

RUSHMORE CONSUMER CREDIT RESOURCE CENTER  
FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT  
DECEMBER 31, 2024 AND 2023

**RUSHMORE CONSUMER CREDIT RESOURCE CENTER**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Rushmore Consumer Credit Resource Center  
Rapid City, South Dakota

### ***Opinion***

We have audited the accompanying financial statements of Rushmore Consumer Credit Resource Center (the Organization), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years 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 the Organization as of December 31, 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. 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 the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the 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 the Organization's ability to continue as a going concern within one year after the date that the financial statements were 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 there 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, including omissions, 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.

Rushmore Consumer Credit Resource Center

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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 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 the Organization'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 the Organization'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 other internal control matters that we identified during the audit.

A handwritten signature in dark ink, reading "Ketel Thorstenson, LLP". The signature is fluid and cursive, with the letters "K", "T", and "L" being particularly prominent.

KETEL THORSTENSON, LLP  
Certified Public Accountants

June 4, 2025

**RUSHMORE CONSUMER CREDIT RESOURCE CENTER**

**STATEMENTS OF FINANCIAL POSITION  
DECEMBER 31, 2024 AND 2023**

<b>ASSETS</b>	<b>2024</b>	<b>2023</b>
<b>Current Assets</b>		
Cash and Cash Equivalents	\$ 196,107	\$ 201,603
Certificates of Deposit	1,176,371	117,348
Accounts Receivable	3,679	1,416
Promises to Give - Grants	57,423	36,728
Prepaid Expenses & Other	2,467	795
Inventory	14,109	19,463
<b>Total Current Assets</b>	<b>1,450,156</b>	<b>377,353</b>
<b>Property and Equipment</b>		
Land	-	279,900
Building	-	720,100
Building Improvements	-	20,587
Equipment	45,325	46,057
	45,325	1,066,644
Less Accumulated Depreciation	42,992	323,459
	2,333	743,185
<b>Other Assets</b>		
Operating Lease Right-of-Use Asset	53,365	-
Finance Lease Right-of-Use Asset	8,466	1,137
Restricted Cash	4,060	4,600
<b>TOTAL ASSETS</b>	<b>\$ 1,518,380</b>	<b>\$ 1,126,275</b>

The accompanying notes are an integral part of these statements.

**LIABILITIES AND NET ASSETS**

<b>Current Liabilities</b>			
Current Portion of Long-Term Debt	\$	-	\$ 11,313
Accounts Payable		6,399	5,513
Accrued Payroll, Taxes, and Benefits		30,298	24,125
Other Accrued Liabilities		-	583
Matched Savings Liability - Amounts Held for Others		1,080	1,080
Tenant Security Deposits		-	3,200
Current Portion of Operating Lease Liability		25,221	-
Current Portion of Financing Lease Liability		3,718	1,851
<b>Total Current Liabilities</b>		<b>66,716</b>	<b>47,665</b>
<b>Long-Term Obligations</b>			
Operating Lease Liability, Net of Current Portion		29,510	-
Financing Lease Liability, Net of Current Portion		4,889	-
Long-Term Debt, Less Current Portion		-	171,078
<b>Total Long-Term Obligations</b>		<b>34,399</b>	<b>171,078</b>
<b>Total Liabilities</b>		<b>101,115</b>	<b>218,743</b>
<b>Net Assets</b>			
Without Donor Restrictions			
Board Designated - Reserve for General Operations & Expansion		419,751	96,574
Board Designated - Program Sustainment		434,000	-
Invested in Property, Equipment, and Leases, Net of Related Obligations		826	560,080
Undesignated		550,294	242,111
Total Without Donor Restrictions		1,404,871	898,765
With Donor Restrictions		12,394	8,767
<b>Total Net Assets</b>		<b>1,417,265</b>	<b>907,532</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	\$	<b>1,518,380</b>	\$ <b>1,126,275</b>

**RUSHMORE CONSUMER CREDIT RESOURCE CENTER**

**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenues and Support</b>			
Gain on Sale of Property	\$ 461,954	\$ -	\$ 461,954
Government Grants	165,964	-	165,964
Education Programs and Product Sales, Net of Cost of Sales of \$9,138	82,068	-	82,068
Net Investment Return - Interest Earnings	47,936	-	47,936
Other Grants and Contributions	41,821	20,000	61,821
Debt Management Program	40,414	-	40,414
Lease Income	1,518	-	1,518
Net Assets Released from Restrictions	16,373	(16,373)	-
<b>Total Revenues and Support</b>	<b>858,048</b>	<b>3,627</b>	<b>861,675</b>
<b>Expenses</b>			
<i>Program Services:</i>			
Counseling and Debt Management	237,703	-	237,703
Education Programs	29,236	-	29,236
<i>Supporting Services:</i>			
Management and General	85,003	-	85,003
<b>Total Functional Expenses</b>	<b>351,942</b>	<b>-</b>	<b>351,942</b>
<b>Change in Net Assets</b>	<b>506,106</b>	<b>3,627</b>	<b>509,733</b>
Net Assets -- Beginning of Year	898,765	8,767	907,532
<b>Net Assets -- End of Year</b>	<b>\$ 1,404,871</b>	<b>\$ 12,394</b>	<b>\$ 1,417,265</b>

The accompanying notes are an integral part of this statement.

**RUSHMORE CONSUMER CREDIT RESOURCE CENTER**

**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenues and Support</b>			
Government Grants	\$ 155,431	\$ -	\$ 155,431
Education Programs and Product Sales, Net of Cost of Sales of \$10,095	85,296	-	85,296
Net Investment Return - Interest Earnings	5,018	-	5,018
Other Grants and Contributions	38,286	10,000	48,286
Debt Management Program	38,081	-	38,081
Lease Income	16,013	-	16,013
Net Assets Released from Restrictions	6,533	(6,533)	-
<b>Total Revenues and Support</b>	<b>344,658</b>	<b>3,467</b>	<b>348,125</b>
<b>Expenses</b>			
<i>Program Services:</i>			
Counseling and Debt Management	255,055	-	255,055
Education Programs	29,616	-	29,616
<i>Supporting Services:</i>			
Management and General	68,851	-	68,851
<b>Total Functional Expenses</b>	<b>353,522</b>	<b>-</b>	<b>353,522</b>
<b>Change in Net Assets</b>	<b>(8,864)</b>	<b>3,467</b>	<b>(5,397)</b>
Net Assets -- Beginning of Year	907,629	5,300	912,929
<b>Net Assets -- End of Year</b>	<b>\$ 898,765</b>	<b>\$ 8,767</b>	<b>\$ 907,532</b>

The accompanying notes are an integral part of this statement.



**RUSHMORE CONSUMER CREDIT RESOURCE CENTER**

**STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2024**

	Program Services		Supporting Services	Total
	Counseling and Debt Management	Education Programs	Management and General	Expenses
Salaries	\$ 139,544	\$ 15,505	\$ 38,762	\$ 193,811
Payroll Taxes	10,409	1,157	2,998	14,564
Fringe Benefits	6,142	682	1,706	8,530
<b>Total Payroll Expenses</b>	<b>156,095</b>	<b>17,344</b>	<b>43,466</b>	<b>216,905</b>
Outside Services	5,122	2,389	23,656	31,167
Occupancy	22,218	2,464	6,324	31,006
Maintenance	12,821	1,424	4,842	19,087
Dues	14,176	107	-	14,283
Insurance	9,291	1,032	2,581	12,904
Office	5,857	4,132	2,563	12,552
Production Costs and Fees	-	9,138	-	9,138
Depreciation and Amortization	5,678	317	793	6,788
Travel	2,497	-	-	2,497
Training	1,280	-	286	1,566
Miscellaneous	1,014	-	425	1,439
Advertising	866	-	-	866
Individual Grants	540	-	-	540
Interest	248	27	67	342
<b>Total Expenses</b>	<b>237,703</b>	<b>38,374</b>	<b>85,003</b>	<b>361,080</b>
<b>Less Cost of Products Sold</b>	<b>-</b>	<b>(9,138)</b>	<b>-</b>	<b>(9,138)</b>
<b>Total Functional Expenses</b>	<b>\$ 237,703</b>	<b>\$ 29,236</b>	<b>\$ 85,003</b>	<b>\$ 351,942</b>

The accompanying notes are an integral part of this statement.

**RUSHMORE CONSUMER CREDIT RESOURCE CENTER**

**STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2023**

	Program Services		Supporting Services	Total
	Counseling and Debt Management	Education Programs	Management and General	Expenses
Salaries	\$ 131,032	\$ 16,086	\$ 37,930	\$ 185,048
Fringe Benefits	7,716	949	2,248	10,913
Payroll Taxes	9,732	1,198	2,836	13,766
Total Payroll Expenses	148,480	18,233	43,014	209,727
Outside Services	19,686	1,339	3,186	24,211
Occupancy	9,603	1,100	2,580	13,283
Maintenance	20,327	2,505	5,960	28,792
Dues	7,015	15	-	7,030
Insurance	13,657	1,681	3,987	19,325
Office	8,654	1,879	2,971	13,504
Production Costs and Fees	253	9,842	-	10,095
Depreciation and Amortization	17,444	2,150	5,114	24,708
Travel	3,213	-	-	3,213
Training	46	-	362	408
Miscellaneous	808	13	32	853
Interest	6,122	701	1,645	8,468
Total Expenses	255,308	39,458	68,851	363,617
Less Cost of Products Sold	(253)	(9,842)	-	(10,095)
<b>Total Functional Expenses</b>	<b>\$ 255,055</b>	<b>\$ 29,616</b>	<b>\$ 68,851</b>	<b>\$ 353,522</b>

The accompanying notes are an integral part of this statement.

**RUSHMORE CONSUMER CREDIT RESOURCE CENTER**

**STATEMENTS OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

<b>Cash Flows From Operating Activities</b>	<b>2024</b>	<b>2023</b>
Change in Net Assets	\$ 509,733	\$ (5,397)
<i>Adjustments to Reconcile Change in Net Assets to Net</i>		
<i>Cash Provided by Operating Activities:</i>		
Gain on Disposal of Property	(461,954)	-
Depreciation and Amortization	6,788	24,708
<i>Working Capital Changes Increasing (Decreasing) Cash:</i>		
Accounts Receivable	(2,263)	103
Promises to Give - Grants	(20,695)	(577)
Prepaid Expenses	(1,672)	530
Inventory	5,354	(3,021)
Accounts Payable	886	(483)
Accrued Payroll, Taxes, and Benefits	6,173	2,840
Other Accrued Liabilities	(583)	(338)
Tenant Security Deposits	(3,200)	-
Amounts Held for Others	-	(1,620)
Operating Right-of-Use Asset	1,366	-
<b>Net Cash Provided by Operating Activities</b>	<b>39,933</b>	<b>16,745</b>
<b>Cash Flows Used in Investing Activities</b>		
Purchases of Equipment	(4,870)	-
Proceeds from Disposal of Property	1,204,847	-
Purchases of Certificates of Deposit	(1,011,971)	-
Reinvested Earnings on Certificates of Deposit	(47,052)	(3,060)
<b>Net Cash Provided by (Used) in Investing Activities</b>	<b>140,954</b>	<b>(3,060)</b>
<b>Cash Flows From Financing Activities</b>		
Repayments of Finance Lease Liability	(4,532)	(4,444)
Repayments of Long-Term Debt	(182,391)	(10,571)
<b>Net Cash Used in Financing Activities</b>	<b>(186,923)</b>	<b>(15,015)</b>
<b>Decrease in Cash and Cash Equivalents and Restricted Cash</b>	<b>(6,036)</b>	<b>(1,330)</b>
Cash and Cash Equivalents and Restricted Cash -- Beginning of Year	206,203	207,533
<b>Cash and Cash Equivalents and Restricted Cash -- End of Year</b>	<b>\$ 200,167</b>	<b>\$ 206,203</b>

See Note 8 for Supplemental Cash Flow Information

The accompanying notes are an integral part of these statements.

## **RUSHMORE CONSUMER CREDIT RESOURCE CENTER**

### **NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023**

#### **(1) Nature of Operations and Summary of Significant Accounting Policies**

##### **Nature of Operations**

Rushmore Consumer Credit Resource Center (the Organization) is a not-for-profit organization located in Rapid City, South Dakota. Programs are conducted under two divisions: Consumer Credit Counseling Service (CCCS) and the American Center for Credit Education (ACCE). CCCS was established to help the community and surrounding areas overcome financial obstacles and achieve financial goals by offering a variety of financial counseling classes and debt management programs in South Dakota, Nebraska, North Dakota, and Wyoming. ACCE was established to develop and publish printed, online, and mobile financial education and counseling programs used by organizations across the country.

The majority of the Organization's revenue is derived from grants, contributions, and fees for education programs and product sales. The credit counseling industry is impacted by the overall health of the nation's economy. Economic recessions can lead to an inability to pay bills, thus increasing the need for credit counseling and debt management services. Conversely, a strong economy causes a decrease in demand for such services.

##### **Use of Estimates**

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

##### **Basis of Accounting and Financial Statement Presentation**

The financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The Organization records resources for accounting and reporting purposes based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

*Net Assets with Donor Restrictions* – Net assets of the Organization that are subject to donor-imposed restrictions (donors include other types of contributors, including makers of certain grants). Some donor-imposed 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-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. All amounts that originate and expire in the same fiscal year are reported as net assets without donor restrictions.

*Net Assets without Donor Restrictions* – Net assets of the Organization that are not subject to donor-imposed restrictions and are available for general operations. The Board of Directors has designated certain net assets without donor restrictions for a specific purpose.

##### **Cash and Cash Equivalents**

Cash and cash equivalents consist of bank checking, savings, and money market accounts that are insured by the Federal Deposit Insurance Corporation. For financial statement purposes, the Organization considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. The Organization's cash balances may at times exceed federally insured limits; however, management has not experienced any losses in such accounts and does not believe the Organization is exposed to any significant credit risk.

## **RUSHMORE CONSUMER CREDIT RESOURCE CENTER**

### **NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023**

#### **(1) Nature of Operations and Summary of Significant Accounting Policies**

##### **Restricted Cash**

Restricted cash represents amounts received from United Way for the Organization's Match Savings program (Note 5). Restricted cash totaled \$4,060 and \$4,600 at December 31, 2024 and 2023, respectively.

##### **Certificate of Deposit**

Certificates of deposit at financial institutions are carried at cost plus accrued interest. At December 31, 2024, certificates of deposit have interest rates ranging from 4.00 to 4.75 percent and maturity dates ranging from March 4, 2025 to July, 21 2025.

##### **Inventory**

Inventory, consisting of books and other educational materials for sale, is valued at average cost.

##### **Property and Equipment**

Property and equipment purchases over \$1,000 are capitalized at cost. Maintenance and repairs are expensed as incurred, and major improvements are capitalized. Donated property and equipment is stated at fair market value at the date of the donation. Depreciation is provided for on a straight-line basis over the following estimated useful lives:

Building	40 Years
Building Improvements	15 Years
Equipment	5-7 Years

On February 13, 2024, the Organization sold its building to an unrelated party for \$1,285,000. Proceeds were utilized to pay the outstanding mortgage (Note 3). Final proceeds, net of the loan pay-off and closing costs, totaled \$1,018,959. A member of the Board of Directors is related to a principal of the real estate agency used to broker the sale.

As part of the sale agreement, leases in which the Organization is lessor were fully assigned to the buyer. In addition, the Organization entered into an agreement with the buyer to lease back several offices within the building (Note 2).

##### **Leases - Lessee**

The Organization determines if an arrangement is or contains a lease at inception or modification of the agreement. The right-of-use asset and lease liability primarily relates to office facilities and office equipment used in operations. Certain leases include one or more options to renew or terminate. The exercise of lease renewal, termination and purchase options is at management's discretion, and these options are included in the expected lease term if they are reasonably certain of being exercised. None of the Organization's lease agreements contain material residual value guarantees, restrictions or covenants.

For leases with terms greater than 12 months or that contain a purchase option that is reasonably certain to be exercised, a right-of-use (ROU) asset and lease liability is recognized based on the present value of the future minimum lease payments over the lease term. The Organization has elected to use the risk-free interest rate for all asset classes to determine the lease present value when the implicit rate is not readily determinable. The initial measurement of the ROU asset also includes any initial direct costs and lease prepayments, net of lease incentives received. Leases are classified as either finance or operating leases. This classification dictates whether lease expense is recognized based on an effective interest method or on a straight-line basis over the term of the lease, respectively.

Leases with terms of 12 months or less or that are cancelable by the lessee and lessor without significant penalties, are not capitalized as right-of-use assets and lease liabilities, but are expensed on a straight-line basis over the lease term. The majority of the Organizations short-term leases relate to office facilities. These leases are entered into at periodic rental rates for an unspecified duration and typically have a termination for convenience provision.

## **RUSHMORE CONSUMER CREDIT RESOURCE CENTER**

### **NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023**

#### **(1) Nature of Operations and Summary of Significant Accounting Policies**

##### **Leases - Lessor**

The Organization determines if an arrangement is or contains a lease at inception or modification of the agreement and classifies such leases as operating, direct financing, or sales-type leases. Direct financing and sales-type leases meet certain criteria that have the economic characteristics of transferring ownership of the underlying asset and are accounted for similar to financing arrangements. A lease is classified as an operating lease if it does not qualify as a sales-type or direct financing lease. The Organization acts as lessor in operating leases only. Operating lease revenue is recognized on a straight-line basis over the term of the lease. None of the Organization's lease agreements contain renewal or termination options, restrictions or covenants. Through the sale of the building during 2024, all lessor leases held by the Organization were assigned to the buyer.

##### **Revenue Recognition**

###### *Educational Programs and Product Sales:*

The Organization provides counseling services and sells printed, online and mobile courses and books to other agencies. Fees are based on contracted amounts, fee schedules, and licensing agreements, as applicable. Performance obligations are satisfied at the point in time the service or class is provided, the book is shipped, or the online/mobile material is provided. Revenue is recognized when the performance obligation is met.

###### *Debt Management Program:*

When a client contacts the Organization for assistance with a debt payment plan, the Organization is responsible for providing credit counseling to each eligible client, collecting information, completing and executing a debt management program contract, and delivering the information to a third-party nonprofit debt management organization. A one-time fee is charged to clients for this service, and revenue is recognized at the time the information is submitted. In addition, the Organization has an agreement with this third party to provide continued counseling for the clients. Flat monthly fees are received, and revenue for this stand-ready obligation is recognized each month under the contract terms.

###### *Contributions, Grants and Promises to Give:*

Unconditional contributions of cash are recognized as revenue in the period promised at their fair values. Grants are received from both government and private sources. Each grant is analyzed to determine whether it is deemed an exchange transaction (where both the grantee and grantor receive commensurate benefits) or a contribution. All grants received in 2024 and 2023 were deemed to be contributions. Unconditional promises to give are recognized upon donor or grantor notification. All amounts due at December 31, 2024 and 2023, are short-term and due from granting agencies. Based on management's judgment and subsequent collections, all are considered collectible, resulting in no allowance for uncollectible amounts. Contributions are distinguished between those that increase net assets with and without donor restriction. 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 met.

##### **Functional Allocation of Expenses**

The costs of providing various programs and other activities have been summarized on a functional basis in the Statements of Activities and Changes in Net Assets. The Statements of Functional Expenses present the natural classification detail of expenses by function. Certain expenses can be directly allocated to program or supporting functions. Most categories of expenses are attributable to more than one program or supporting function and require allocation on a reasonable basis that is consistently applied. Accordingly, those costs have been allocated among program and management and general activities based on the time spent on each function. No significant fundraising activities occurred in 2024 or 2023.

## RUSHMORE CONSUMER CREDIT RESOURCE CENTER

### NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023

#### (1) Nature of Operations and Summary of Significant Accounting Policies

##### Federal Income Tax

The Organization qualifies as an exempt organization under Section 501(c)(3) of the Internal Revenue Code under a group ruling issued by the Internal Revenue Service. In addition, the Organization is not considered a “private foundation” within the meaning of Section 509(a) of the Internal Revenue Code. As such, no federal income tax is paid unless net income is derived from activities that are unrelated to their exempt activities. No such activities are conducted.

At December 31, 2024 and 2023, the Organization believes there are no significant uncertain tax positions or liabilities, or interest and penalties associated with uncertain tax positions.

##### Reclassifications

Certain items in the 2023 statement of financial position have been reclassified to conform to the 2024 presentation with no effect on previously reported net assets.

##### Subsequent Events

Subsequent events have been evaluated through June 4, 2025, the date which the financial statements were available to be issued.

#### (2) Leases

##### *Lessee*

The Organization leases certain office facilities and office equipment under various terms. The leases expire at various dates through 2027 and provide for renewal options ranging from one to two years. The office facilities lease provides for increases in future minimum annual rental payments based on fixed rates.

Total lease costs for the year ended December 31, 2024 and 2023 were as follows:

	2024	2023
Operating Lease Cost - Occupancy Expense	\$ 24,655	\$ -
Short-Term - Occupancy Expense	1,164	1,110
Financing Lease Costs - Interest Expense	342	-
Financing Lease Cost - Amortization of Right-to-Use Assets	3,959	5,532
	<u>\$ 30,120</u>	<u>\$ 6,642</u>

The following summarizes the weighted-average remaining lease term and weighted-average discount rate for the year ended December 31, 2024 and 2023:

	2024	2023
Weighted Average Remaining Lease Term		
Operating Lease	2.17	-
Financing Lease	2.25	0.42
Weighted Average Discount Rate		
Operating Lease	4.40%	-
Financing Lease	4.51%	0%

**RUSHMORE CONSUMER CREDIT RESOURCE CENTER**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024 AND 2023**

**(2) Leases**

The future minimum lease payments under noncancelable operating and finance leases with terms greater than one year are as follows as of December 31, 2024:

	Finance	Operating
2025	\$ 4,030	\$ 27,126
2026	4,030	27,940
2027	1,007	2,334
Total Lease Payments	9,067	57,400
Less Interest	460	2,669
Present Value of Lease Liabilities	\$ 8,607	\$ 54,731

**(3) Long-Term Debt**

Long-term debt consists of the following at December 31:

	2024	2023
Note paid in full through building sale	\$ -	\$ 182,391
Less Current Maturities	-	11,313
	\$ -	\$ 171,078

**(4) Retirement Plan**

The Organization participates in a 401(k) retirement plan covering substantially all employees desiring to participate. The plan allows for discretionary employer contributions; however, the Organization chose not to make any contributions for the years ended December 31, 2024 or 2023.

**(5) Net Assets with Donor Restrictions**

Net assets with donor restrictions as of December 31, 2024 and 2023, includes \$8,334 and \$4,167 to support the Organization's mission in 2025 and 2024, respectively. Also included in net assets with donor restrictions at December 31, 2024 and 2023, is \$4,060 and \$4,600, respectively for the Match Savings Program, which encourages clients to begin saving money.

**(6) Conditional Promises to Give**

A portion of the Organization's revenue is derived from cost-reimbursable federal and state grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has performed the requirements and/or incurred expenditures in compliance with specific contract or grant provisions. These revenues follow a simultaneous release policy and are recorded as net assets without donor restriction if the restrictions expire in the year in which the contributions are recognized. At December 31, 2024, contributions totaling \$101,853 have not been recognized in the accompanying Statements of Activities and Changes in Net Assets because the conditions on which they depend have not been met. All such conditional amounts are dependent on conducting counseling sessions for which reimbursement is received.



**RUSHMORE CONSUMER CREDIT RESOURCE CENTER**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2024 AND 2023**

**(7) Liquidity and Availability**

As of December 31, the total financial assets held by the Organization and the amounts of those financial assets that could readily be made available within one year of the statement of financial position date to meet general expenditures are as follows:

	2024	2023
<b>Financial Assets at Year-End:</b>		
Cash and Cash Equivalents	\$ 196,107	\$ 201,603
Certificates of Deposit	1,176,371	117,348
Accounts Receivable	3,679	1,416
Promises to Give - Grants	57,423	36,728
	1,433,580	357,095
Less Board Designated Operating Reserve & Program Expansion	(419,751)	(96,574)
Less Board Designated Program Sustainment	(434,000)	-
Less Net Assets with Time Restriction	(8,334)	(4,167)
<b>Financial Assets Available for General Use Within One Year</b>	<b>\$ 571,495</b>	<b>\$ 256,354</b>

The Organization regularly monitors liquidity required to meet its operating needs and has various sources of liquidity at its disposal, including cash and cash equivalents. The Organization focuses on budgeting controls and maintaining adequate cash reserves totaling six months of operating expenses. In the event of unanticipated liquidity needs, the Board of Directors could utilize the designated reserve funds and board designated endowment funds.

**(8) Statements of Cash Flow Supplemental Information**

	2024	2023
<b>Reconciliation of Cash and Cash Equivalents and Restricted Cash</b>		
Cash and Cash Equivalents	\$ 196,107	\$ 201,603
Restricted Cash	4,060	4,600
<b>Total Cash and Cash Equivalents and Restricted Cash</b>	<b>\$ 200,167</b>	<b>\$ 206,203</b>

**Supplemental Disclosure of Cash Flow Information**

Cash Paid During the Year for Interest	\$ 1,087	\$ 8,803
Cash Paid for Amounts Included in Measurement of Lease Liabilities		
Operating Cash Flows From Operating Leases	23,290	-
Operating Cash Flows From Financing Leases	342	-
Financing Cash Flows From Financing Leases	4,532	4,444
Right of Use Assets Obtained in Exchange for Lease Liabilities		
Financing Leases	11,288	-
Operating Leases	75,616	-