired during the year ended June 30, 2023, and has recorded an impairment loss of \$130,984 at June 30, 2023. There were no indicators of asset impairment during the year ended June 30, 2024.

**Beneficial Interest in Assets Held by Recipient Organization**

The Catholic Foundation of Utah (CFU) is the recipient organization that holds an endowment fund for the benefit of GEP. As CFU has not been granted variance power, that is, the unilateral power to redirect the use of the transferred assets to another beneficiary, GEP recognizes its rights to the assets and adjusts that interest for its share of the change in net assets of CFU related to the transferred assets in accordance with generally accepted accounting principles (GAAP). Accounting for changes in the interest in net assets of recipient organization is recorded as an increase or decrease in net assets with restrictions until appropriated for expenditure by GEP (time restriction).

**Investments**

GEP records investment purchases at cost or, if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the consolidated statements of financial position. Net investment return/(loss) is reported in the consolidated statements of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses.

**Net Assets**

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

*Net Assets Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, net assets for an operating reserve and board-designated endowment.

*Net Assets With Donor Restrictions* – Net assets subject to donor (or certain grantor) restrictions. Some donor imposed (or grantor) 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 restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. GEP reports contributions restricted by donors as increases in net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends, or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue when the assets are placed in service.

**Revenue and Revenue Recognition**

GEP recognizes contributions when cash, securities or other assets, an unconditional promise to give, or 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 substantially met.

A portion of GEP'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 GEP has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the consolidated statements of financial position. No amounts have been received in advance under our federal and state contracts and grants. GEP received cost-reimbursable grants of \$146,072 and \$603,342 that have not been recognized at June 30, 2024 and 2023, because qualifying expenditures have not yet been incurred.

Special events revenue is comprised of an exchange element based upon the direct benefits donors receive and a contribution element for the difference. GEP recognizes special events revenue equal to the fair value of direct benefits to donors when the special event takes place. GEP recognizes the contribution element of special event revenue immediately, unless there is a right of return if the special event does not take place.

### **Functional Allocation of Expenses**

The costs of program and supporting services activities have been summarized on a functional basis in the consolidated statements of activities. The consolidated statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the program(s) and supporting services benefited. The consolidated financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries, benefits, professional and technical services, supplies, depreciation, interest, and other, which are allocated on the basis of estimates of time and effort.

### **Income Taxes**

GEP, GHC, and FOG are organized as Utah nonprofit corporations and have been recognized by the Internal Revenue Service (IRS) as exempt from federal income taxes under Section 501(a) of the Internal Revenue Code as an organization described in Section 501(c)(3), that qualifies for the charitable contribution deduction, and have been determined not to be private foundations under Section 509(a)(1). Each entity is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, the entities are subject to income tax on net income that is derived from business activities that are unrelated to their exempt purpose. Management has determined each entity is not subject to unrelated business income tax and has not filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS.

Management believes that each entity has appropriate support for any tax positions taken affecting its annual filing requirements and, as such, do not have any uncertain tax positions that are material to the consolidated financial statements. Management would recognize future accrued interest and penalties related to unrecognized tax benefits and liabilities in income tax expense if such interest and penalties are incurred.

### **Estimates**

The preparation of consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates, and those differences could be material.

### **Concentration and Credit Risk**

As a charter school, GCS receives a significant amount of funding from the State of Utah. If this funding were lost, it would have a material adverse effect on the financial condition of GEP.

Deposit concentration risk is managed by placing cash, money market accounts, and certificates of deposit with financial institutions believed by GEP to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. Insured accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per depositor, per insured bank, for each account ownership category. As of June 30, 2024 and 2023, GEP had approximately \$1,271,700 and \$951,000, respectively, in excess of FDIC insurance limits. To date, no losses have been experienced in any of these accounts. Credit risk associated with government grants and contracts receivable and promises to give are limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from governmental agencies and foundations supportive of the GEP's mission. Investments are made by diversified investment managers whose performance is monitored by management and the Board of Directors. Although the fair values of investments are subject to fluctuation on a year-to-year basis, management and the Board of Directors believe that the investment policies and guidelines are prudent for the long-term welfare of GEP.

**Subsequent Events**

Management has evaluated subsequent events through January 23, 2025, the date the consolidated financial statements were available to be issued.

**Note 2 - Liquidity and Availability**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the consolidated statement of financial position date, comprise the following:

	2024	2023
Cash and cash equivalents	\$ 1,945,354	\$ 1,724,737
Government grants and contracts receivable	609,157	617,598
Other receivables	5,092	9,619
	2,559,603	2,351,954
Deductions for restrictions	(319,447)	(244,598)
	\$ 2,240,156	\$ 2,107,356

Additionally, GEP has endowment funds that consist of funds designated by the Board that totaled \$1,069,838 and \$943,393, as of June 30, 2024 and 2023, respectively. GEP also has investment funds intended to be held for long-term purposes that totaled \$735,114 and \$664,823, as of June 30, 2024 and 2023, respectively. Although GEP does not intend to spend from this board-designated endowment fund or the investment account, the endowment and part of the investment amounts could be made available, if necessary, for general expenditures.



**Note 3 - Fair Value Measurements and Disclosures**

Certain assets are reported at fair value in the consolidated financial statements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable.

Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available. A three-tier hierarchy categorizes the inputs as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be accessed at the measurement date.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs.

Level 3 – Unobservable inputs for the asset or liability. In these situations, inputs are developed using the best information available in the circumstances.

In some cases, the inputs used to measure the fair value of an asset or a liability might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to entire measurement requires judgment, considering factors specific to the asset or liability. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to GEP's assessment of the quality, risk or liquidity profile of the asset or liability.

Investment assets and endowment investment assets are classified within Level 1 because they are comprised of open-end mutual funds with readily determinable fair values based on daily redemption values. The fair value of GEP's beneficial interest in assets held by CFU is based on the fair value of fund investments as reported by CFU. These are considered to be Level 3 measurements.

Guadalupe Center Educational Programs, Inc.

Notes to Consolidated Financial Statements

June 30, 2024 and 2023

The following table presents assets measured at fair value on a recurring basis at June 30, 2024:

Assets	Fair Value Measurements at Report Date Using			Total
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Beneficial interest in assets held by recipient organization	\$ -	\$ -	\$ 258,340	\$ 258,340
Investments				
Cash and money market funds, at cost	\$ -	\$ -	\$ -	\$ 80,600
Fixed income mutual funds	237,629	-	-	237,629
U.S. equity mutual funds	181,612	-	-	181,612
Equity securities	235,273	-	-	235,273
	<u>\$ 654,514</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 735,114</u>
Endowment investments				
Cash and money market funds, at cost	\$ -	\$ -	\$ -	\$ 10,199
Fixed income mutual funds	336,731	-	-	336,731
U.S. equity mutual funds	530,589	-	-	530,589
International equity mutual funds	156,458	-	-	156,458
Asset allocation mutual funds	35,861	\$ -	\$ -	35,861
	<u>\$ 1,059,639</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,069,838</u>

The following is a reconciliation of the beginning and ending balance of assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the year ended June 30, 2024:

	Beneficial Interest in Assets Held by Recipient Organization
Balance at June 30, 2023	\$ 241,373
Investment return, net	24,948
Distributions	<u>(7,981)</u>
Balance at June 30, 2024	<u>\$ 258,340</u>

Guadalupe Center Educational Programs, Inc.

Notes to Consolidated Financial Statements

June 30, 2024 and 2023

The following table presents assets measured at fair value on a recurring basis at June 30, 2023:

Assets	Fair Value Measurements at Report Date Using			Total
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Beneficial interest in assets held by recipient organization	\$ -	\$ -	\$ 241,373	\$ 241,373
Investments				
Cash and money market funds, at cost	\$ -	\$ -	\$ -	\$ 62,502
Fixed income mutual funds	235,853	-	-	235,853
U.S. equity mutual funds	174,169	-	-	174,169
Equity securities	192,299	-	-	192,299
	<u>\$ 602,321</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 664,823</u>
Endowment investments				
Cash and money market funds, at cost	\$ -	\$ -	\$ -	\$ 3,438
Fixed income mutual funds	323,157	-	-	323,157
U.S. equity mutual funds	441,840	-	-	441,840
International equity mutual funds	138,853	-	-	138,853
Asset allocation mutual funds	36,105	-	-	36,105
	<u>\$ 939,955</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 943,393</u>

The following is a reconciliation of the beginning and ending balance of assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the year ended June 30, 2023:

	Beneficial Interest in Assets Held by Recipient Organization
Balance at June 30, 2022	\$ 232,554
Purchases/contributions of investments	-
Investment return, net	18,441
Distributions	(9,622)
Balance at June 30, 2023	\$ 241,373

**Note 4 - Government Grants and Contracts Receivable**

Government grants and contracts receivable totaling \$609,157 and \$617,598 at June 30, 2024 and 2023, respectively, represent amounts due from certain state and local government agencies for reimbursement of various approved expenses under grants or contracts. All of these amounts are expected to be collected within one year.

**Note 5 - Property and Equipment**

Property and equipment consists of the following at June 30, 2024 and 2023:

	2024	2023
Land	\$ 425,435	\$ 425,435
Building	6,821,081	6,821,081
Furniture and equipment	1,696,342	1,695,022
Vehicles	480,335	480,335
Construction in process	270,000	270,000
	9,693,193	9,691,873
Less accumulated depreciation	(3,653,708)	(3,346,837)
	\$ 6,039,485	\$ 6,345,036

**Note 6 - Endowment**

During the year ended June 30, 2017, GEP established an endowment fund (the Endowment) held by FOG to receive gifts and to provide support for the activities and general operations of GEP. Net assets associated with endowment funds are classified and reported based on the existence or absence of any donor-imposed restrictions. As of June 30, 2024 and 2023, the Endowment net assets totaled \$1,069,838 and \$943,393, respectively, and represent unrestricted net assets designated for investment by the Board.

*Investment and Spending Policies*

GEP has adopted investment and spending policies for the Endowment that attempt to provide a predictable stream of funding for operations while seeking to maintain the purchasing power of the endowment assets. Over time, long-term rates of return should be equal to an amount sufficient to maintain the purchasing power of the Endowment assets, to provide the necessary capital to fund the spending policy, and to cover the costs of managing the Endowment investments. The performance objective is to achieve returns at least equal to relevant benchmarks. Actual returns in any given year may vary. To satisfy this long-term rate-of return objective, the investment portfolio is structured on a total-return approach through which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). A significant portion of the funds are invested to seek growth of principal over time.

Guadalupe Center Educational Programs, Inc.

Notes to Consolidated Financial Statements

June 30, 2024 and 2023

The annual net earnings of unrestricted Endowment funds may be committed, granted, or expended for the activities and purposes of GEP in an amount not to exceed 10% of the total value of the fund upon unanimous approval of the Board.

Changes in Endowment net assets for the years ended June 30, 2024 and 2023, are as follows:

	2024	2023
Endowment net assets, beginning of year	\$ 943,393	\$ 856,030
Purchase (sale) of investments	(122)	105
Investment return		
Interest and dividends, net of fees	19,477	17,359
Net realized and unrealized gain	107,090	69,899
Endowment net assets, end of year	\$ 1,069,838	\$ 943,393

**Note 7 - Beneficial Interest in Assets Held by Recipient Organization**

In approximately 1985, an endowment fund with donor restrictions that are perpetual in nature was established with Catholic Foundation of Utah (CFU). CFU is responsible for the investment and administration of the fund and the earnings are to be used to benefit GEP. The restricted corpus balance is \$165,000 at June 30, 2024 and 2023. GEP does not believe that CFU has variance power as defined by GAAP and, therefore, records its interest in the changes in the net assets of CFU related to this endowment.

At June 30, 2024 and 2023, GEP has recorded \$258,340 and \$241,373, respectively, as its interest in the net assets of CFU relating to this endowment. Investments maintained by CFU on behalf of GEP in an endowment fund are carried at fair value, and realized and unrealized gains and losses are reflected in the consolidated statements of activities. Account activity for the years ended June 30, 2024 and 2023, is reflected in the following table:

	2024	2023
Interest in the net assets of recipient organization, beginning of year	\$ 241,373	\$ 232,554
Investment returns (net of expenses)		
Net realized and unrealized gains	24,948	18,441
Withdrawals/amounts appropriated for operations	(7,981)	(9,622)
Interest in the net assets of recipient organization, end of year	258,340	241,373
Allocated to net assets subject to endowment spending policy appropriation	(93,340)	(76,373)
Net assets with donor restrictions - perpetual in nature, end of year	\$ 165,000	\$ 165,000

The Board has interpreted state law to not require the preservation of the purchasing power (real value) of the permanent endowment funds unless explicit donor stipulations specify otherwise. The donor of the endowment has specifically stipulated that the original endowment principal may only be expended with the prior written consent of the donor. For the years ended June 30, 2024 and 2023, \$7,981 and \$9,622 was appropriated from previous appreciation of the endowment fund and was released.

**Note 8 - Net Assets with Donor Restrictions**

Net assets with donor restrictions are restricted for the following purposes or periods:

	2024	2023
Subject to Expenditure for Specified Purpose		
Early Learning Center	\$ 219,985	\$ 107,557
Adult Education	-	25,000
Guadalupe Charter School	99,462	47,041
Other	-	65,000
	319,447	244,598
Endowment		
Perpetual in nature, not subject to spending policy or appropriation	165,000	165,000
Perpetual in nature, earnings from which are subject to endowment spending policy appropriation (Note 7)	93,340	76,373
	258,340	241,373
	\$ 577,787	\$ 485,971

**Note 9 - Defined Contribution Retirement Plan**

GEP participates in the UAPCS Retirement Plan (the Plan), a qualified multiemployer plan. All employees who have attained the age of 21 are eligible to participate in the Plan. GEP makes matching plan contributions on behalf of participating, eligible employees in the amount of 50% of deferred employee compensation not to exceed 10% of their salary. For the years ended June 30, 2024 and 2023, GEP recorded expense of \$126,866 and \$106,752, respectively, to the Plan.



Supplementary Information  
June 30, 2024 and 2023

**Guadalupe Center Educational  
Programs, Inc.**

Guadalupe Center Educational Programs, Inc.  
Consolidating Statement of Financial Position  
June 30, 2024

	GEP	Guadalupe Holding Co.	Friends of Guadalupe	Eliminations	Total
Assets					
Current assets					
Cash and cash equivalents	\$ 1,708,455	\$ 125,321	\$ 111,578	\$ -	\$ 1,945,354
Government grants and contracts receivable	609,157	-	-	-	609,157
Intercompany receivable	1,413,155	-	-	(1,413,155)	-
Other receivables	5,092	-	-	-	5,092
Prepaid expenses and deposits	6,421	-	-	-	6,421
Total current assets	3,742,280	125,321	111,578	(1,413,155)	2,566,024
Property and equipment, net	81,561	5,957,924	-	-	6,039,485
Operating lease right-of-use asset	5,594,685	-	-	(5,594,685)	-
Investments	735,114	-	-	-	735,114
Endowment - investments	-	-	1,069,838	-	1,069,838
Beneficial interest in assets held by recipient organization	258,340	-	-	-	258,340
	<u>\$ 10,411,980</u>	<u>\$ 6,083,245</u>	<u>\$ 1,181,416</u>	<u>\$ (7,007,840)</u>	<u>\$ 10,668,801</u>

(Continued)



Guadalupe Center Educational Programs, Inc.  
Consolidating Statement of Financial Position  
June 30, 2024

	GEP	Guadalupe Holding Co.	Friends of Guadalupe	Eliminations	Total
<b>Liabilities and Net Assets</b>					
<b>Current liabilities</b>					
Accounts payable	\$ 18,203	\$ 4,785	\$ -	\$ -	\$ 22,988
Accrued liabilities	384,606	-	8,292	-	392,898
Operating lease liability	353,543	-	-	(353,543)	-
Intercompany payable	-	407,985	1,005,170	(1,413,155)	-
<b>Total current liabilities</b>	<b>756,352</b>	<b>412,770</b>	<b>1,013,462</b>	<b>(1,766,698)</b>	<b>415,886</b>
Operating lease liability, less current portion	5,241,142	-	-	(5,241,142)	-
<b>Total liabilities</b>	<b>5,997,494</b>	<b>412,770</b>	<b>1,013,462</b>	<b>(7,007,840)</b>	<b>415,886</b>
<b>Net Assets</b>					
<b>Without donor restrictions</b>					
Undesignated	\$ 3,836,699	\$ 5,670,475	\$ (901,884)	\$ -	\$ 8,605,290
Board designated endowment	-	-	1,069,838	-	1,069,838
<b>Total net assets without donor restrictions</b>	<b>3,836,699</b>	<b>5,670,475</b>	<b>167,954</b>	<b>-</b>	<b>9,675,128</b>
<b>With donor restrictions</b>					
Purpose restrictions	319,447	-	-	-	319,447
Endowment	258,340	-	-	-	258,340
<b>Total net assets with donor restrictions</b>	<b>577,787</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>577,787</b>
<b>Total net assets</b>	<b>4,414,486</b>	<b>5,670,475</b>	<b>167,954</b>	<b>-</b>	<b>10,252,915</b>
	<b>\$ 10,411,980</b>	<b>\$ 6,083,245</b>	<b>\$ 1,181,416</b>	<b>\$ (7,007,840)</b>	<b>\$ 10,668,801</b>

Guadalupe Center Educational Programs, Inc.  
Consolidating Statement of Financial Position  
June 30, 2023

	GEP	Guadalupe Holding Co.	Friends of Guadalupe	Eliminations	Total
<b>Net Assets Without Donor Restrictions</b>					
Public support					
Private donations	\$ 291,554	\$ -	\$ -	\$ -	\$ 291,554
Revenue					
Net investment return	88,309	-	126,567	-	214,876
Other	9,584	354,298	415,000	(768,544)	10,338
Special events revenue	222,092	-	-	-	222,092
Less costs of direct benefits to donors	(118,789)	-	-	-	(118,789)
	492,750	354,298	541,567	(768,544)	620,071
<b>Net Assets Released from Restrictions</b>					
Restrictions satisfied	7,924,712	-	-	-	7,924,712
<b>Total public support and revenue without donor restrictions</b>					
	8,417,462	354,298	541,567	(768,544)	8,544,783
<b>Expenses</b>					
Program services					
Guadalupe Charter School	5,080,587	132,080	-	(236,874)	4,975,793
Adult Education Program	751,531	21,958	-	(33,834)	739,655
Preschool Program	1,162,289	31,270	-	(25,667)	1,167,892
Toddler Beginnings	360,304	9,507	-	(16,334)	353,477
In-Home Program	470,254	12,843	-	(24,501)	458,596
Total program services	7,824,965	207,658	-	(337,210)	7,695,413
Supporting services					
Management and general	407,787	426,022	3,062	(418,500)	418,371
Fundraising	9,943	12,691	447,363	(12,834)	457,163
Total supporting services	417,730	438,713	450,425	(431,334)	875,534
Total expenses	8,242,695	646,371	450,425	(768,544)	8,570,947
<b>Change in Net Assets Without Donor Restrictions</b>					
	174,767	(292,073)	91,142	-	(26,164)

(Continued)

Guadalupe Center Educational Programs, Inc.  
Consolidating Statement of Financial Position  
June 30, 2023

	GEP	Guadalupe Holding Co.	Friends of Guadalupe	Eliminations	Total
<b>Liabilities and Net Assets</b>					
<b>Current liabilities</b>					
Accounts payable	\$ 67,920	\$ 4,785	\$ -	\$ -	\$ 72,705
Accrued liabilities	292,076	-	7,937	-	300,013
Operating lease liability	353,543	-	-	(353,543)	-
Intercompany payable	-	493,899	863,681	(1,357,580)	-
<b>Total current liabilities</b>	<b>713,539</b>	<b>498,684</b>	<b>871,618</b>	<b>(1,711,123)</b>	<b>372,718</b>
Operating lease liability, less current portion	5,326,392	-	-	(5,326,392)	-
<b>Total liabilities</b>	<b>6,039,931</b>	<b>498,684</b>	<b>871,618</b>	<b>(7,037,515)</b>	<b>372,718</b>
<b>Net Assets</b>					
<b>Without donor restrictions</b>					
Undesignated	\$ 3,661,932	\$ 5,962,548	\$ (866,581)	\$ -	\$ 8,757,899
Board designated endowment	-	-	943,393	-	943,393
<b>Total net assets without donor restrictions</b>	<b>3,661,932</b>	<b>5,962,548</b>	<b>76,812</b>	<b>-</b>	<b>9,701,292</b>
<b>With donor restrictions</b>					
Purpose restrictions	244,598	-	-	-	244,598
Endowment	241,373	-	-	-	241,373
<b>Total net assets with donor restrictions</b>	<b>485,971</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>485,971</b>
<b>Total net assets</b>	<b>4,147,903</b>	<b>5,962,548</b>	<b>76,812</b>	<b>-</b>	<b>10,187,263</b>
	<b>\$ 10,187,834</b>	<b>\$ 6,461,232</b>	<b>\$ 948,430</b>	<b>\$ (7,037,515)</b>	<b>\$ 10,559,981</b>

Guadalupe Center Educational Programs, Inc.  
Consolidating Statement of Activities  
Year Ending June 30, 2024

	GEP	Guadalupe Holding Co.	Friends of Guadalupe	Eliminations	Total
<b>Net Assets Without Donor Restrictions</b>					
Public support					
Private donations	\$ 291,554	\$ -	\$ -	\$ -	\$ 291,554
Revenue					
Net investment return	88,309	-	126,567	-	214,876
Other	9,584	354,298	415,000	(768,544)	10,338
Special events revenue	222,092	-	-	-	222,092
Less costs of direct benefits to donors	(118,789)	-	-	-	(118,789)
	492,750	354,298	541,567	(768,544)	620,071
<b>Net Assets Released from Restrictions</b>					
Restrictions satisfied	7,924,712	-	-	-	7,924,712
<b>Total public support and revenue without donor restrictions</b>					
	8,417,462	354,298	541,567	(768,544)	8,544,783
<b>Expenses</b>					
Program services					
Guadalupe Charter School	5,080,587	132,080	-	(236,874)	4,975,793
Adult Education Program	751,531	21,958	-	(33,834)	739,655
Preschool Program	1,162,289	31,270	-	(25,667)	1,167,892
Toddler Beginnings	360,304	9,507	-	(16,334)	353,477
In-Home Program	470,254	12,843	-	(24,501)	458,596
Total program services	7,824,965	207,658	-	(337,210)	7,695,413
Supporting services					
Management and general	407,787	426,022	3,062	(418,500)	418,371
Fundraising	9,943	12,691	447,363	(12,834)	457,163
Total supporting services	417,730	438,713	450,425	(431,334)	875,534
Total expenses	8,242,695	646,371	450,425	(768,544)	8,570,947
<b>Change in Net Assets Without Donor Restrictions</b>					
	174,767	(292,073)	91,142	-	(26,164)

(Continued)

Guadalupe Center Educational Programs, Inc.  
Consolidating Statement of Activities  
Year Ending June 30, 2024

	GEP	Guadalupe Holding Co.	Friends of Guadalupe	Eliminations	Total
With Donor Restrictions					
Purpose Restrictions					
Public support					
Private donations	\$ 1,212,908	\$ -	\$ -	\$ -	\$ 1,212,908
Public grants and contracts					
Charter School - federal funding	1,676,721	-	-	-	1,676,721
Charter School - state funding	3,224,397	-	-	-	3,224,397
Other government funding	1,877,554	-	-	-	1,877,554
Net Assets Released from Restrictions					
Restrictions satisfied	(7,924,712)	-	-	-	(7,924,712)
Change in Net Assets With Donor Restrictions from Operations	66,868	-	-	-	66,868
Change in Interest in Net Assets of Recipient Organization	24,948	-	-	-	24,948
Change in Net Assets With Donor Restrictions	91,816	-	-	-	91,816
Change in Net Assets	266,583	(292,073)	91,142	-	65,652
Net Assets, Beginning of Year,	4,147,903	5,962,548	76,812	-	10,187,263
Net Assets, End of Year	<u>\$ 4,414,486</u>	<u>\$ 5,670,475</u>	<u>\$ 167,954</u>	<u>\$ -</u>	<u>\$ 10,252,915</u>

Guadalupe Center Educational Programs, Inc.  
Consolidating Statement of Activities  
Year Ending June 30, 2023

	GEP	Guadalupe Holding Co.	Friends of Guadalupe	Eliminations	Total
<b>Net Assets Without Donor Restrictions</b>					
Public support					
Private donations	\$ 677,889	\$ -	\$ -	\$ -	\$ 677,889
Revenue					
Interest income	-	-	107	-	107
Net investment return	43,034	-	87,258	-	130,292
Other	5,969	114,362	240,000	(353,543)	6,788
Special events revenue	207,050	-	-	-	207,050
Less costs of direct benefits to donors	(85,923)	-	(1,193)	-	(87,116)
	848,019	114,362	326,172	(353,543)	935,010
<b>Net Assets Released from Restrictions</b>					
Restrictions satisfied	7,842,463	-	-	-	7,842,463
<b>Total public support and revenue without donor restrictions</b>					
	8,690,482	114,362	326,172	(353,543)	8,777,473
<b>Expenses</b>					
Program services					
Guadalupe Charter School	4,980,320	122,194	-	(236,873)	4,865,641
Adult Education Program	745,525	20,624	-	(33,834)	732,315
Preschool Program	1,213,776	31,332	-	(25,667)	1,219,441
Toddler Beginnings	323,115	8,367	-	(16,334)	315,148
In-Home Program	490,416	12,927	-	(24,501)	478,842
Total program services	7,753,152	195,444	-	(337,209)	7,611,387
Supporting services					
Management and general	334,151	224,072	2,278	(3,500)	557,001
Fundraising	27,232	10,939	460,757	(12,834)	486,094
Total supporting services	361,383	235,011	463,035	(16,334)	1,043,095
Total expenses	8,114,535	430,455	463,035	(353,543)	8,654,482
<b>Change in Net Assets Without Donor Restrictions</b>					
	575,947	(316,093)	(136,863)	-	122,991

(Continued)

Guadalupe Center Educational Programs, Inc.  
Consolidating Statement of Activities  
Year Ending June 30, 2023

	GEP	Guadalupe Holding Co.	Friends of Guadalupe	Eliminations	Total
With Donor Restrictions					
Purpose Restrictions					
Public support					
Private donations	\$ 767,047	\$ -	\$ -	\$ -	\$ 767,047
Public grants and contracts					
Charter School - federal funding	1,980,637	-	-	-	1,980,637
Charter School - state funding	3,005,041	-	-	-	3,005,041
Other government funding	2,234,489	-	-	-	2,234,489
Net Assets Released from Restrictions					
Restrictions satisfied	(7,842,463)	-	-	-	(7,842,463)
Change in Net Assets With Donor Restrictions from Operations	144,751	-	-	-	144,751
Change in Interest in Net Assets of Recipient Organization	18,441	-	-	-	18,441
Change in Net Assets With Donor Restrictions	163,192	-	-	-	163,192
Change in Net Assets	739,139	(316,093)	(136,863)	-	286,183
Net Assets, Beginning of Year	3,408,764	6,278,641	213,675	-	9,901,080
Net Assets, End of Year	<u>\$ 4,147,903</u>	<u>\$ 5,962,548</u>	<u>\$ 76,812</u>	<u>\$ -</u>	<u>\$ 10,187,263</u>



Supplementary Information and  
Schedule of Expenditures of Federal Awards and Reports  
Required by Government Auditing Standards and the  
Uniform Guidance  
June 30, 2024

**Guadalupe Center Educational  
Programs, Inc.**





**Independent Auditor’s Report on Internal Control over Financial Reporting and on  
Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance  
with *Government Auditing Standards***

The Board of Directors  
Guadalupe Center Educational Programs, Inc.  
Salt Lake City, Utah

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), the consolidated financial statements of Guadalupe Center Educational Programs, Inc., which comprise the consolidated statement of financial position as of June 30, 2024, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements and have issued our report thereon dated January 23, 2025.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the consolidated financial statements, we considered Guadalupe Center Educational Programs, Inc.'s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of Guadalupe Center Educational Programs, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Guadalupe Center Educational Programs, Inc.'s internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's consolidated financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Guadalupe Center Educational Programs, Inc.'s consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the consolidated financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Eide Sully LLP".

Salt Lake City, Utah  
January 23, 2025



**Independent Auditor’s Report on Compliance for the Major Federal Program; Report on Internal Control Over Compliance Required by the Uniform Guidance**

The Board of Directors  
Guadalupe Center Educational Programs, Inc.  
Salt Lake City, Utah

**Report on Compliance for the Major Federal Program**

***Opinion on the Major Federal Program***

We have audited Guadalupe Center Educational Programs, Inc.’s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on Guadalupe Center Educational Programs, Inc.’s major federal program for the year ended June 30, 2024. Guadalupe Center Educational Programs, Inc.’s major federal program is identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

In our opinion, Guadalupe Center Educational Programs, Inc. complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2024.

***Basis for Opinion on the Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Guadalupe Center Educational Programs, Inc. and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of Guadalupe Center Educational Programs, Inc.’s compliance with the compliance requirements referred to above.

### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Guadalupe Center Educational Programs, Inc.'s federal programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Guadalupe Center Educational Programs, Inc.'s compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Guadalupe Center Educational Programs, Inc.'s compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Guadalupe Center Educational Programs, Inc.'s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Guadalupe Center Educational Programs, Inc.'s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Guadalupe Center Educational Programs, Inc.'s internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis.

*A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Eide Bailly LLP*

Salt Lake City, Utah  
January 23, 2025

Guadalupe Center Educational Programs, Inc.  
Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2024

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing	Pass-Through Entity Identifying Number	Expenditures
<u>U.S. Department of Education</u>			
Passed Through the Utah State Office of Education:			
Special Education Cluster			
Special Education - Grants to States	84.027	22/23FTFL	\$ 73,318
Special Education - Preschool Grants	84.173	21/22PRE IDEA	3,277
Total Special Education Cluster			<u>76,595</u>
Adult Education - Basic Grants to States	84.002	23ADEB	277,000
Title I Grants Cluster			
Title I Grants to Local Educational Agencies	84.010	22T1SF	89,854
Title I Grants to Local Educational Agencies	84.010	22T1FT	94,783
Total Title I Grants Cluster			<u>184,637</u>
Supporting Effective Instruction State Grants	84.367	222FT/223FT	7,790
English Language Acquisition State Grants	84.365	21ELFT	9,379
Title IV Stronger Connections	84.424F	224AFT	132,805
Student Support and Academic Enrichment	84.424A	214/224/234AFT	10,000
Education Stabilization Funds			
COVID-19 Education Stabilization Fund - Elementary and Secondary School Education Relief	84.425D	21ESSER	50,248
COVID-19 Education Stabilization Fund - Elementary and Secondary School Education Relief - DTL	84.425U	21ARPL	14,960
COVID-19 Education Stabilization Fund - Elementary and Secondary School Education Relief	84.425U	21ARPF	41,080
American Rescue Plan - Elementary and Secondary School Emergency Relief - Summer School	84.425U	21ARPS	107,165
American Rescue Plan - Elementary and Secondary School Emergency Relief - Afterschool	84.425U	21ARPL	288,471
Total Education Stabilization Funds			<u>501,924</u>
Total U.S. Department of Education			<u>1,200,130</u>

(Continued)

Guadalupe Center Educational Programs, Inc.  
Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2024

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing	Pass-Through Entity Identifying Number	Expenditures
<u>U.S. Department of Agriculture</u>			
Passed Through Utah State Office of Education:			
Child Nutrition Cluster			
National School Lunch Program	10.555	23NSLP/22&23SBP	469,777
Fresh Fruit and Vegetable Program	10.582	22FFVP/22FFVP	33,089
Total Child Nutrition Cluster			<u>502,866</u>
Total U.S. Department of Agriculture			<u>502,866</u>
<u>U.S. Department of Health and Human Services</u>			
Passed Through the Utah Department of Workforce Services:			
Child Care Development Fund Cluster			
Child Care and Development Block Grant	93.575 - CCRSA	23DWS0200	24,208
Child Care and Development Block Grant (Stabilization)	93.575	N/A	317,188
Child Care and Development Block Grant (Stabilization)	93.575	N/A	412,250
Expanded Student access Grant	93.575	20DWS0140	947,066
Total Child Care Development Fund Cluster			<u>1,700,712</u>
Community-Based Child Abuse Prevention grant	93.590	A03295	118,530
Passed Through Salt Lake County, Utah			
CWF - COVID-19 Public health Workforce Supplement	93.354	222701420	11,552
Social Services Block Grant	93.667	HCD22107SS	40,000
Total U.S. Department of Health and Human Services			<u>1,870,794</u>
Total Federal Financial Assistance			<u>\$ 3,573,790</u>

**Note 1 - Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal award activity of the Guadalupe Center Educational Programs, Inc. (the Organization) under programs of the federal government for the year ended June 30, 2024. The information is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

**Note 2 - Summary of Significant Accounting Policies**

Expenditures reported in the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. No federal financial assistance has been provided to a subrecipient.

**Note 3 - Indirect Cost Rate**

The Organization has not elected to use the 10% de minimis cost rate.



**Section I – Summary of Auditor’s Results**

**FINANCIAL STATEMENTS**

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	None Reported
Noncompliance material to financial statements noted?	No

**FEDERAL AWARDS**

Internal control over major program:	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	None Reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516:	No

**Identification of major programs:**

Name of Federal Program or Cluster	Federal Financial Assistance Listing
Child Care Development Fund Cluster	93.575
Dollar threshold used to distinguish between type A and type B programs:	\$750,000
Auditee qualified as low-risk auditee?	Yes

**Section II – Financial Statement Findings**

**None**

**Section III – Federal Award Findings and Questioned Costs**

**None**