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Form **990**Department of the Treasury
Internal Revenue Service**Return of Organization Exempt From Income Tax**
Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

OMB No 1545-0047

2013Open to Public
Inspection

Do not enter Social Security numbers on this form as it may be made public.

Information about Form 990 and its instructions is at www.irs.gov/form990.**A** For the 2013 calendar year, or tax year beginning and ending**B** Check if applicable

- ☐ Address change
☐ Name change
☐ Initial return
☐ Terminated
☐ Amended return
☐ Application pending

C Name of organization**JOHN WITHERSPOON COLLEGE
DBA BLACK HILLS BIBLICAL INSTITUTE**

Doing Business As

Number and street (or P.O. box if mail is not delivered to street address)

4021 RANGE ROAD

Room/suite

City or town, state or province, country, and ZIP or foreign postal code

RAPID CITY, SD 57702**F** Name and address of principal officer: **LANNY L. EVANS
SAME AS C ABOVE****D** Employer identification number**20-5892134****E** Telephone number**605-342-9000****G** Gross receipts \$**310,708.****H(a)** Is this a group returnfor subordinates? ☐ Yes ☒ No**H(b)** Are all subordinates included?☐ Yes ☐ No

If "No," attach a list. (see instructions)

H(c) Group exemption number**I** Tax-exempt status: ☒ 501(c)(3) ☐ 501(c) () (insert no.) ☐ 4947(a)(1) or ☐ 527**J** Website: **WWW.JOHNWITHERSPOONCOLLEGE.ORG****K** Form of organization: ☒ Corporation ☐ Trust ☐ Association ☐ Other**L** Year of formation: **2007****M** State of legal domicile: **SD****Part I** Summary

Activities & Governance	1	Briefly describe the organization's mission or most significant activities: THE ORGANIZATION'S PURPOSE IS TO PROVIDE BIBLICAL THEOLOGICAL AND PRACTICAL TRAINING FOR LAY AND		
	2	Check this box ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets		
	3	Number of voting members of the governing body (Part VI, line 1a)	3	
	4	Number of independent voting members of the governing body (Part VI, line 1b)	7	
	5	Total number of individuals employed in calendar year 2013 (Part V, line 2a)	8	
	6	Total number of volunteers (estimate if necessary)	0	
	7a	Total unrelated business revenue from Part VIII, column (C), line 12	0.	
7b	Net unrelated business taxable income from Form 990-T, line 34	0.		
Revenue	8	Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9	Program service revenue (Part VIII, line 2g)	214,905.	150,485.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	28,689.	127,519.
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 12)	152.	-4,962.
	12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	11,350.	32,665.
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	255,096.	305,707.
	14	Benefits paid to or for members (Part IX, column (A), line 4)	0.	0.
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	0.	0.
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	99,221.	154,132.
	16b	Total fundraising expenses (Part IX, column (D), line 25)	0.	0.
	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	60,540.	144,364.
	18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	159,761.	298,496.
	19	Revenue less expenses. Subtract line 18 from line 12	95,335.	7,211.
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	Beginning of Current Year	End of Year
	21	Total liabilities (Part X, line 26)	342,383.	333,105.
	22	Net assets or fund balances. Subtract line 21 from line 20	93,386.	70,809.
			248,997.	262,296.

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer	Date			
	LANNY L. EVANS, CHAIRMAN	11/17/2014			
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check if self-employed	PTIN
	KEVIN R. EGGBRAATEN, CPA	[Signature]	11/14/14	☐	P00044268
	Firm's name	Firm's EIN			
	CASEY PETERSON & ASSOC	46-0403496			
	Firm's address	Phone no. (605) 348-1930			
	909 ST JOSEPH ST SUITE 101 RAPID CITY, SD 57701				

May the IRS discuss this return with the preparer shown above? (see instructions)

☒ Yes ☐ No

332001 10-29-13

LHA For Paperwork Reduction Act Notice, see the separate instructions.

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SEE SCHEDULE O FOR ORGANIZATION MISSION STATEMENT CONTINUATION

SCANNED DEC 18 2014

917-20 0

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Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III ☐

1 Briefly describe the organization's mission:

THE ORGANIZATION'S PURPOSE IS TO PROVIDE BIBLICAL THEOLOGICAL AND PRACTICAL TRAINING FOR LAY AND BI-VOCATIONAL CHRISTIAN LEADERS THROUGH FORMAL COURSES IN A CLASSROOM SETTING.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No

If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code) (Expenses \$ **268,642.** including grants of \$) (Revenue \$ **127,519.**)
PROVIDE BIBLICAL THEOLOGICAL AND PRACTICAL TRAINING FOR LAY AND BI-VOCATIONAL CHRISTIAN LEADERS THROUGH FORMAL COURSES IN A CLASSROOM SETTING.

4b (Code) (Expenses \$ including grants of \$) (Revenue \$)

4c (Code) (Expenses \$ including grants of \$) (Revenue \$)

4d Other program services (Describe in Schedule O.)

(Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses **268,642.**

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	X	
2 Is the organization required to complete Schedule B, Schedule of Contributors?	X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>		X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>		X
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i>		X
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>		X
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>		X
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>		X
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i>	X	
b Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i>		X
c Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i>		X
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i>		X
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>	X	
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i>	X	
12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i>	X	
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i>		X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>	X	
14a Did the organization maintain an office, employees, or agents outside of the United States?		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i>		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? <i>If "Yes," complete Schedule F, Parts II and IV</i>		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? <i>If "Yes," complete Schedule F, Parts III and IV</i>		X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i>		X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>		X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>		X
20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>		X
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?		

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Part IV Checklist of Required Schedules (continued)

	Yes	No
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>		X
22 Did the organization report more than \$5,000 of grants or other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>		X
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>		X
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i>		X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>		X
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>		X
26 Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? <i>If so, complete Schedule L, Part II</i>		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>		X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		X
b A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		X
c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>		X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>		X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>		X
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>		X
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?		X
b If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>		
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>		X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19?	X	

Note. All Form 990 filers are required to complete Schedule O

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Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V ☐

		Yes	No
1a Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a 2		
b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b 0		
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	X	
2a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a 8		
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	2b	X	
3a Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a		X
b If "Yes," has it filed a Form 990-T for this year? If "No," to line 3b, provide an explanation in Schedule O	3b		
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a		X
b If "Yes," enter the name of the foreign country: <u>See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.</u>			
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a		X
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		X
c If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	5c		
6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	6a		X
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b		
7 Organizations that may receive deductible contributions under section 170(c).			
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a		X
b If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b		
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c		X
d If "Yes," indicate the number of Forms 8282 filed during the year	7d		
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e		X
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f		X
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g		
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h		
8 Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8		
9 Sponsoring organizations maintaining donor advised funds.			
a Did the organization make any taxable distributions under section 4966?	9a		
b Did the organization make a distribution to a donor, donor advisor, or related person?	9b		
10 Section 501(c)(7) organizations. Enter:			
a Initiation fees and capital contributions included on Part VIII, line 12	10a		
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b		
11 Section 501(c)(12) organizations. Enter:			
a Gross income from members or shareholders	11a		
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b		
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a		
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b		
13 Section 501(c)(29) qualified nonprofit health insurance issuers.			
a Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O.	13a		
b Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b		
c Enter the amount of reserves on hand	13c		
14a Did the organization receive any payments for indoor tanning services during the tax year?	14a		X
b If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	14b		

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Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response or note to any line in this Part VI

☒ **X**

Section A. Governing Body and Management

	Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.	7	
1b Enter the number of voting members included in line 1a, above, who are independent	7	
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2	X
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?	3	X
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4	X
5 Did the organization become aware during the year of a significant diversion of the organization's assets?	5	X
6 Did the organization have members or stockholders?	6	X
7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a	X
b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b	X
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a The governing body?	8a	X
b Each committee with authority to act on behalf of the governing body?	8b	X
9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9	X

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code)

	Yes	No
10a Did the organization have local chapters, branches, or affiliates?	10a	X
b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b	
11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	X
b Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
12a Did the organization have a written conflict of interest policy? If "No," go to line 13	12a	X
b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	
c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	12c	
13 Did the organization have a written whistleblower policy?	13	X
14 Did the organization have a written document retention and destruction policy?	14	X
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a The organization's CEO, Executive Director, or top management official	15a	X
b Other officers or key employees of the organization	15b	X
If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).		
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	X
b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b	

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed **SD**

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
☐ Own website ☐ Another's website ☒ Upon request ☐ Other (explain in Schedule O)

19 Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: **LANNY L. EVANS - 605-341-2468**
13075 MISSION HILLS LOOP, RAPID CITY, SD 57702

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response or note to any line in this Part VII

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees, officers; key employees; highest compensated employees; and former such persons.

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

[illegible]

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Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
1b Sub-total								0.	0.	10,858.
c Total from continuation sheets to Part VII, Section A								0.	0.	0.
d Total (add lines 1b and 1c)								0.	0.	10,858.

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization 0

	Yes	No
3 Did the organization list any former officer, director, or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>		X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>		X
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
NONE		

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization 0

**JOHN WITHERSPOON COLLEGE
DBA BLACK HILLS BIBLICAL INSTITUTE**

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Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII ☐

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
Contributions, Gifts, Grants and Other Similar Amounts	1 a Federated campaigns	1a				
	b Membership dues	1b				
	c Fundraising events	1c				
	d Related organizations	1d				
	e Government grants (contributions)	1e				
	f All other contributions, gifts, grants, and similar amounts not included above	1f	150,485.			
	g Noncash contributions included in lines 1a-1f \$					
	h Total. Add lines 1a-1f		150,485.			
Program Service Revenue	2 a <u>SPECIAL EVENTS</u>	Business Code 900099	89,430.	89,430.		
	b <u>STUDENT TUITION AND FE</u>	900099	38,089.	38,089.		
	c					
	d					
	e					
	f All other program service revenue					
	g Total. Add lines 2a-2f		127,519.			
	Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)		39.		
4 Income from investment of tax-exempt bond proceeds						
5 Royalties						
6 a Gross rents		(i) Real 13,025.	(ii) Personal			
b Less: rental expenses		0.				
c Rental income or (loss)		13,025.				
d Net rental income or (loss)				13,025.		13,025.
7 a Gross amount from sales of assets other than inventory		(i) Securities	(ii) Other			
b Less: cost or other basis and sales expenses			5,001.			
c Gain or (loss)			-5,001.			
d Net gain or (loss)				-5,001.		-5,001.
8 a Gross income from fundraising events (not including \$ of contributions reported on line 1c). See Part IV, line 18		a				
b Less: direct expenses		b				
c Net income or (loss) from fundraising events						
9 a Gross income from gaming activities. See Part IV, line 19		a				
b Less: direct expenses		b				
c Net income or (loss) from gaming activities						
10 a Gross sales of inventory, less returns and allowances		a				
b Less: cost of goods sold	b					
c Net income or (loss) from sales of inventory						
Miscellaneous Revenue			Business Code			
11 a <u>INSURANCE SETTLEMENT</u>	900099	19,640.			19,640.	
b						
c						
d All other revenue						
e Total. Add lines 11a-11d		19,640.				
12 Total revenue. See instructions.		305,707.	127,519.	0.	27,703.	

**JOHN WITHERSPOON COLLEGE
DBA BLACK HILLS BIBLICAL INSTITUTE**

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Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX ☐

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21				
2 Grants and other assistance to individuals in the United States. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	10,858.	9,772.	1,086.	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	129,386.	116,447.	12,939.	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)				
9 Other employee benefits	5,000.	4,500.	500.	
10 Payroll taxes	8,888.	7,999.	889.	
11 Fees for services (non-employees):				
a Management				
b Legal				
c Accounting	14,018.	12,616.	1,402.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O.)				
12 Advertising and promotion	12,268.	11,041.	1,227.	
13 Office expenses	4,409.	3,968.	441.	
14 Information technology	4,889.	4,400.	489.	
15 Royalties				
16 Occupancy	15,217.	13,695.	1,522.	
17 Travel				
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest	4,004.	3,604.	400.	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	7,979.	7,181.	798.	
23 Insurance				
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a SPECIAL EVENTS	72,801.	65,521.	7,280.	
b ACCREDITATION	6,606.	5,941.	665.	
c FACULTY DEVELOPMENT	1,827.	1,645.	182.	
d PENALTIES	346.	312.	34.	
e All other expenses				
25 Total functional expenses. Add lines 1 through 24e	298,496.	268,642.	29,854.	0.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.				

Check here ☐ if following SOP 98-2 (ASC 958-720)

**JOHN WITHERSPOON COLLEGE
DBA BLACK HILLS BIBLICAL INSTITUTE**

Form 990 (2013)

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Part X Balance Sheet

Check if Schedule O contains a response or note to any line in this Part X ☐

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	92,497.	1	68,596.
	2 Savings and temporary cash investments		2	
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net		4	
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instr). Complete Part II of Sch L		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges		9	
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	276,516.		
	b Less: accumulated depreciation	12,007.		
		249,886.	10c	264,509.
	11 Investments - publicly traded securities		11	
	12 Investments - other securities. See Part IV, line 11		12	
	13 Investments - program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
15 Other assets. See Part IV, line 11		15		
16 Total assets. Add lines 1 through 15 (must equal line 34)	342,383.	16	333,105.	
Liabilities	17 Accounts payable and accrued expenses		17	
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties	91,300.	23	68,897.
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	2,086.	25	1,912.
	26 Total liabilities. Add lines 17 through 25	93,386.	26	70,809.
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here ☐ and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets		27	
	28 Temporarily restricted net assets		28	
	29 Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117 (ASC 958), check here ☒ and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds	0.	30	0.
	31 Paid-in or capital surplus, or land, building, or equipment fund	0.	31	0.
	32 Retained earnings, endowment, accumulated income, or other funds	248,997.	32	262,296.
	33 Total net assets or fund balances	248,997.	33	262,296.
34 Total liabilities and net assets/fund balances	342,383.	34	333,105.	

Form **990** (2013)

**JOHN WITHERSPOON COLLEGE
DBA BLACK HILLS BIBLICAL INSTITUTE**

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Part XI Reconciliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI ☒

1	Total revenue (must equal Part VIII, column (A), line 12)	1	305,707.
2	Total expenses (must equal Part IX, column (A), line 25)	2	298,496.
3	Revenue less expenses. Subtract line 2 from line 1	3	7,211.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	248,997.
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	6,088.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	262,296.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII ☒

		Yes	No
1	Accounting method used to prepare the Form 990: ☒ Cash ☐ Accrual ☐ Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: ☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis		X
2b	Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: ☒ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis	X	
2c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.	X	
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		X
3b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits		

Form **990** (2013)

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support
Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.
▶ Attach to Form 990 or Form 990-EZ.

▶ Information about Schedule A (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2013

Open to Public
Inspection

Name of the organization **JOHN WITHERSPOON COLLEGE**
DBA BLACK HILLS BIBLICAL INSTITUTE Employer identification number
20-5892134

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

- 1 ☐ A church, convention of churches, or association of churches described in section 170(b)(1)(A)(i).
- 2 ☒ A school described in section 170(b)(1)(A)(ii). (Attach Schedule E.)
- 3 ☐ A hospital or a cooperative hospital service organization described in section 170(b)(1)(A)(iii).
- 4 ☐ A medical research organization operated in conjunction with a hospital described in section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state: _____
- 5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in section 170(b)(1)(A)(iv). (Complete Part II.)
- 6 ☐ A federal, state, or local government or governmental unit described in section 170(b)(1)(A)(v).
- 7 ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in section 170(b)(1)(A)(vi). (Complete Part II.)
- 8 ☐ A community trust described in section 170(b)(1)(A)(vi). (Complete Part II.)
- 9 ☐ An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See section 509(a)(2). (Complete Part III.)
- 10 ☐ An organization organized and operated exclusively to test for public safety. See section 509(a)(4).
- 11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See section 509(a)(3). Check the box that describes the type of supporting organization and complete lines 11e through 11h
- a ☐ Type I b ☐ Type II c ☐ Type III - Functionally integrated d ☐ Type III - Non-functionally integrated
- e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
- f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box ☐
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?
- (i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?
- (ii) A family member of a person described in (i) above?
- (iii) A 35% controlled entity of a person described in (i) or (ii) above?
- h Provide the following information about the supported organization(s).

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col. (i) listed in your governing document?		(v) Did you notify the organization in col. (i) of your support?		(vi) Is the organization in col. (i) organized in the U.S.?		(vii) Amount of monetary support
			Yes	No	Yes	No	Yes	No	
Total									

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule A (Form 990 or 990-EZ) 2013

JOHN WITHERSPOON COLLEGE

Schedule A (Form 990 or 990-EZ) 2013 DBA BLACK HILLS BIBLICAL INSTITUTE

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Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	6,228.	69,945.	117,365.	243,594.		437,132.
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf	3,463.	1,980.	1,680.			7,123.
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3	9,691.	71,925.	119,045.	243,594.		444,255.
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4						444,255.

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
7 Amounts from line 4	9,691.	71,925.	119,045.	243,594.		444,255.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources			151.	152.		303.
9 Net income from unrelated business activities, whether or not the business is regularly carried on				11,350.		11,350.
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
11 Total support. Add lines 7 through 10						455,908.
12 Gross receipts from related activities, etc. (see instructions)					12	
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ► ☐						

Section C. Computation of Public Support Percentage

14 Public support percentage for 2013 (line 6, column (f) divided by line 11, column (f))	14	97.44	%
15 Public support percentage from 2012 Schedule A, Part II, line 14	15		%
16a 33 1/3% support test - 2013. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ► ☒			
b 33 1/3% support test - 2012. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ► ☐			
17a 10% -facts-and-circumstances test - 2013. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ► ☐			
b 10% -facts-and-circumstances test - 2012. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ► ☐			
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ► ☐			

Schedule A (Form 990 or 990-EZ) 2013

JOHN WITHERSPOON COLLEGE

Schedule A (Form 990 or 990-EZ) 2013 DBA BLACK HILLS BIBLICAL INSTITUTE

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Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support (Subtract line 7c from line 6)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support. (Add lines 9, 10c, 11, and 12)						
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ☐						

Section C. Computation of Public Support Percentage

15 Public support percentage for 2013 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2012 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2013 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2012 Schedule A, Part III, line 17	18	%

19a **33 1/3% support tests - 2013.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization ☐

b **33 1/3% support tests - 2012.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization ☐

20 **Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ☐

Also complete this part for any additional information. (See instructions).

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

SCHEDULE D
(Form 990)Department of the Treasury
Internal Revenue Service**Supplemental Financial Statements**▶ **Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.**
▶ **Attach to Form 990.**▶ **Information about Schedule D (Form 990) and its instructions is at www.irs.gov/form990.**

OMB No 1545-0047

2013Open to Public
InspectionName of the organization **JOHN WITHERSPOON COLLEGE
DBA BLACK HILLS BIBLICAL INSTITUTE**Employer identification number
20-5892134**Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.** Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?		☐ Yes ☐ No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?		☐ Yes ☐ No

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).

☐ Preservation of land for public use (e.g., recreation or education)	☐ Preservation of an historically important land area
☐ Protection of natural habitat	☐ Preservation of a certified historic structure
☐ Preservation of open space	

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ _____

4 Number of states where property subject to conservation easement is located ▶ _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶ _____

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ \$ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenues included in Form 990, Part VIII, line 1 ▶ \$ _____

(ii) Assets included in Form 990, Part X ▶ \$ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:

a Revenues included in Form 990, Part VIII, line 1 ▶ \$ _____

b Assets included in Form 990, Part X ▶ \$ _____

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items

(check all that apply):

a ☐ Public exhibitiond ☐ Loan or exchange programsb ☐ Scholarly researche ☐ Other _____c ☐ Preservation for future generations

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets

to be sold to raise funds rather than to be maintained as part of the organization's collection?

☐ Yes☐ No**Part IV Escrow and Custodial Arrangements.** Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?

☐ Yes☐ No

b If "Yes," explain the arrangement in Part XIII and complete the following table:

	Amount
1c	
1d	
1e	
1f	

c Beginning balance

d Additions during the year

e Distributions during the year

f Ending balance

2a Did the organization include an amount on Form 990, Part X, line 21?

☐ Yes☐ Nob If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII ☐**Part V Endowment Funds.** Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

a Board designated or quasi-endowment ▶ _____ %

b Permanent endowment ▶ _____ %

c Temporarily restricted endowment ▶ _____ %

The percentages in lines 2a, 2b, and 2c should equal 100%.

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

(i) unrelated organizations

(ii) related organizations

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

4 Describe in Part XIII the intended uses of the organization's endowment funds.

	Yes	No
3a(i)		
3a(ii)		
3b		

Part VI Land, Buildings, and Equipment.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		40,000.		40,000.
b Buildings		231,895.	10,000.	221,895.
c Leasehold improvements				
d Equipment				
e Other		4,621.	2,007.	2,614.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				264,509.

Part VII Investments - Other Securities.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		

Total. (Col. (b) must equal Form 990, Part X, col. (B) line 12.) ▶

Part VIII Investments - Program Related.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		

Total. (Col. (b) must equal Form 990, Part X, col. (B) line 13.) ▶

Part IX Other Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	

Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶

Part X Other Liabilities.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) PAYROLL TAX LIABILITIES	1,912.
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	1,912.

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII ☒

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.

Complete if the organization answered "Yes" to Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements		1	0.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:			
a	Net unrealized gains on investments	2a		
b	Donated services and use of facilities	2b		
c	Recoveries of prior year grants	2c		
d	Other (Describe in Part XIII.)	2d		
e	Add lines 2a through 2d		2e	0.
3	Subtract line 2e from line 1		3	0.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:			
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a		
b	Other (Describe in Part XIII.)	4b		
c	Add lines 4a and 4b		4c	0.
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)		5	0.

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.

Complete if the organization answered "Yes" to Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements.		1	0.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:			
a	Donated services and use of facilities	2a		
b	Prior year adjustments	2b		
c	Other losses	2c		
d	Other (Describe in Part XIII.)	2d		
e	Add lines 2a through 2d		2e	0.
3	Subtract line 2e from line 1		3	0.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:			
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a		
b	Other (Describe in Part XIII.)	4b		
c	Add lines 4a and 4b		4c	0.
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)		5	0.

Part XIII Supplemental Information.

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b, and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

PART X, LINE 2:

EXPLANATION: AS OF DECEMBER 31, 2013, THE ORGANIZATION HAD NO UNCERTAIN TAX POSITIONS THAT QUALIFY FOR EITHER RECOGNITION OR DISCLOSURE IN THE FINANCIAL STATEMENTS.

SCHEDULE D, PART XI AND PART XII

EXPLANATION: THE ORGANIZATION OBTAINED A COMPILATION FOR FISCAL YEAR ENDED JULY 31, 2013 AND AN AUDIT FOR FISCAL YEAR ENDED JULY 31, 2014. THE TAX FORM 990 IS CURRENTLY BEING PREPARED ON A CALENDAR YEAR BASIS. THE DIFFERENCE IN TAX YEARS MAKES THE RECONCILIATION OF REVENUES AND EXPENSES UNFEASIBLE. THE ORGANIZATION WILL SUBMIT A SHORT YEAR FORM 990 FOR THE PERIOD JANUARY 1, 2014 THROUGH JULY 31, 2014. SUBSEQUENT FORM 990'S FILED

BY THE ORGANIZATION WILL HAVE A FISCAL YEAR AUGUST 1 THROUGH JULY 31.

PLEASE SEE THE ATTACHED AUDITED FINANCIAL STATEMENTS.

SCHEDULE E
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Schools

► **Complete if the organization answered "Yes" to Form 990, Part IV, line 13,
or Form 990-EZ, Part VI, line 48.**

► **Attach to Form 990 or Form 990-EZ.**

OMB No 1545-0047

2013

**Open to Public
Inspection**

► **Information about Schedule E (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.**

Name of the organization **JOHN WITHERSPOON COLLEGE
DBA BLACK HILLS BIBLICAL INSTITUTE**

Employer identification number
20-5892134

Part I

	YES	NO
1 Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?	X	
2 Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?	X	
3 Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe. If "No," please explain. If you need more space, use Part II <u>WHILE THE NON-DISCRIMINATION POLICY INFORMATION IS NOT IN OUR</u> <u>MEDIA OR ADVERTISING, IT IS AVAILABLE IN THE ORGANIZATION'S</u> <u>POLICY MANUAL, THE STUDENT HANDBOOK AND THE FACULTY HANDBOOK.</u>		X
4 Does the organization maintain the following?		
a Records indicating the racial composition of the student body, faculty, and administrative staff?	X	
b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	X	
c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	X	
d Copies of all material used by the organization or on its behalf to solicit contributions? If you answered "No" to any of the above, please explain. If you need more space, use Part II.	X	
5 Does the organization discriminate by race in any way with respect to:		
a Students' rights or privileges?		X
b Admissions policies?		X
c Employment of faculty or administrative staff?		X
d Scholarships or other financial assistance?		X
e Educational policies?		X
f Use of facilities?		X
g Athletic programs?		X
h Other extracurricular activities? If you answered "Yes" to any of the above, please explain. If you need more space, use Part II.		X
6a Does the organization receive any financial aid or assistance from a governmental agency?		X
6b Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either line 6a or line 6b, explain on Part II.		X
7 Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," explain on Part II	X	

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or Form 990-EZ.

Schedule E (Form 990 or 990-EZ) (2013)

Pàrt II

Supplemental Information. Provide the explanations required by Part I, lines 3, 4d, 5h, 6b, and 7, as applicable. Also complete this part to provide any other additional information.

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990

OMB No 1545-0047

2013

Open to Public
Inspection

Name of the organization

JOHN WITHERSPOON COLLEGE
DBA BLACK HILLS BIBLICAL INSTITUTE

Employer identification number
20-5892134

FORM 990, PART I, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

BI-VOCATIONAL CHRISTIAN LEADERS THROUGH FORMAL COURSES IN A CLASSROOM
SETTING.

FORM 990, PART VI, SECTION B, LINE 11:

EXPLANATION: BOARD MEMBERS ARE GIVEN A COPY OF THIS FORM 990. EACH MEMBER
REVIEWS THE FORM AND HAS THE OPPORTUNITY TO RAISE QUESTIONS BEFORE THE FORM
IS FILED.

FORM 990, PART VI, SECTION C, LINE 19:

EXPLANATION: THE ORGANIZATION MAKES ITS GOVERNING DOCUMENTS, CONFLICT OF
INTEREST POLICY AND FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC UPON
REQUEST.

FORM 990, PART XI, LINE 9, CHANGES IN NET ASSETS:

BOOK TO TAX DEPRECIATION ADJUSTMENT	1,087.
ADJUSTMENT TO BOOKS FOR SALE OF ASSETS NOT ON BOOKS	5,001.
TOTAL TO FORM 990, PART XI, LINE 9	6,088.

FORM 990, PART XII, LINE 2C:

EXPLANATION: THE AUDIT COMMITTEE REVIEWS BIDS AND SELECTS PROVIDERS FOR
THE ACCOUNTING AND AUDIT PROCESS. THIS PROCESS HAS NOT CHANGED FROM THE
PRIOR YEAR.

Depreciation and Amortization 990
(Including Information on Listed Property)

▶ See separate instructions.

▶ Attach to your tax return.

2013Attachment
Sequence No 179

Name(s) shown on return

Business or activity to which this form relates

Identifying number

JOHN WITHERSPOON COLLEGE
DBA BLACK HILLS BIBLICAL INSTITUTE

FORM 990 PAGE 10

20-5892134

Part I Election To Expense Certain Property Under Section 179 Note: If you have any listed property, complete Part V before you complete Part I

1	Maximum amount (see instructions)	1	500,000.
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation	3	2,000,000.
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2012 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2014. Add lines 9 and 10, less line 12	13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)**Section A**

17	MACRS deductions for assets placed in service in tax years beginning before 2013	17	6,885.
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here		

Section B - Assets Placed in Service During 2013 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property		1,195.	5 YRS.	HY	200DB	239.
c 7-year property		3,426.	7 YRS.	HY	200DB	490.
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property	07 /13	21,895.	27.5 yrs.	MM	S/L	365.
	/		27.5 yrs.	MM	S/L	
i Nonresidential real property	/		39 yrs.	MM	S/L	
	/			MM	S/L	

Section C - Assets Placed in Service During 2013 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 40-year	/		40 yrs.	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instr.	22	7,979.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

**JOHN WITHERSPOON COLLEGE
DBA BLACK HILLS BIBLICAL INSTITUTE**

Form 4562 (2013)

20-5892134 Page 2

Part V Listed Property (Include automobiles, certain other vehicles, certain computers, and property used for entertainment, recreation, or amusement.)
Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A - Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed? ☐ Yes ☐ No		24b If "Yes," is the evidence written? ☐ Yes ☐ No						
(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use							25	
26 Property used more than 50% in a qualified business use:								
		%						
		%						
		%						
27 Property used 50% or less in a qualified business use:								
		%				S/L -		
		%				S/L -		
		%				S/L -		
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1							28	
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1								29

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle		(b) Vehicle		(c) Vehicle		(d) Vehicle		(e) Vehicle		(f) Vehicle	
30 Total business/investment miles driven during the year (do not include commuting miles)												
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year. Add lines 30 through 32												
34 Was the vehicle available for personal use during off-duty hours?	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons.

37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?	Yes	No
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use?		

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles.

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2013 tax year:					
43 Amortization of costs that began before your 2013 tax year					43
44 Total. Add amounts in column (f). See the instructions for where to report					44



September 25, 2014

To the Board of Directors
John Witherspoon College
Rapid City, SD

In planning and performing our audit of the financial statements of John Witherspoon College (the College) as of and for the year ended July 31, 2014, in accordance with auditing standards generally accepted in the United States of America, we considered John Witherspoon College's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control. Accordingly, we do not express an opinion on the effectiveness of the College's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be significant deficiencies.

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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

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. We consider the following deficiencies in John Witherspoon College's internal control to be significant deficiencies:

Segregation of Duties

The limited number of office personnel prevents proper segregation of accounting functions necessary to assure adequate internal control. This is not unusual in an organization of your size, but management should be aware of this condition and realize the concentration of duties and responsibilities in a limited number of individuals is not a desirable internal control structure. This risk has been mitigated to a certain extent through the involvement of the board chair opening bank statements and reviewing transactions and by including supporting documentation with checks before being signed. We recommend that the internal controls be reviewed and monitored regularly.

Special Events

It was noted during our review of the cash receipting process that during special events held by the college that one individual is tasked with collecting the money, preparing the deposit and recording the deposit in the accounting records. We recommend that controls over the cash receipting at special events be reviewed and that if possible another individual be involved with the process to improve the internal controls over this area.

Donated Securities

During the current year the College received two stock donations of 1,000 shares each. Stock donations should be recorded at their fair value when received. The statement from the investment broker recorded the stock at the price that day when the stock was received. The College recorded the stock according to the price at the end of the month. The amount was not material to the financial statements; however, donations should be recorded at the fair value on the date of receipt to ensure the correct basis is recorded in the financial statements.

Accrual Basis of Accounting

Although the year-end audited financial statements are prepared on an accrual basis, the College maintains its books on a cash basis. We realize the cash basis method of accounting is easy to administer and understand. However, recording transactions on an accrual basis is in accordance with generally accepted accounting principles, and provides more meaningful financial information. More specifically, accrual basis accounting should be implemented for revenue recognition procedures. Currently, revenue is only recorded when cash is received. We recommend that all revenue be recorded based on the amount of students attending and the applicable tuition rates along with a corresponding account receivable, and as payments are received they are applied to that student's account. This will provide proper revenue recognition in accordance with generally accepted accounting principles and allow for a more accurate way of tracking the accounts receivable for each student. This will also become more important as the college grows and more students are attending.

Payroll Approval Process

Our audit testing disclosed that there is no established procedure for prior review and approval of payroll before employees are paid. We suggest that a review and approval process should be implemented to provide for better controls surrounding payroll.

Payroll

Various deficiencies were identified concerning the controls and procedures surrounding the payroll documentation procedures for employees. Employee contracts should be completed and up-to-date with current information including the employee's pay rate. Also, I-9s for employees should be filled out accurately and included in the employee's file. We suggest controls be implemented, such as a checklist, to ensure that employee's documentation files are complete with all necessary documents and information.

Health Insurance Reimbursements

According to IRS Notice 2013-54, reimbursements to employees for health insurance costs of individual policies are no longer allowed as a nontaxable transaction. The reimbursement must be included in the employee's wages or the entity could be subject to fines and penalties of \$100 per day, per employee. We recommend that all non-group health insurance reimbursements be added to the employee's wages.

In-kind Donations

Accounting principles require that any donated services that would be considered a professional service be recognized as an in-kind donation with a corresponding expense. We proposed and management accepted an adjusting journal entry to record in-kind donations. We recommend that a list of donated services be maintained throughout the year and as part of the year-end closing process that list be reviewed for any donated services that should be recorded.

This communication is intended solely for the information and use of management and the governing board of John Witherspoon College, and others within the College, and is not intended to be and should not be used by anyone other than these specified parties.

Fred A. Lockwood & Co. P.C.



September 25, 2014

To the Board of Directors
John Witherspoon College

We have audited the financial statements of John Witherspoon College (the College) for the year ended July 31, 2014 and have issued our report thereon dated September 25, 2014. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated July 23, 2014. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by John Witherspoon College are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year. We noted no transactions entered into by the College during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

Management's estimate of the allowance for uncollectible pledges is based on historical collection rates and an analysis of collectability of individual promises. We evaluated the key factors and assumptions used to develop the allowance in determining that it is reasonable in relation to the financial statements taken as a whole.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management.

The attached adjusting journal entries report reflects adjustments made to account balances as a result of audit procedures. Management has reviewed and agreed with the entries and the adjustments have been recorded in the accounting records of the College.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated September 25, 2014.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the College's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

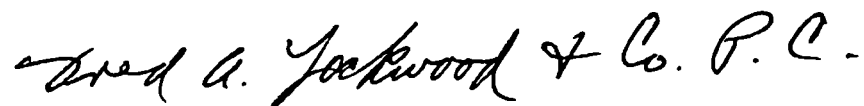
We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the College's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content and methods of preparing the information to determine that the information complies with U.S. generally accepted accounting principles, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of the Board of Directors and management of John Witherspoon College and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,

A handwritten signature in cursive script that reads "Fred A. Lockwood & Co. P.C.".

Fred A. Lockwood and Co., PC

JOHN WITHERSPOON COLLEGE
Rapid City, South Dakota

Net Effect of Adjusting Journal Entries

For the Year Ended July 31, 2014

Adjusting Journal Entries, in Journal Entry Order

YTD Net Income (Loss) Before Adjustments	2,990.86
AJE #1 To record pledge receivable discount	1,262.31
AJE #2 To record in-kind donation	(94,000.00)
AJE #2 To record in-kind donation	94,000.00
Total Adjustments	1,262.31
YTD Net Income (Loss) After Adjustments	4,253.17

JOHN WITHERSPOON COLLEGE
Rapid City, South Dakota

FINANCIAL STATEMENTS
and
INDEPENDENT AUDITORS' REPORT

For the Years Ended July 31, 2014 and 2013

JOHN WITHERSPOON COLLEGE
Rapid City, South Dakota

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
John Witherspoon College
Rapid City, South Dakota

We have audited the accompanying financial statements of John Witherspoon College (a nonprofit organization) which comprise the statements of financial position as of July 31, 2014 and 2013, and the related statements of activities, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

To the Board of Directors of
John Witherspoon College
Page -2-

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of John Witherspoon College as of July 31, 2014 and 2013, 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.

Dred A. Jackwood & Co. P.C.

Chadron, Nebraska
September 25, 2014

JOHN WITHERSPOON COLLEGE
Rapid City, South Dakota

STATEMENTS OF FINANCIAL POSITION

July 31, 2014 and 2013

Assets	<u>2014</u>	<u>2013</u>
Current assets		
Cash	\$ 20,744	\$ 53,820
Investments	52,710	-
Contributions receivable - promises to give	46,050	100,878
Prepaid expenses	<u>4,171</u>	<u>-</u>
Total current assets	\$ <u>123,675</u>	\$ <u>154,698</u>
Property, plant and equipment		
Land	\$ 40,000	\$ 40,000
Buildings and improvements	259,640	231,895
Furniture and fixtures	<u>2,055</u>	<u>2,055</u>
Total property, plant and equipment	\$ 301,695	\$ 273,950
Less accumulated depreciation	<u>19,521</u>	<u>12,007</u>
Total property, plant and equipment net of accumulated depreciation	\$ <u>282,174</u>	\$ <u>261,943</u>
Total assets	\$ <u><u>405,849</u></u>	\$ <u><u>416,641</u></u>

See accompanying independent auditors' report
and notes to the financial statements.

JOHN WITHERSPOON COLLEGE
Rapid City, South Dakota

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

July 31, 2014 and 2013

Liabilities and Net Assets	<u>2014</u>	<u>2013</u>
Current liabilities		
Accounts payable	\$ 2,002	\$ 6,002
Deferred revenue	1,395	-
Note payable	<u>62,612</u>	<u>75,052</u>
Total current liabilities	\$ <u>66,009</u>	\$ <u>81,054</u>
Net assets		
Unrestricted	\$ 336,940	\$ 325,762
Temporarily restricted	<u>2,900</u>	<u>9,825</u>
Total net assets	\$ <u>339,840</u>	\$ <u>335,587</u>
Total liabilities and net assets	\$ <u><u>405,849</u></u>	\$ <u><u>416,641</u></u>

See accompanying independent auditors' report
and notes to the financial statements.

JOHN WITHERSPOON COLLEGE
Rapid City, South Dakota

STATEMENTS OF ACTIVITIES

For the Years Ended July 31, 2014 and 2013

Unrestricted Net Assets	<u>2014</u>	<u>2013</u>
Student revenues		
Tuition and fees	\$ 29,663	\$ 52,603
Less student aid	<u>(1,000)</u>	<u>(5,885)</u>
Total student revenues	\$ <u>28,663</u>	\$ <u>46,718</u>
Other operating revenues		
Private contributions	\$ 177,782	\$ 223,849
In-kind contributions	94,000	94,000
Fund-raising events	74,386	32,900
Miscellaneous income	37,843	14,049
Assets released from restrictions	<u>9,825</u>	<u>26,367</u>
Total other operating revenues	\$ <u>393,836</u>	\$ <u>391,165</u>
Total unrestricted student and other operating revenues	\$ <u>422,499</u>	\$ <u>437,883</u>
Expenses		
Instruction	\$ 76,536	\$ 74,225
Library and academic support	66,744	43,580
Management and general	185,997	\$ 174,849
Fund-raising	<u>76,506</u>	<u>23,741</u>
Total expenses	\$ <u>405,783</u>	\$ <u>316,395</u>

See accompanying independent auditors' report
and notes to the financial statements.

JOHN WITHERSPOON COLLEGE
Rapid City, South Dakota

STATEMENTS OF ACTIVITIES (CONTINUED)

For the Years Ended July 31, 2014 and 2013

Unrestricted Net Assets (Continued)	<u>2014</u>	<u>2013</u>
Nonoperating income (expense)		
Interest and dividends	\$ 18	\$ 76
Realized gain (loss) on investments	(616)	-
Unrealized gain (loss) on investments	<u>(4,940)</u>	<u>-</u>
Total nonoperating income (expense)	\$ <u>(5,538)</u>	\$ <u>76</u>
Increase (decrease) in unrestricted net assets	\$ <u>11,178</u>	\$ <u>121,564</u>
Temporarily restricted net assets		
Contributions	\$ 2,900	\$ 13,250
Assets released from restrictions	<u>(9,825)</u>	<u>(26,367)</u>
Increase (decrease) in temporarily restricted net assets	\$ <u>(6,925)</u>	\$ <u>(13,117)</u>
Increase (decrease) in net assets	\$ 4,253	\$ 108,447
Net assets, beginning of year	<u>335,587</u>	<u>227,140</u>
Net assets, end of year	\$ <u><u>339,840</u></u>	\$ <u><u>335,587</u></u>

See accompanying independent auditors' report
and notes to the financial statements.

JOHN WITHERSPOON COLLEGE
Rapid City, South Dakota

STATEMENTS OF CASH FLOWS

For the Years Ended July 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Cash flows from operating activities		
Increase (decrease) in net assets	\$ 4,253	\$ 108,447
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities:		
Depreciation	7,514	6,507
Donated securities	(58,266)	-
Unrealized loss (gain) on investments	4,940	-
Realized loss (gain) on investments	616	-
(Increase) decrease in:		
Contributions receivable - promises to give	54,828	(100,878)
Prepaid expenses	(4,171)	-
Increase (decrease) in:		
Accounts payable	(4,000)	5,390
Deferred revenue	1,395	-
Net cash flows provided by operating activities	<u>\$ 7,109</u>	<u>\$ 19,466</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	\$ (27,745)	\$ (23,950)
Net cash flows provided by (used in) investing activities	<u>\$ (27,745)</u>	<u>\$ (23,950)</u>
Cash flows from financing activities		
Payments on note payable	\$ (12,440)	\$ (102,248)
Proceeds received on note payable	<u>-</u>	<u>80,500</u>
Net cash flows provided by (used in) financing activities	<u>\$ (12,440)</u>	<u>\$ (21,748)</u>
Net increase (decrease) in cash and cash equivalents	\$ (33,076)	\$ (26,232)
Cash and cash equivalents - beginning of year	<u>53,820</u>	<u>80,052</u>
Cash and cash equivalents - end of year	<u><u>\$ 20,744</u></u>	<u><u>\$ 53,820</u></u>
Supplemental Disclosure:		
Cash paid during the year for interest	<u><u>\$ 3,404</u></u>	<u><u>\$ 4,978</u></u>

See accompanying independent auditors' report
and notes to the financial statements.

JOHN WITHERSPOON COLLEGE
Rapid City, South Dakota

NOTES TO THE FINANCIAL STATEMENTS

July 31, 2014 and 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities - John Witherspoon College (the College) is a nonprofit organization incorporated in the State of South Dakota and is a four-year institution providing religious education. The general purpose of the College is to serve churches by providing biblical, theological, and practical ministry training for Christian leaders. The College is a non-profit corporation as described in Section 501 (c) (3) of the Internal Revenue Code and is exempt from federal income taxes. Revenue is received in the form of tuition and fees, and contributions from donors.

Basis of Accounting - The financial statements of the College have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the College and changes therein are classified and reported as follows:

Unrestricted net assets - Net assets that are not subject to donor-imposed stipulations.

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may or will be met either by actions of the College and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

Permanently restricted net assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by the College. Generally, the donors of these assets permit the College to use all or part of the income earned on any related investments for general or specific purposes.

Cash and Cash Equivalents - For the purposes of the Statement of Financial Position and the Statement of Cash Flows, cash and cash equivalents consist of cash and other highly liquid resources, such as investments in certificates of deposit and money market funds, with an original maturity of three months or less when purchased.

Investments - Investments in marketable securities with readily determinable fair values are reported at their fair values based on quoted prices in active markets (all Level 1 measurements) in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

Contributions - Contributions, including unconditional promises to give, are recorded as made. All contributions are available for unrestricted use unless specifically restricted by the donor. Conditional promises to give are recognized when the conditions on which they depend are substantially met. However, if a restriction is fulfilled in the same time period the contribution is received, the College reports the support as unrestricted. Gifts and contributions are recorded at fair value at the time of donation. Unconditional promises to give due in the next year are recorded at their net realizable value. Unconditional promises to give due in subsequent years are reported at the present value of their net realizable value, using risk-free interest rates applicable to the years in which promises are to be received.

Contributed Materials and Services - The College records various types of in-kind contributions. Contributed services are recognized at fair value if the services received (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributions of tangible assets are recognized at fair value when received. The amounts reflected in the accompanying financial statements as in-kind contributions are offset by like amounts included in expenses. Total contributed materials and services recognized for the year ending July 31, 2014 and 2013 was \$94,000 for both years.

See accompanying independent auditors' report.

JOHN WITHERSPOON COLLEGE
Rapid City, South Dakota

NOTES TO THE FINANCIAL STATEMENTS

July 31, 2014 and 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition - Student tuition and fees are recorded as revenues in the year during which the related academic services are rendered. Student tuition and fees received in advance of the services to be rendered are recorded as deferred revenues and are included in liabilities on the statement of financial position. The College reports contributions as support when assets are received or when an unconditional promise to give has been made. Allowances are provided for amounts estimated to be uncollectible, based on a history of past write-offs and collections. Accounts are written off as uncollectible at the time management determines that collection is unlikely.

Property and Equipment - The purchases of property and equipment are recorded at cost. Donations of property and equipment are recorded at their estimated fair value at the date of donation. Such donations are reported as increases in unrestricted net assets unless the donor has restricted the donated assets to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. The Foundation reclassifies temporarily restricted net assets to unrestricted net assets each year for the amount of depreciation expense relating to the donated property and equipment.

Property and equipment are depreciated on a straight-line basis over the estimated useful lives of the assets. When items are disposed of, the cost and accumulated depreciation are eliminated from the records of account, and a gain or loss is reported in the Statement of Activities. Repairs and maintenance charges that do not increase the useful lives of the assets are charged to expense as incurred.

Capitalization thresholds (the dollar value above which individual asset acquisitions are added to the capital asset accounts) and estimated useful lives of capital assets reported in the financial statements are as follows:

	<u>Capitalization Policy</u>	<u>Estimated Useful Life</u>
Land	N/A	N/A
Office equipment	\$1,000	3 - 15 yrs
Building and improvements	\$1,000	39.5 - 50 yrs

Income Tax Status - The College follows the accounting guidance for uncertainty in income taxes using the provisions of Financial Accounting Standards Board (FASB) ASC 740, Income Taxes. Using that guidance, tax positions initially need to be recognized in the financial statements when it is more-likely-than not the positions will be sustained upon examination by the taxing authorities.

The College is exempt from federal income taxes under section 501 (c) (3) of the Internal Revenue Code. The College is not liable for income taxes if it operates within the confines of its exempt status, though the organization may be responsible for taxes on unrelated business activities. In the event of an examination of the income tax returns, the tax liability of the College could be changed if an adjustment in the exempt purpose or income from unrelated business activities is ultimately determined by the taxing authorities.

As of July 31, 2014, the College had no uncertain tax positions that qualify for either recognition or disclosure in the financial statements. The College's income tax filings are subject to audit by various tax authorities. The College is no longer subject to federal and state income tax examinations by taxing authorities for years before 2011. Management continually evaluates expiring statutes of limitations, audits, proposed settlements, changes in tax law and new authoritative rulings. The College believes their estimates are appropriate based on current facts and circumstances. Interest and penalties assessed by income taxing authorities, if any, are included in interest expense.

See accompanying independent auditors' report.

JOHN WITHERSPOON COLLEGE
Rapid City, South Dakota

NOTES TO THE FINANCIAL STATEMENTS

July 31, 2014 and 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Allocation of Certain Expenses - The Statement of Activities presents expenses by functional classification. Depreciation expense, operation and maintenance of plant, and interest expense are allocated based on square footage occupancy of college facilities.

Advertising Costs - The College uses advertising to promote its programs among the audiences it serves. Advertising costs are expensed as incurred and any amount that is paid that will provide a future benefit is recorded as an asset and are amortized over the months when the benefit is received. Advertising expense for the years ended July 31, 2014 and 2013 was \$9,431 and \$4,466 respectively.

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.

NOTE 2 - CONTRIBUTIONS RECEIVABLE

Unconditional promises to give are recorded as receivables and revenue when received. The College distinguishes between contributions received for each net asset category in accordance with donor-imposed restrictions. Pledges are recorded after being discounted to the anticipated net present value of the future cash flows.

Contributions receivable at July 31, 2014 and 2013, were as follows:

	<u>2014</u>	<u>2013</u>
Receivables in Less Than One Year	\$ 46,050	\$ 52,140
Receivables in One to Five Years	<u>-</u>	<u>50,000</u>
Total Contributions Receivable	\$ 46,050	\$ 102,140
Less Unamortized Discounts to Net Present Value	<u>-</u>	<u>(1,262)</u>
Net Contributions Receivable	\$ <u>46,050</u>	\$ <u>100,878</u>

The discount rates used on long-term promises to give were 0% and 2.59% for the years ended July 31, 2014 and 2013, respectively.

NOTE 3 - INVESTMENTS

Investments consist of corporate stock, are stated at fair value based on quoted prices in active markets (all level 1 measurements), and are shown below as of July 31, 2014 and 2013:

	<u>2014</u>	<u>2013</u>
Corporate stock	\$ 57,650	\$ -
Unrealized gain (loss)	<u>(4,940)</u>	<u>-</u>
Investments at fair value	\$ <u>52,710</u>	\$ <u>-</u>

See accompanying independent auditors' report.

JOHN WITHERSPOON COLLEGE
Rapid City, South Dakota

NOTES TO THE FINANCIAL STATEMENTS

July 31, 2014 and 2013

NOTE 3 - INVESTMENTS (CONTINUED)

FASB ASC 820-10, *Fair Value Measurements*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels:

Level I - Quoted prices are available in active markets for identical investments as of the reporting date. The type of investments which would generally be included in Level I include listed equities and listed derivatives.

Level II - Pricing inputs are observable for the investments, either directly or indirectly, as of the reporting date, but are not the same as those used in Level I. Fair value is determined through the use of models or other valuation methodologies. Investments which are generally included in the category include corporate bonds and loans, less liquid and restricted equity securities and mutual funds.

Level III - Pricing inputs are unobservable for the investment and include situations where there is little, if any, market activity for the investment. The inputs into the determination of fair value require significant management judgment or estimation.

The fair value of each financial instrument in the table below was measured using input guidance and valuation techniques. The following table sets forth carrying amounts and estimated fair values for financial instruments at July 31, 2014:

	<u>Level I</u>	<u>Level II</u>	<u>Level III</u>
Equity securities			
Utilities	\$ <u>52,710</u>	<u>-</u>	<u>-</u>
Total investments	\$ <u><u>52,710</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

See accompanying independent auditors' report.

JOHN WITHERSPOON COLLEGE
Rapid City, South Dakota

NOTES TO THE FINANCIAL STATEMENTS

July 31, 2014 and 2013

NOTE 4 - PROPERTY AND EQUIPMENT

Property and equipment at July 31, 2014, consisted of the following:

	July 31, 2013	Additions	Disposals	July 31, 2014
Property, plant and equipment				
Land	\$ 40,000	\$ -	\$ -	\$ 40,000
Buildings and improvements	231,895	27,745	-	259,640
Equipment	2,055	-	-	2,055
Total property, plant and equipment	\$ 273,950	\$ 27,745	\$ -	\$ 301,695
Accumulated depreciation	(12,007)	(7,514)	-	(19,521)
Net property, plant and equipment	\$ <u>261,943</u>	\$ <u>20,231</u>	\$ <u>-</u>	\$ <u>282,174</u>

Property and equipment at July 31, 2013, consisted of the following:

	July 31, 2012	Additions	Disposals	July 31, 2013
Property, plant and equipment				
Land	\$ 40,000	\$ -	\$ -	\$ 40,000
Buildings and improvements	210,000	21,895	-	231,895
Furniture and Fixtures	-	2,055	-	2,055
Total property, plant and equipment	\$ 250,000	\$ 23,950	\$ -	\$ 273,950
Accumulated depreciation	(5,500)	(6,507)	-	(12,007)
Net property, plant and equipment	\$ <u>244,500</u>	\$ <u>17,443</u>	\$ <u>-</u>	\$ <u>261,943</u>

See accompanying independent auditors' report.

JOHN WITHERSPOON COLLEGE
Rapid City, South Dakota

NOTES TO THE FINANCIAL STATEMENTS

July 31, 2014 and 2013

NOTE 5 - TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following purposes or periods at July 31, 2014:

	Balance at July 31, 2013	Restricted Income	Restrictions Released	Balance at July 31, 2014
Capital Campaign	\$ 9,825	\$ -	\$ 9,825	\$ -
Science Lab	-	2,500	-	2,500
Scholarships	-	400	-	400
Total	<u>\$ 9,825</u>	<u>\$ 2,900</u>	<u>\$ 9,825</u>	<u>\$ 2,900</u>

Temporarily restricted net assets are available for the following purposes or periods at July 31, 2013:

	Balance at July 31, 2012	Restricted Income	Restrictions Released	Balance at July 31, 2013
Capital Campaign	<u>\$ 9,825</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,825</u>

Temporarily restricted net assets relate to timing and use restrictions for contributions for specific purposes that have not been expended yet.

NOTE 6 - COMMITMENTS

On April 11, 2014, the College modified the loan agreement dated March 22, 2013. The modification extended the maturity date from March 21, 2014 to April 22, 2015. The original loan was in the amount of \$80,500 with a 5% interest rate. The amount of unpaid principal at the time of the modification was \$64,710. The repayment terms of the loan are 11 monthly payments of approximately \$823 beginning on May 22, 2014, and the 22nd day of each month thereafter. A single balloon payment of the entire unpaid balance of principal and interest will be due April 22, 2015.

NOTE 7 - CONCENTRATIONS OF INCOME SOURCES

During 2014, the College received approximately 46% of its total revenues from private contributions. Of those private contributions 81% comes from six donors.

See accompanying independent auditors' report.

JOHN WITHERSPOON COLLEGE
Rapid City, South Dakota

NOTES TO THE FINANCIAL STATEMENTS

July 31, 2014 and 2013

NOTE 8 - STATEMENT OF FUNCTIONAL EXPENSES

For the year ended July 31, 2014,

	<u>Instruction</u>	<u>Library and Academic Support</u>	<u>Management and General</u>	<u>Fund Raising</u>	<u>Total</u>
Salaries and wages	\$ 62,387	\$ 22,255	\$ 146,919	\$ -	\$ 231,561
Employee benefits	5,000	-	12,642	-	17,642
Travel and mileage	-	-	552	-	552
Faculty development	1,474	-	-	-	1,474
Advertising	-	9,518	-	-	9,518
Books and supplies	-	-	6,760	-	6,760
Promotional events	-	4,571	-	76,506	81,077
Accreditation	-	6,000	-	-	6,000
IT/Learning resources	-	6,035	-	-	6,035
Repairs and maintenance	563	1,346	100	-	2,009
Utilities	2,065	4,942	369	-	7,376
Professional	-	-	14,350	-	14,350
Insurance	1,334	3,193	238	-	4,765
Depreciation	2,104	5,034	376	-	7,514
Interest expense	-	-	3,404	-	3,404
Property taxes	1,609	3,850	287	-	5,746
	<u>1,609</u>	<u>3,850</u>	<u>287</u>	<u>-</u>	<u>5,746</u>
Total expenses	<u>\$ 76,536</u>	<u>\$ 66,744</u>	<u>\$ 185,997</u>	<u>\$ 76,506</u>	<u>\$ 405,783</u>

See accompanying independent auditors' report.

JOHN WITHERSPOON COLLEGE
Rapid City, South Dakota

NOTES TO THE FINANCIAL STATEMENTS

July 31, 2014 and 2013

NOTE 8 - STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)

For the year ended July 31, 2013,

	<u>Instruction</u>	<u>Library and Academic Support</u>	<u>Management and General</u>	<u>Fund Raising</u>	<u>Total</u>
Salaries and wages	\$ 57,013	\$ 18,370	\$ 147,238	\$ -	\$ 222,621
Employee benefits	-	-	11,224	-	11,224
Travel and mileage	-	556	957	-	1,513
Advertising	-	5,018	-	-	5,018
Books and supplies	-	300	7,417	-	7,717
Contract labor	11,613	-	-	-	11,613
Promotional events	-	2,576	-	23,741	26,317
Web development	-	3,296	-	-	3,296
Repairs and maintenance	337	806	60	-	1,203
Utilities	2,260	5,408	403	-	8,071
Professional	-	-	1,991	-	1,991
Insurance	1,180	2,824	211	-	4,215
Depreciation	1,822	4,360	325	-	6,507
Interest expense	-	-	4,978	-	4,978
Miscellaneous	-	66	45	-	111
Total expenses	<u>\$ 74,225</u>	<u>\$ 43,580</u>	<u>\$ 174,849</u>	<u>\$ 23,741</u>	<u>\$ 316,395</u>

NOTE 9 - SUBSEQUENT EVENTS

The College has evaluated subsequent events through September 25, 2014, the date which the financial statements were available to be issued.

See accompanying independent auditors' report.

Application for Extension of Time To File an Exempt Organization Return

OMB No 1545-1709

Department of the Treasury
Internal Revenue Service

► File a separate application for each return.
► Information about Form 8868 and its instructions is at www.irs.gov/form8868.

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box ☒
- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form).

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Electronic filing (e-file). You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit www.irs.gov/efile and click on *e-file for Charities & Nonprofits*.

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete Part I only ☐

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

		Enter filer's identifying number
Type or print	Name of exempt organization or other filer, see instructions. JOHN WITHERSPOON COLLEGE DBA BLACK HILLS BIBLICAL INSTITUTE	Employer identification number (EIN) or 20-5892134
	Number, street, and room or suite no. If a P.O. box, see instructions. C/O CASEY PETERSON & ASSOC - 909 ST. JOSEPH ST.,	Social security number (SSN)
	City, town or post office, state, and ZIP code For a foreign address, see instructions. RAPID CITY, SD 57701	

Enter the Return code for the return that this application is for (file a separate application for each return)

01

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

LANNY L. EVANS

- The books are in the care of ► **13075 MISSION HILLS LOOP - RAPID CITY, SD 57702**

Telephone No. ► **605-341-2468**

Fax No. ►

- If the organization does not have an office or place of business in the United States, check this box ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) . If this is for the whole group, check this box ☐ . If it is for part of the group, check this box ☐ and attach a list with the names and EINs of all members the extension is for.

- 1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until **AUGUST 15, 2014**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:
- ☒ calendar year **2013** or
- ☐ tax year beginning _____, and ending _____

- 2 If the tax year entered in line 1 is for less than 12 months, check reason: ☐ Initial return ☐ Final return ☐ Change in accounting period

3a If this application is for Forms 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$	0.
b If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$	0.
c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$	0.

Caution. If you are going to make an electronic funds withdrawal (direct debit) with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

• If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** and check this box ☒

Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

• If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** (on page 1).

Part II Additional (Not Automatic) 3-Month Extension of Time. Only file the original (no copies needed).

Enter filer's identifying number, see instructions	
Type or print Name of exempt organization or other filer, see instructions JOHN WITHERSPOON COLLEGE DBA BLACK HILLS BIBLICAL INSTITUTE	Employer identification number (EIN) or 20-5892134
File by the due date for filing your return. See instructions. Number, street, and room or suite no. If a P.O. box, see instructions. C/O CASEY PETERSON & ASSOC - 909 ST. JOSEPH ST., S	Social security number (SSN)
City, town or post office, state, and ZIP code. For a foreign address, see instructions. RAPID CITY, SD 57701	

Enter the Return code for the return that this application is for (file a separate application for each return)

01

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01		
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

LANNY L. EVANS

• The books are in the care of **13075 MISSION HILLS LOOP - RAPID CITY, SD 57702**

Telephone No. **605-341-2468**

Fax No.

• If the organization does not have an office or place of business in the United States, check this box ☐

• If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) If this is for the whole group, check this box ☐ If it is for part of the group, check this box ☐ and attach a list with the names and EINs of all members the extension is for

4 I request an additional 3-month extension of time until **NOVEMBER 15, 2014.**

5 For calendar year **2013**, or other tax year beginning , and ending

6 If the tax year entered in line 5 is for less than 12 months, check reason: ☐ Initial return ☐ Final return

☐ Change in accounting period

7 State in detail why you need the extension

INFORMATION NECESSARY TO PREPARE THE RETURN IS NOT YET AVAILABLE.

8a If this application is for Forms 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	8a	\$	0.
b If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868.	8b	\$	0.
c Balance due. Subtract line 8b from line 8a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions	8c	\$	0.

Signature and Verification must be completed for Part II only.

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature **Lanny L. Evans CPA** Title **CPA**

Date **8-11-14**

Form 8868 (Rev. 1-2014)