

**WYMAN CENTER, INC.**  
**AUDITED FINANCIAL STATEMENTS**  
**Year Ended December 31, 2021**  
**(With Comparative Totals for 2020)**

# WYMAN CENTER, INC.

## TABLE OF CONTENTS

	<b>Page</b>
<b>Independent Auditor's Report</b>	1
<b>Financial Statements</b>	
Statement of Financial Position	3
Statement of Activities	4
Statement of Functional Expenses	5
Statement of Cash Flows	6
Notes to Financial Statements	7

## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
Wyman Center, Inc.

We have audited the accompanying financial statements of Wyman Center, Inc. (a not-for-profit corporation), which comprise the statement of financial position as of December 31, 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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Wyman Center, Inc. as of December 31, 2021 and, and the results of its activities and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America

### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Wyman Center, Inc. and to meet our other ethical responsibilities in accordance with the 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 audit opinion.

### **Responsibilities of Management for the Financial Statements**

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

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 generally accepted 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 financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

We have previously audited Wyman Center, Inc.'s financial statements for the year ended December 31, 2020, and our report dated June 28, 2021, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.

The image shows a handwritten signature in black ink that reads "UHY LLP". The letters are stylized and cursive.

St. Louis, Missouri  
June 14, 2022

**WYMAN CENTER, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**December 31, 2021 (With Comparative Totals for 2020)**

	<u>December 31,</u>	
	<u>2021</u>	<u>2020</u>
<b>ASSETS</b>		
CURRENT ASSETS		
Cash and cash equivalents	\$ 246,157	\$ 452,034
Investments	2,036,402	937,947
Accounts receivable	351,316	129,975
Unconditional promises-to-give	647,531	1,169,672
Inventories	7,464	7,469
Prepaid expenses	<u>87,851</u>	<u>150,517</u>
Total current assets	3,376,721	2,847,614
UNCONDITIONAL PROMISES-TO-GIVE	128,951	287,881
PROPERTY AND EQUIPMENT	2,882,348	5,366,702
INTANGIBLE ASSETS	13,174	15,151
BENEFICIAL INTEREST IN THIRD-PARTY TRUST	-	133,641
INVESTMENTS - ASSETS RESTRICTED FOR PERMANENT INVESTMENT	<u>2,492,109</u>	<u>2,285,763</u>
Total assets	<u>\$ 8,893,303</u>	<u>\$ 10,936,752</u>
<b>LIABILITIES AND NET ASSETS</b>		
CURRENT LIABILITIES		
Line of credit	\$ -	\$ 95,000
Current maturities of long-term debt	-	230,595
Accounts payable	141,749	78,290
Accrued expenses	69,155	67,691
Deferred revenue (contract liabilities)	77,956	81,953
Paycheck Protection Program Loan	<u>671,685</u>	<u>879,942</u>
Total current liabilities	960,545	1,433,471
LONG-TERM DEBT	-	1,181,328
Total liabilities	<u>960,545</u>	<u>2,614,799</u>
NET ASSETS		
Without donor restrictions		
Board designated	27,909	24,157
Undesignated	<u>2,962,236</u>	<u>2,605,292</u>
	<u>2,990,145</u>	<u>2,629,449</u>
With donor restrictions	<u>4,942,613</u>	<u>5,692,504</u>
Total net assets	<u>7,932,758</u>	<u>8,321,953</u>
Total liabilities and net assets	<u>\$ 8,893,303</u>	<u>\$ 10,936,752</u>

See notes to financial statements.

**WYMAN CENTER, INC.**  
**STATEMENT OF ACTIVITIES**  
**Year Ended December 31, 2021 (With Comparative Totals for 2020)**

	Years Ended December 31,			2020
	2021		Total	
	Without Donor Restrictions	With Donor Restrictions	Total	Total
<b>PUBLIC SUPPORT AND REVENUES</b>				
Public Support				
Grants and contributions				
United Way services funding	\$ -	\$ 509,338	\$ 509,338	\$ 496,513
Missouri Youth Opportunity Program	98,612	18,402	117,014	45,193
Missouri Neighborhood Assistance Program	2,500	2,500	5,000	190,977
In-kind contributions	120,475	-	120,475	127,515
In-kind contributions - property and equipment	-	-	-	293,732
Other grants and contributions	849,496	236,152	1,085,648	2,036,989
Total grants and contributions	<u>1,071,083</u>	<u>766,392</u>	<u>1,837,475</u>	<u>3,190,919</u>
Special events				
Contributions	282,105	-	282,105	187,241
Direct expenses	(45,777)	-	(45,777)	(41,496)
Total special events	<u>236,328</u>	<u>-</u>	<u>236,328</u>	<u>145,745</u>
Assets released from restrictions	1,964,596	(1,964,596)	-	-
Total public support	<u>3,272,007</u>	<u>(1,198,204)</u>	<u>2,073,803</u>	<u>3,336,664</u>
Revenues				
Program service fees				
Teen Outreach Program® (TOP®)	295,376	-	295,376	605,007
Experience Wyman/Vended Services	252,000	-	252,000	28,021
Other program services	864,913	-	864,913	723,451
Total program service fees	<u>1,412,289</u>	<u>-</u>	<u>1,412,289</u>	<u>1,356,479</u>
Net investment return	30,060	448,827	478,887	259,514
Change in value of beneficial interest in third-party tru	-	-	-	3,025
PPP loan forgiveness	879,942	-	879,942	-
Miscellaneous income (loss)	(6,911)	(514)	(7,425)	14,173
Total revenues	<u>2,315,380</u>	<u>448,313</u>	<u>2,763,693</u>	<u>1,633,191</u>
Total public support and revenues	<u>5,587,387</u>	<u>(749,891)</u>	<u>4,837,496</u>	<u>4,969,855</u>
<b>EXPENSES AND LOSSES</b>				
Program services				
Wyman Leaders	761,127	-	761,127	994,595
Teen Outreach Program® (TOP®)	409,852	-	409,852	686,859
Wyman's Wrap Around Services	608,985	-	608,985	711,902
Experience Wyman/Vended Services	299,083	-	299,083	405,060
Other program services	2,654,394	-	2,654,394	1,932,267
Total program services	<u>4,733,442</u>	<u>-</u>	<u>4,733,442</u>	<u>4,730,683</u>
Supporting services				
Management and general	90,517	-	90,517	60,610
Fundraising	402,732	-	402,732	335,749
Total supporting services	<u>493,249</u>	<u>-</u>	<u>493,249</u>	<u>396,359</u>
Total expenses before losses	<u>5,226,691</u>	<u>-</u>	<u>5,226,691</u>	<u>5,127,042</u>
Loss on uncollectible unconditional promises-to-give	-	-	-	75,000
Total expenses and losses	<u>5,226,691</u>	<u>-</u>	<u>5,226,691</u>	<u>5,202,042</u>
CHANGES IN NET ASSETS	360,696	(749,891)	(389,195)	(232,187)
NET ASSETS, Beginning	2,629,449	5,692,504	8,321,953	8,554,140
NET ASSETS, Ending	<u>\$ 2,990,145</u>	<u>\$ 4,942,613</u>	<u>\$ 7,932,758</u>	<u>\$ 8,321,953</u>

See notes to financial statements.

**WYMAN CENTER, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**Year Ended December 31, 2021 (With Comparative Totals for 2020)**

	2021						2020				
	Program Services					Supporting Services			Total	Total	
	Wyman Leaders	Teen Outreach Program® (TOP®)	Wyman's Wrap Around Services	Experience Wyman/Vended Services	Other Program Services	Total	Management and General	Fundraising			Total
Salaries and Wages	\$ 458,032	\$ 312,262	\$ 368,193	\$ 176,951	\$ 1,333,367	\$ 2,648,806	\$ 50,483	\$ 224,535	\$ 275,018	\$ 2,923,824	\$ 2,963,118
Retirement Plan Contributions	18,528	14,377	15,077	6,131	110,519	164,632	3,138	13,956	17,094	181,725	81,114
Other Employee Benefits	51,727	35,607	22,411	19,092	137,927	266,764	5,084	22,748	27,832	294,596	368,753
Payroll Taxes	34,340	23,463	17,048	13,297	96,225	184,373	3,516	15,640	19,156	203,529	213,172
	562,628	385,709	422,728	215,471	1,678,039	3,264,575	62,221	276,879	339,100	3,603,675	3,626,157
Legal, Accounting and Other Fees	-	-	2,349	-	37,140	39,489	1,316	5,852	7,168	46,657	61,103
Advertising and Promotion	169,108	300	222	526	27,124	197,280	3,760	16,723	20,483	217,763	35,767
Office Expenses	2,348	1,966	2,978	416	29,429	37,137	708	3,148	3,856	40,993	76,196
Information Technology	5,641	7,190	48	245	74,553	87,676	1,671	7,432	9,103	96,779	140,752
Occupancy	3,957	-	101	7,087	91,948	103,093	1,965	8,739	10,704	113,797	102,689
Travel	2,822	875	23,014	49	153	26,913	513	2,282	2,795	29,708	18,008
Conferences, Conventions and Meetings	-	108	925	25	13,379	14,437	275	1,224	1,499	15,936	16,571
Interest	-	-	-	-	36,874	36,874	703	3,126	3,829	40,703	99,086
Insurance	-	-	-	795	147,822	148,617	2,832	12,598	15,430	164,047	165,621
Food Services	5,623	3,994	-	36,246	2,416	48,279	920	4,093	5,013	53,292	16,001
Professional and Consulting Fees	-	500	-	-	34,092	34,592	2,941	13,079	16,020	50,612	31,696
Scholarships	-	-	-	-	-	-	-	-	-	-	179,411
Independent Contractors	1,638	-	(41,721)	-	106,640	66,556	1,268	5,642	6,910	73,466	79,975
Supplies	6,425	8,872	198,189	34,045	6,203	253,734	4,836	21,509	26,345	280,079	142,519
Other Expenses	938	340	153	4,177	88,504	94,112	1,536	6,831	8,367	102,479	14,634
Special Events Expenses	-	-	-	-	-	-	-	45,777	45,777	45,777	41,496
Subtotal	761,127	409,852	608,985	299,083	2,374,316	4,453,364	87,465	434,934	522,399	4,975,763	4,847,682
Noncash Expenses											
Provision for bad debts	-	-	-	-	250	250	-	-	-	250	8,636
In-Kind											
Professional and Consulting Service	-	-	-	-	119,700	119,700	-	-	-	119,700	127,515
Depreciation and amortization	-	-	-	-	160,128	160,128	3,052	13,575	16,627	176,755	184,705
	761,127	409,852	608,985	299,083	2,654,394	4,733,442	90,517	448,509	539,026	5,272,468	5,168,538
Less Expenses Netted with Revenues on the Statement of Activities	-	-	-	-	-	-	-	(45,777)	(45,777)	(45,777)	(41,496)
TOTAL - 2021	\$ 761,127	\$ 409,852	\$ 608,985	\$ 299,083	\$ 2,654,394	\$ 4,733,442	\$ 90,517	\$ 402,732	\$ 493,249	\$ 5,226,691	
PERCENTAGE - 2021	14.6 %	7.8 %	11.7 %	5.7 %	50.8 %	90.6 %	1.7 %	7.7 %	9.4 %	100.0 %	
TOTAL - 2020	\$ 994,595	\$ 686,859	\$ 711,902	\$ 405,060	\$ 1,932,267	\$ 4,730,683	\$ 60,610	\$ 335,749	\$ 396,359	\$ 5,127,042	
PERCENTAGE - 2020	19.4 %	13.4 %	13.9 %	7.9 %	37.7 %	92.3 %	1.2 %	6.5 %	7.7 %	100.0 %	

**WYMAN CENTER, INC.**  
**STATEMENT OF CASH FLOWS**  
**Year Ended December 31, 2021 (With Comparative Totals for 2020)**

	<b>Years Ended December 31,</b>	
	<b>2021</b>	<b>2020</b>
<b>OPERATING ACTIVITIES</b>		
Changes in net assets	\$ (389,195)	\$ (232,187)
Adjustments to reconcile changes in net assets to net cash provided (used) by operating activities		
Depreciation and amortization	176,755	184,705
Noncash contribution of property and equipment	-	(293,732)
Realized (gain) loss on sale of investments	(210,622)	6,185
Unrealized gain on investments	(178,739)	(231,535)
Changes in beneficial interest in third-party trust	-	(3,025)
Loss on uncollectible unconditional promises-to-give	-	75,000
Loss (gain) on sale of property and equipment	23,340	(3,525)
PPP loan forgiveness	(879,942)	
Provision for bad debts	250	8,636
Restricted contributions for endowment	(206,346)	(1,000)
Changes in		
Accounts receivable	(221,591)	(80,838)
Unconditional promises-to-give	681,071	837,296
Inventories	5	469
Prepaid expenses	62,666	(36,461)
Accounts payable	63,459	(38,425)
Accrued expenses	1,464	(91,382)
Deferred revenue	(3,997)	(78,543)
Net cash (used) provided by operating activities	<u>(1,081,422)</u>	<u>21,638</u>
<b>INVESTING ACTIVITIES</b>		
Purchases of investments	(2,331,873)	(1,511,687)
Proceeds from sale of investments	1,550,074	1,655,561
Purchases of property and equipment	(112,115)	(256,927)
Proceeds from sale of property and equipment	2,398,351	56,568
Net cash provided (used) by investing activities	<u>1,504,437</u>	<u>(56,485)</u>
<b>FINANCING ACTIVITIES</b>		
Payments on line of credit	(95,000)	(489,318)
Proceeds from restricted contributions for endowment	206,346	1,000
Proceeds from long-term debt	-	88,643
Proceeds from paycheck protection program loan	671,685	879,942
Payments on long-term debt	(1,411,923)	(265,217)
Net cash provided (used) by financing activities	<u>(628,892)</u>	<u>215,050</u>
<b>NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(205,877)</b>	<b>180,203</b>
<b>CASH AND CASH EQUIVALENTS, Beginning</b>	<b><u>452,034</u></b>	<b><u>271,831</u></b>
<b>CASH AND CASH EQUIVALENTS, Ending</b>	<b><u>\$ 246,157</u></b>	<b><u>\$ 452,034</u></b>
<b>SUPPLEMENTAL DISCLOSURES</b>		
Interest paid	<u>\$ 44,642</u>	<u>\$ 92,524</u>
Noncash investing activity		
Noncash contribution of property and equipment	<u>\$ -</u>	<u>\$ (293,732)</u>

See notes to financial statements.



**WYMAN CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2021 (With Comparative Totals for 2020)**

**NOTE 1 — HISTORY AND BUSINESS ACTIVITY**

Wyman Center, Inc. (Wyman), formed in 1898, is a St. Louis County, Missouri, based national not-for-profit expert in developing teens. Wyman has been dedicated to serving youth from disadvantaged circumstances for more than a century. Wyman empowers teens, equips adults and strengthens systems. Wyman's engaging, empowering and experiential programs and services help teens build skills, develop a sense of self, and make connections to their world. As a result, teens achieve educational success, develop healthy behaviors and relationships, and exhibit life and leadership skills. From thousands of teens in St. Louis - to tens of thousands nationally - Wyman programs and services make a difference in the lives of today's teens and tomorrow's leaders.

**NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

This summary of significant accounting policies is presented to assist in understanding Wyman's financial statements. These accounting policies conform to accounting principles generally accepted in the United States of America (U.S. GAAP).

**Comparative Totals**

The financial statements include certain summarized comparative information in total but not by net asset class for the year ended December 31, 2020. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with Wyman's financial statements for the year ended December 31, 2020, from which the summarized information was derived.

**Use of Estimates**

The preparation of the financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

**Description of Programs and Supporting Services**

The following programs and supporting services are included in the accompanying financial statements:

**Program Services**

Wyman Leaders

Wyman Leaders supports nearly 600 St. Louis teens annually to enter and complete college and career education programs, develop life and leadership skills, and create strong connections to their communities - all with a focus on helping teens lead in their communities now, while preparing for a successful transition into young adulthood. For 10 years - from 7<sup>th</sup> grade through four years of post-secondary education - our young people participate in intensive peer group experiences each summer, as well as consistent, individualized coaching and enrichment opportunities during the school year. This long-term, engaging, empowering and holistic experience produces outstanding outcomes that support teens for success in life and to contribute to building strong communities.

**WYMAN CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2021 (With Comparative Totals for 2020)**

**NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Description of Programs and Supporting Services (Continued)**

**Program Services (Continued)**

Teen Outreach Program® (TOP®)

Delivered in St. Louis by Wyman, and across the country by our network of partners, the Teen Outreach Program® (TOP®) promotes positive youth development through a social and emotional learning curriculum, community service learning, and supportive relationships with adults. Teens are empowered with the tools and opportunities needed to develop social and emotional skills; promote healthy relationships and community connections; develop a sense of purpose; and avoid risky behaviors. TOP® is a 9 month program serving teens from 6<sup>th</sup> through 12<sup>th</sup> grade. In the 2020-2021 school year, Wyman directly delivered TOP® to 1,179 teens in the St. Louis area. Our partners deliver the program to an additional 25,000 youth across the nation.

Wyman's Wrap Around Services

Systems that support youth function best when they align and coordinate their work to meet the needs of youth and increase equitable access to supports and programs for all young people. As a systems partner, Wyman helps to coordinate services across providers, facilitate trainings in adolescent development and social and emotional supports, and align policies and procedures to sustain positive change. In the 2020-2021 school year, Wyman is continuing our partnership with the School District of University City. This marks the fourth and final year of the School District of University City Collaborative.

Experience Wyman/Vended Services

Wyman's Vended Services operations serve as the social entrepreneurial arm of the organization. Based in Eureka, Missouri, the site hosts outdoor education camps that incorporate science, environmental education, and team-building activities, adult and youth retreats and more. Wyman's staff create custom-built experiences designed to help groups of all kinds learn to embrace challenges, go beyond the expected, and realize their potential. All proceeds generated from a "Wyman experience" directly support Wyman's mission to enable teens to lead successful lives and build strong communities.

**WYMAN CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2021 (With Comparative Totals for 2020)**

**NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Description of Programs and Supporting Services (Continued)**

**Program Services (Continued)**

Other Program Services

Wyman's other program services includes the following:

Teen Connection Project - Our ability to build strong social connections and relationships with others is linked to many positive outcomes - yet many young people lack healthy, positive, and affirming connections with others, feeling isolated and alone. The Teen Connection Project (TCP) was developed through a three-year research-practice partnership between the University of Virginia and Wyman (2016-2019) and is designed to improve peer relationships, social and emotional skills, school engagement, and well-being among high school aged youth. Teens meet in small groups weekly for one semester and use a guided curriculum to build positive relationships with peers and adults, and then share what they have learned within their schools, homes, and communities. In the 2020-2021 school year, TCP was delivered to 25 teens directly by Wyman and is being implemented by one national partner.

Wyman's National Network - provides program replication and positive youth development training services across the United States to positively impact teens and increase the skills of the adults who work with them.

Social Innovation STL - an initiative supported by Wyman that was developed to work at the regional level to improve program innovation, non-profit excellence, and partnership performance in pursuit of better outcomes for youth.

**Supporting Services**

Management and General

Includes those expenditures necessary to maintain an equitable employment program, ensure an adequate working environment, provide coordination and articulation of Wyman's program strategy, secure proper administrative functioning of the Board, maintain competent legal services for the program administration of Wyman, and manage the financial and budgetary responsibilities of Wyman.

Fundraising

Provides the structure necessary to encourage and secure private financial support from individuals, organizations, and corporations in the form of gifts, as well as fundraising events.

**WYMAN CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2021 (With Comparative Totals for 2020)**

**NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Cash and Cash Equivalents**

Cash and cash equivalents include highly liquid investments with original maturities of three months or less. These accounts include interest bearing demand deposit and money market accounts. For cash flow purposes, Wyman converts all unrestricted donations of stock immediately to cash.

Wyman from time to time during the year may have bank balances in excess of its insured limits. Management has deemed this as normal business risk.

**Investments and Assets Restricted for Permanent Investment**

Investments and assets restricted for permanent investment are reported at fair value based on quoted market prices and are subject to the inherent risk of volatility in the market. Net investment return (loss) consists of interest, dividends, realized and unrealized appreciation (depreciation) and investment advisory fees related to investments.

**Fair Value Measurements**

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Wyman determines the fair values of its financial instruments based on the fair value hierarchy established which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value.

Financial instruments are considered Level 1 when valuation can be based on quoted prices in active markets for identical assets or liabilities. Level 2 financial instruments are valued using quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data of substantially the full term of the assets or liabilities. Financial instruments are considered Level 3 when their values are determined using pricing models, discounted cash flow methodologies or similar techniques and at least one significant model assumption or input is unobservable and when determination of the fair value requires significant management judgment or estimation.

**Accounts Receivable and Unconditional Promises-to-Give**

Accounts receivable and unconditional promises-to-give are stated at the amount management expects to collect from balances outstanding at year end based on management's assessment of the credit history with customers, donors having outstanding balances, and current relationships with them. Unconditional promises-to-give consist of pledge donations from various corporations, foundations, and individuals. Many of these donations have been restricted by time and use for facility needs. Unconditional promises-to-give are recognized as support in the period the promises are received. No allowance for doubtful accounts is recorded as of December 31, 2021 and 2020, respectively.

**Inventories**

Inventories consist of program curriculum and assessments and are valued at cost.

**WYMAN CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2021 (With Comparative Totals for 2020)**

**NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Property and Equipment**

Property and equipment are recorded at cost if purchased or at fair value at date of donation if donated, net of accumulated depreciation. Wyman capitalizes individual assets greater than \$1,500. Significant repairs that extend the life of an asset are capitalized; all other repairs are charged to expense as incurred.

Depreciation of property and equipment is provided on a straight-line method over the following estimated useful lives:

	<u>Years</u>
Buildings and Improvements	5 - 50
Vehicles	3 - 7
Furniture and Equipment	3 - 10

**Asset Impairment Assessments**

Wyman reviews long-lived assets for impairment whenever events or circumstances indicate that the carrying value of such assets may not be fully recoverable. Impairment is recognized to the extent that the sum of undiscounted estimated future cash flows expected to result from use of the assets is less than carrying value. If impairment is recognized, the carrying value of the impaired asset is reduced to its fair value.

**Intangible Assets**

Intangible assets consist of a patent, trademark, and copyrights with finite lives, which are amortized using the straight-line method over their useful lives. The carrying value of intangibles is evaluated at least annually for impairment.

**Beneficial Interest in Third-Party Trust**

Wyman was the beneficiary of a charitable remainder trust that liquidated in 2021 upon the death of the donor. Throughout 2020, Wyman had the irrevocable right to receive the distributions for a specified period of time and/or principal of the trust at the death of the donors or beneficiaries.

**Net Assets without Donor Restrictions**

Net assets without donor restrictions are those resources over which the Board of Directors has discretionary control. Designated amounts represent those resources that the Board has set aside for a particular purpose. All contributions are considered to be available for use unless specifically restricted by the donor. Included in net assets without donor restrictions are Board Designated net assets for which the governing board, rather than a donor, has designated net assets to be reserved for endowment for program scholarships. Wyman treats restricted funds received and released in the same year as unrestricted net assets. Restricted funds received and released in the same year totaled \$618,559 and \$964,471 during the years ended December 31, 2021 and 2020, respectively.

**WYMAN CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2021 (With Comparative Totals for 2020)**

**NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Net Assets with Donor Restrictions**

Net assets with donor restrictions are those resources subject to donor-imposed restrictions that will be satisfied by actions of Wyman, the passage of time or are resources subject to donor-imposed restrictions that will be maintained by Wyman. The donors of these resources permit Wyman to only use income earned on related investments for program operations in accordance with donor restrictions.

**Revenue Recognition – Public Support and Program Service Fees**

Wyman's revenue streams are comprised of public support and program service fees.

For each revenue stream identified above, revenue recognition is subject to the completion of performance obligations. For each contract with a customer, Wyman determines whether the performance obligations in the contracts are distinct or should be bundled. Factors to be considered include the pattern of transfer, whether customers can benefit from the resources, and whether the resources are readily available. Wyman's revenue is recognized when a given performance obligation is satisfied, either over a period of time or at a given point in time. Wyman recognizes the revenue over a period of time if the customer receives and consumes the benefit that Wyman provided, or if Wyman's performance does not create an asset with an alternative use, and has an enforceable right to payment for the performance.

The revenue is recognized at a given point in time when the control of the goods or service is transferred to the customer and when the customer can direct its use and obtain substantial benefit from the goods. The transaction price is calculated as the amount of consideration to which Wyman expects to be entitled (such as event agreements, price of program fees set in advance). In some situations (such as grant funds), Wyman bills customers and collects cash prior to the satisfaction of the performance obligation, which results in Wyman recognizing contract liabilities upon receipt of payment.

The following explains the performance obligations related to each revenue stream and how they are recognized.

Public Support

Wyman records contributions when received as with or without donor restrictions, depending on the existence and/or nature of any donor restrictions. Conditional promises-to-give are recognized when the conditions on which they depend are substantially met. 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 in the statement of activities. Donor-restricted contributions in which the restrictions are met within the same year as received are reported as contributions with donor restrictions when received and are released to net assets without donor restrictions as the restrictions are met.

Special events are comprised of an exchange element equal to the fair value of direct benefits to donors and a contribution revenue for the difference. Wyman's revenue is recognized when a given performance obligation is satisfied, usually at the time of the event. The contribution portion is recognized immediately.

**WYMAN CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2021 (With Comparative Totals for 2020)**

**NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Revenue Recognition – Public Support and Program Service Fees (Continued)**

Program Service Fees

Certain revenue is derived from cost-reimbursable state and local 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 Wyman has incurred expenditures in compliance with specific contract or grant provisions.

**Donated Services, Facilities and Supplies**

Certain professional services are donated to Wyman by various organizations and individuals and are recorded at fair value at the date of donation. In addition, a substantial number of volunteers have donated a significant amount of their time to Wyman's programs. The value of this contributed time is not reflected in these financial statements because it does not meet the criteria for financial recognition, but is contributed in support of Wyman's mission.

Various supplies are donated to Wyman. These items are recorded as contributions at their respective estimated fair values at the date of the donation.

Total value of donated services was recorded at fair value of \$120,475 and \$127,515 for the years ended December 31, 2021 and 2020, respectively.

Total value of donated property and equipment was recorded at fair value of \$-0- and \$293,732 for the years ended December 31, 2021 and 2020, respectively.

**Functional Allocation of Expenses**

The costs associated with providing Wyman's activities have been summarized based on the nature and function of the expense. Certain of these expenses represent costs associated with multiple activities and require allocation among the program and supporting services benefited. Such allocations are based on relevant factors that represent management's best estimate of the costs of providing such activities.

**Advertising Costs**

Advertising costs are expensed as incurred and were \$30,655 and \$33,396 for the years ended December 31, 2021 and 2020, respectively.

**Income Taxes**

Wyman constitutes a qualified, not-for-profit organization under Section 501(c)(3) of the Internal Revenue Code (the Code) and is exempt from federal income taxes on related income under Section 501(a) of the Code.

**WYMAN CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2021 (With Comparative Totals for 2020)**

**NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Subsequent Events**

Wyman has performed a review of events subsequent to the statement of financial position through June 14, 2022, the date the financial statements were available to be issued.

**NOTE 3 — LIQUIDITY AND AVAILABILITY**

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

	December 31,	
	2021	2020
Cash and Cash Equivalents	\$ 246,157	\$ 452,034
Investments*	877,155	47,551
Accounts Receivable	351,316	129,975
Unconditional Promises-to-Give	647,531	1,169,672
Endowment Appropriation	190,000	170,000
	<u>\$ 2,312,159</u>	<u>\$ 1,969,232</u>

\* Excludes amounts restricted for permanent endowment and related accumulated earnings

Wyman's endowment funds consist of donor-restricted endowments. Income from donor-restricted endowments is restricted for specific purposes, with the exception of the amounts available for general use. Donor-restricted endowment funds are not available for general expenditure.

As part of our liquidity management plan, Wyman invests cash in excess of daily requirements in investments and money market funds.

**NOTE 4 — INVESTMENTS**

Investments consist of the following:

	December 31,			
	2021		2020	
	Cost	Fair Value	Cost	Fair Value
Mutual Funds				
Equity	\$ 2,656,026	\$ 3,089,073	\$ 1,633,851	\$ 1,954,870
Fidelity 500 Index Fund	320,313	526,342	260,614	375,156
Vanguard Total Bond Market Fund	247,332	247,332	461,717	491,049
Fixed Income (All Others)	641,447	665,764	381,992	402,635
	<u>\$ 3,865,118</u>	4,528,511	<u>\$ 2,738,174</u>	3,233,710
Less: Amounts Restricted for Permanent Investment		2,492,109		2,285,763
Totals		<u>\$ 2,036,402</u>		<u>\$ 937,947</u>



**WYMAN CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2021 (With Comparative Totals for 2020)**

**NOTE 4 — INVESTMENTS (Continued)**

Net investment return consists of the following:

	Years Ended December 31,			2020
	2021		Total	
	Without Donor Restrictions	With Donor Restrictions		
Interest and Dividends	\$ 15,885	\$ 103,482	\$ 109,067	\$ 57,394
Investment Advisory Fees	(29,541)	-	(29,541)	(23,230)
Gain (Loss) on Sale of Investments	12,704	197,918	210,622	(6,185)
Unrealized Gain on Investments	31,312	147,247	178,739	231,535
Totals	<u>\$ 30,060</u>	<u>\$ 448,827</u>	<u>\$ 478,887</u>	<u>\$ 259,514</u>

Wyman invests in various types of investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement of financial position.

**NOTE 5 — UNCONDITIONAL PROMISES-TO-GIVE**

Unconditional promises-to-give consist of the following:

	December 31,	
	2021	2020
Pledges Due in Less Than One Year	\$ 647,531	\$ 1,169,672
Pledges Due in 2022 - 2025	178,908	329,628
Discount to Record Promises-to-Give at Present Value	(49,957)	(41,747)
Pledges - Long-Term	128,951	287,881
Total Pledges	<u>\$ 776,482</u>	<u>\$ 1,457,553</u>

A discount rate of 5.5 percent was used to record promises-to-give at the present value of the future cash flows at December 31, 2021 and 2020.

**NOTE 6 — PROPERTY AND EQUIPMENT**

Property and equipment consist of the following:

	December 31,	
	2021	2020
Land	\$ 624,984	\$ 2,966,198
Buildings and Improvements	5,415,328	5,373,992
Vehicles	77,868	77,868
Furniture and Equipment	1,004,564	980,772
Construction in Progress	82,836	134,528
	7,205,580	9,533,358
Less Accumulated Depreciation	4,323,232	4,166,656
Total Property and Equipment, net	<u>\$ 2,882,348</u>	<u>\$ 5,336,702</u>

**WYMAN CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2021 (With Comparative Totals for 2020)**

**NOTE 6 — PROPERTY AND EQUIPMENT (Continued)**

During 2021, Wyman sold approximately 153 acres of land for \$2,398,351. Wyman incurred closing costs of approximately \$86,000 and the transaction resulted in a loss on the sale of land of \$22,340 based on the net book value of \$1,318,516.

Depreciation expense was \$174,778 and \$182,729 for the years ended December 31, 2021 and 2020, respectively.

**NOTE 7 — INTANGIBLE ASSETS**

Intangible assets consist of the following:

	December 31,			
	2021		2020	
	Gross Amount	Accumulated Amortization	Net Amount	Net Amount
TOP Curriculum	\$ 15,506	\$ 15,506	\$ -	\$ -
Patent	7,500	5,750	1,750	2,125
Trademarks	<u>32,036</u>	<u>20,612</u>	<u>11,424</u>	<u>13,026</u>
2021 Totals	<u>\$ 55,042</u>	<u>\$ 41,868</u>	<u>\$ 13,174</u>	
2020 Totals		<u>\$ 39,891</u>		<u>\$ 15,151</u>

Amortization expense was \$1,977 and \$1,976 for the years ended December 31, 2021 and 2020, respectively.

Future aggregate amortization expense is as follows:

Year Ending December 31,	
2022	\$ 1,977
2023	1,977
2024	1,977
2025	1,977
Thereafter	<u>5,266</u>
	<u>\$ 13,174</u>

**NOTE 8 — BENEFICIAL INTEREST IN THIRD-PARTY TRUST**

A donor established a trust naming Wyman as the beneficiary of a charitable remainder trust. At the time of the donors' deaths, the trust will terminate and the remaining trust assets will be distributed to Wyman. In 2021, upon the death of the donor the trust was liquidated and assets of \$206,346 were transferred to endowment assets resulting in a realized gain on sale of investments of \$72,082. The present value of future benefits expected to be received by Wyman was estimated to be \$133,641 at December 31, 2020. Changes in fair value of the charitable remainder trust were reflected as a change in value of beneficial interest in third-party trust in Wyman's statement of activities.

**WYMAN CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2021 (With Comparative Totals for 2020)**

**NOTE 9 — LINE OF CREDIT**

Wyman has one \$2,000,000 revolving line of credit with a bank. Advances bear interest at one month LIBOR plus 1.9%. The line of credit expires on December 5, 2022. The line was not drawn on in 2021.

The outstanding balance was \$-0- and \$95,000 at December 31, 2021 and 2020, respectively. The one month LIBOR rate was 0.11% and 0.15% at December 31, 2021 and 2020, respectively.

**NOTE 10 — LONG-TERM DEBT**

Wyman has no outstanding long-term debt as of December 31, 2021. In May 2021, the Center used the proceeds of \$1,318,516 from the sale of land to pay down its remaining loans.

Long-term debt was as follows:

	December 31, 2020
Note payable to a financing company, payable in monthly installments of \$9,188 including interest at 5.50% with a balloon payment due March 1, 2026, secured by a deed of trust on land and buildings.	\$ 445,306
Note payable to a financing company, payable in monthly installments of \$10,245 including interest at 2.95% with a balloon payment due September 1, 2022, secured by a deed of trust on land and buildings.	209,753
Dec Note payable to a financing company with maximum borrowings of \$975,000, payable in monthly installments of \$8,228 including interest at 6.00% through June 2025, then interest based on the greater of index plus 3% margin or 6% as described in the loan agreement, with a balloon payment due July 1, 2035, secured by a deed of trust on land and buildings. An additional \$88,643 was added to this loan on June 30, 2020. The new monthly installments became \$6,500.	756,864
	1,411,923
Less current portion of long-term debt	230,595
	<u>\$ 1,181,328</u>

**WYMAN CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2021 (With Comparative Totals for 2020)**

**NOTE 11 — PAYCHECK PROTECTION PROGRAM LOAN**

First Draw

In April 2020, Wyman received loan proceeds of \$879,942 from a bank, pursuant to the Paycheck Protection Program (PPP) under the CARES Act, which was enacted March 27, 2020.

The PPP loan, which was in the form of a promissory note dated April 21, 2020, had a two-year term. Monthly principal and interest payments are deferred for 10 months until the amount of forgiveness determined is remitted to the lender or 10 months after the last day of the covered period, if the Organization does not seek forgiveness.

Under the terms of the CARES Act, PPP loan participants can apply for and be granted forgiveness for all or a portion of loans. PPP loans and accrued interest are forgivable as long as the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels over a designated eight week or twenty-four week period. The accrued interest was \$6,111 as of December 31, 2020. Wyman received notification in June, 2021 that the loan was forgiven and \$879,942 was included in PPP loan forgiveness on the statement of activities.

Second Draw

In February 2021, Wyman entered into a 1% promissory note payable to a bank for \$671,685 as part of the PPP. The note is due in February 2026, payable in fifty-three equal monthly installments beginning in September 1, 2021, including interest, and is unsecured. Funds from the note may only be used for payroll costs, costs used to continue group health care benefits, debt payments, rent, utilities, and interest. Wyman intends to use the entire note amount for qualifying expenses. Certain amounts of the note may be forgiven if they are used for qualifying expenses as described in the CARES Act. Wyman did not make any payments towards the PPP loan during the year ended December 31, 2021 and recorded accrued interest of \$6,146 as of December 31, 2021. Subsequent to year end on May 13, 2022, the Organization received notification that the loan and accrued interest were forgiven.

According to the rules of the SBA, Wyman is required to retain PPP loan documentation for six years after the date the loan is forgiven or repaid in full, and permit authorized representatives of the SBA, including representatives of its Office of Inspector General, to access such files upon request. Should the SBA conduct such a review and reject all or some of Wyman's judgments pertaining to satisfying PPP loan eligibility or forgiveness conditions, Wyman may be required to adjust previously reported amounts and disclosures in the financial statements.

**WYMAN CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2021 (With Comparative Totals for 2020)**

**NOTE 12 — NET ASSETS WITH DONOR RESTRICTIONS**

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

	December 31,	
	2021	2020
Subject to the Passage of Time		
United Way allocation	\$ 509,338	\$ 496,513
Future operations	<u>26,246</u>	<u>22,494</u>
	<u>535,584</u>	<u>519,007</u>
Subject to Expenditure for Specific Purpose		
Program activities	666,914	1,793,878
Capital improvements	1,477	1,477
YOP	18,402	-
Aquatics	386	386
Outdoor education	385	385
College scholarships	<u>68,109</u>	<u>67,571</u>
	<u>755,673</u>	<u>1,863,697</u>
Endowment		
Subject to appropriation and expenditure when a specified event occurs		
Restricted by donors for		
Program scholarships	1,250,105	1,043,759
Scholarships	902,691	902,691
Capital improvements	31,000	31,000
Unrestricted	4,465	4,465
Aquatics	8,100	8,100
Outdoor education	8,093	8,093
Multiple purpose	<u>287,655</u>	<u>287,655</u>
	2,492,109	2,285,763
Accumulated Investment Return	<u>1,159,247</u>	<u>890,396</u>
	<u>3,651,356</u>	<u>3,176,159</u>
Not Subject to Spending Policy or Appropriation		
Beneficial interest in third-party trust	-	133,641
	<u>\$ 4,942,613</u>	<u>\$ 5,692,504</u>

Net assets were released from donor restrictions by incurring expenses, satisfying the restricted purposes or by occurrence of other events specified by donors as follows:

	Years Ended December 31,	
	2021	2020
Satisfaction of Purpose Restrictions		
Program services	\$ 1,466,371	\$ 1,437,509
Capital improvements	1,000	2,000
Specific expenditures	<u>712</u>	<u>64,000</u>
	1,468,083	1,503,509
Expiration of Time Restrictions	<u>496,513</u>	<u>620,641</u>
	<u>\$ 1,964,596</u>	<u>\$ 2,124,150</u>

**WYMAN CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2021 (With Comparative Totals for 2020)**

**NOTE 13 — DEFERRED COMPENSATION PLANS**

Wyman has a defined contribution deferred compensation plan under Section 403(b) and 457(b) of the Internal Revenue Code for certain key members of management with ten or more years of service. Eligible employees may contribute a percentage of their salaries up to the extent permitted by law. The plan provides that Wyman will make a non-elective contribution to the plan based on the employee's years of service. The associated expense for the years ended December 31, 2021 and 2020, amounted to \$56,584 and \$-0-, respectively.

Wyman has a tax-deferred annuity plan under Section 401(k) of the Internal Revenue Code which allows eligible employees to make tax-deferred contributions. Eligible employees may contribute a percentage of their salaries up to the extent permitted by law. The plan provides that Wyman will contribute 3 percent of the employee's annual salary to the plan. The plan also provides for employer matching contributions to a maximum of 3 percent of employee compensation. For years ended December 31, 2021 and 2020, Wyman's expense for the plan was \$125,142 and \$81,114, respectively.

**NOTE 14 — LEASE COMMITMENTS**

**Operating Leases**

Wyman leases office space and certain office equipment under various operating lease agreements expiring on various dates through 2025.

Total future minimum lease payments are as follows:

<u>Year Ending</u> <u>December 31,</u>	
2022	\$ 9,518
2023	7,018
2024	5,998
2025	827
	<u>\$ 23.363</u>

Rent expense was \$8,204 and \$6,823 for the years ended December 31, 2021 and 2020, respectively.

**NOTE 15 — FAIR VALUE MEASUREMENTS**

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2021 and 2020.

*Mutual funds:* Valued at the daily closing price reported by the fund, which is the quoted net asset value (NAV) of shares.

*Beneficial interest in third-party trust:* Valued at the present value of expected future benefits.

**WYMAN CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2021 (With Comparative Totals for 2020)**

**NOTE 15 — FAIR VALUE MEASUREMENTS (Continued)**

The following are the major categories of assets measured at fair value on a recurring basis at December 31, 2021 and 2020:

	December 31,			Fair Value	Fair Value
	2021				
	Level 1 Quoted Prices in Active Markets for Identical Assets	Level 2 Significant Other Observable Inputs	Level 3 Significant Unobservable Inputs		
Investments					
Mutual funds					
Equity	\$ 3,615,415	\$ -	\$ -	\$ 3,615,415	\$ 2,330,026
Fixed income	<u>913,095</u>	<u>-</u>	<u>-</u>	<u>913,095</u>	<u>893,684</u>
	4,528,510	-	-	4,528,510	3,223,710
Beneficial Interest in Third-Party Trust	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>133,641</u>
2021 Totals	<u>\$ 4,528,510</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,528,510</u>	
2020 Totals	<u>\$ 3,323,710</u>	<u>\$ -</u>	<u>\$ 133,641</u>		<u>\$ 3,357,351</u>

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. For additional information on how Wyman measures fair value, see Note 2.

The following table sets forth a summary of changes in the fair value of Wyman's Level 3 financial assets for the years ended December 31, 2021 and 2020:

	Beneficial Interest in Third-Party
January 1, 2020	\$ 130,616
Change in Fair Value Appreciation	<u>3,025</u>
December 31, 2020	133,641
Sale of assets upon death of donor	<u>(133,641)</u>
December 31, 2021	<u>\$ -</u>

**NOTE 16 — ENDOWMENT NET ASSETS**

Endowment net assets consists of individual funds established for a variety of purposes. Net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions. The endowment includes donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments.

**WYMAN CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2021 (With Comparative Totals for 2020)**

**NOTE 16 — ENDOWMENT NET ASSETS (Continued)**

**Interpretation of Relevant Law**

Wyman's Board of Directors has interpreted the State Prudent Management of Institutional Funds Act (SPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, Wyman classifies net assets with donor restrictions as (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

In accordance with SPMIFA, Wyman considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund
- (2) The purposes of Wyman and the donor-restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of Wyman
- (7) The investment policies of Wyman

**Return Objectives and Risk Parameters**

Wyman has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that Wyman must hold in perpetuity or for a donor-specified period(s). Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results, over time, to out-perform a weighted, blended market index based on the target allocations established for the portfolio after adjusting for an estimated rate of inflation and net of investment management and custody fees while assuming a moderate level of investment risk.

**Strategies Employed for Achieving Objectives**

To satisfy its long-term rate-of-return objectives, the endowment relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The endowment targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

**Spending Policy and How the Investment Objectives Relate to Spending Policy**

The endowment has a policy of appropriating for distribution each year no more than 5% of the endowment trust based on a twelve quarter trailing average. In establishing this policy, the endowment considered the long-term expected return on its endowment. This is consistent with Wyman's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.



**WYMAN CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2021 (With Comparative Totals for 2020)**

**NOTE 16 — ENDOWMENT NET ASSETS (Continued)**

**Spending Policy and How the Investment Objectives Relate to Spending Policy (Continued)**

Through December 31, 2021, the Board of Directors may authorize distribution of accumulated, undistributed interest, appreciation and capital gains, if needed to maintain the enrollment level of endowed programs, through and up to that time.

Endowment net assets composition by type of net asset are:

	Without Donor Restrictions	With Donor Restrictions	Total
<u>December 31, 2021</u>			
Original Amounts			
Donor-Restricted Endowment Funds	\$ -	\$ 2,492,109	\$ 2,492,109
Board Designated Endowment Funds	<u>24,157</u>	<u>-</u>	<u>24,157</u>
	24,157	2,492,109	2,516,266
Accumulated Investment Return	<u>3,752</u>	<u>1,159,247</u>	<u>1,162,999</u>
	<u>\$ 27,909</u>	<u>\$ 3,651,356</u>	<u>\$ 3,679,265</u>
 <u>December 31, 2020</u>			
Original Amounts			
Donor-Restricted Endowment Funds	\$ -	\$ 2,285,763	\$ 2,285,763
Board Designated Endowment Funds	<u>19,589</u>	<u>-</u>	<u>19,589</u>
	19,589	2,285,763	2,305,352
Accumulated Investment Return	<u>4,568</u>	<u>890,396</u>	<u>894,964</u>
	<u>\$ 24,157</u>	<u>\$ 3,176,159</u>	<u>\$ 3,200,316</u>

Changes in endowment net assets are as follows:

	Years Ended December 31,			2020
	Without Donor Restrictions	With Donor Restrictions	Total	
Beginning of Year	\$ 24,157	\$ 3,176,159	\$ 3,200,341	\$ 3,091,735
Interest and Dividends	1,024	102,458	103,482	54,012
Investment Gain	2,728	342,617	345,345	209,069
Inter-fund Earnings *	8	815	823	3,724
Additions	-	206,346	206,346	1,000
Expenditures Appropriated	176,224	(177,039)	(815)	(3,692)
Distribution of Expenditures	<u>(176,232)</u>	<u>-</u>	<u>(176,232)</u>	<u>(155,532)</u>
End of Year	<u>\$ 27,909</u>	<u>\$ 3,651,356</u>	<u>\$ 3,679,265</u>	<u>\$ 3,200,316</u>

\* Inter-fund earnings represents interest on borrowings from unrestricted net assets.

**WYMAN CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2021 (With Comparative Totals for 2020)**

**NOTE 17 — SIGNIFICANT FUNDERS**

Revenues from two funders accounted for approximately 21% and 24% of total public support and revenues during the years ended December 31, 2021 and 2020, respectively. Unconditional promises-to-give includes \$509,338 from these funders at December 31, 2021.

**NOTE 18 — CONTINGENCIES**

Certain revenue received by Wyman is subject to compliance audits by appropriate governmental authorities. The findings of these audits could result in additional liabilities to Wyman. However, management believes that Wyman has complied with the provisions of each contract and the effect of such findings, if any, would not have a material impact on the consolidated financial statements.

Wyman, from time to time, is involved in various legal proceedings and claims in the ordinary course of its business. In the opinion of Wyman's management, the probable resolution of such contingencies will not have a material adverse effect on the financial position or results of operations of Wyman.