



**MOTT HAVEN ACADEMY
CHARTER SCHOOL**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

JUNE 30, 2021 AND 2020

MOTT HAVEN ACADEMY CHARTER SCHOOL

TABLE OF CONTENTS

INDEPENDENT AUDITOR'S REPORT	1-2
FINANCIAL STATEMENTS	
Statement of Financial Position as of June 30, 2021	3
Statement of Activities for the Year Ended June 30, 2021	4
Statement of Functional Expenses for the Year Ended June 30, 2021	5
Statement of Functional Expenses for the Year Ended June 30, 2020	6
Statement of Cash Flows for the Year Ended June 30, 2021	7
Notes to Financial Statements	8-16
SUPPLEMENTARY INFORMATION:	
Schedule of Expenditures of Federal Awards for the Year Ended June 30, 2021	17
Notes to Schedule of Expenditures of Federal Awards	18
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	19
Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance	20-21
Schedule of Findings and Questioned Costs for the Year Ended June 30, 2021	22-23



Tel: 212-576-1400
Fax: 212-576-1414
www.bdo.com

600 Third Avenue, 3rd Floor
New York, NY 10016

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Mott Haven Academy Charter School
Bronx, New York

Report on the Financial Statements

We have audited the accompanying financial statements of Mott Haven Academy Charter School (the "School"), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 School'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 School'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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Mott Haven Academy Charter School as of June 30, 2021, and the changes in its net assets (deficit) and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.



Other Matters

June 30, 2020 Financial Statements

The financial statements of Mott Haven Academy Charter School as of and for the year ended June 30, 2020 were audited by MBAF CPAs, LLC ("MBAF"), whose partners and professional staff joined BDO USA, LLP as of January 16, 2021, and has subsequently ceased operations. MBAF expressed an unmodified opinion on those statements in their report dated October 29, 2020.

Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 25, 2021, on our consideration of Mott Haven Academy Charter School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Mott Haven Academy Charter School's internal control over financial reporting and compliance.

BDO USA, LLP

New York, NY
October 25, 2021

MOTT HAVEN ACADEMY CHARTER SCHOOL
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2021 AND 2020

ASSETS	2021	2020
Cash	\$ 1,492,068	\$ 2,362,017
Cash - restricted	70,360	70,327
Grants and other receivables	849,965	272,855
Due from New York Foundling Hospital	738,867	-
Due from NYC Department of Education	3,368	56,663
Prepaid expenses and other assets	33,906	41,115
Property and equipment, net	359,297	161,805
TOTAL ASSETS	\$ 3,547,831	\$ 2,964,782
LIABILITIES AND NET ASSETS (DEFICIT)		
LIABILITIES		
Accounts payable and accrued expenses	\$ 677,295	\$ 218,291
Accrued salaries and other payroll related expenses	615,932	582,822
Due to New York Foundling Hospital	-	1,056,376
Loan payable - Paycheck Protection Program	-	1,608,000
TOTAL LIABILITIES	1,293,227	3,465,489
NET ASSETS (DEFICIT)		
Net assets (deficit) - without donor restrictions	2,146,420	(606,359)
Net assets - with donor restrictions	108,184	105,652
TOTAL NET ASSETS (DEFICIT)	2,254,604	(500,707)
TOTAL LIABILITIES AND NET ASSETS (DEFICIT)	\$ 3,547,831	\$ 2,964,782

See accompanying notes to the financial statements.

MOTT HAVEN ACADEMY CHARTER SCHOOL
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

	2021	2020
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS		
OPERATING REVENUE		
State and local per pupil operating revenue	\$ 10,164,588	\$ 9,876,053
Government grants and contracts	<u>904,929</u>	<u>833,108</u>
	<u>11,069,517</u>	<u>10,709,161</u>
EXPENSES		
Program services		
General education	8,470,684	8,500,222
Special education	2,582,209	2,413,894
Pre-K education	66,330	125,487
Management and general	762,404	828,343
Fundraising	<u>20,129</u>	<u>75,342</u>
	<u>11,901,756</u>	<u>11,943,288</u>
DEFICIT FROM SCHOOL OPERATIONS	<u>(832,239)</u>	<u>(1,234,127)</u>
SUPPORT AND OTHER INCOME		
Contributions and other grants	199,718	175,177
Forgiveness of debt, Paycheck Protection Program	1,608,000	-
New York Foundling Hospital contributions and grants	48,451	331,749
In-kind building lease and rent	573,143	346,437
Interest and other income	33	35
Net assets released from restrictions	<u>1,155,673</u>	<u>798,435</u>
	<u>3,585,018</u>	<u>1,651,833</u>
INCREASE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	<u>2,752,779</u>	<u>417,706</u>
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS		
Contributions and other grants	354,205	446,000
New York Foundling Hospital contributions and grants	804,000	304,000
Net assets released from restrictions	<u>(1,155,673)</u>	<u>(798,435)</u>
INCREASE (DECREASE) IN NET ASSETS WITH DONOR RESTRICTIONS	<u>2,532</u>	<u>(48,435)</u>
CHANGE IN NET ASSETS	<u>2,755,311</u>	<u>369,271</u>
NET DEFICIT - BEGINNING OF YEAR	<u>(500,707)</u>	<u>(869,978)</u>
NET ASSETS (DEFICIT) - END OF YEAR	<u>\$ 2,254,604</u>	<u>\$ (500,707)</u>

See accompanying notes to the financial statements.

MOTT HAVEN ACADEMY CHARTER SCHOOL
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2021

	No. of Positions	Program Services				Supporting Services		2021
		General Education	Special Education	Pre-K Education	Total	Management and General	Fundraising	
Personnel service costs								
Administrative staff personnel	13	\$ 734,135	\$ 222,797	\$ -	\$ 956,932	\$ 294,433	\$ 16,171	\$ 1,267,536
Instructional personnel	85	4,368,323	1,335,690	31,922	5,735,935	-	-	5,735,935
Non-instructional personnel	6	163,224	46,870	10,823	220,917	10,823	-	231,740
Total salaries and staff	104	5,265,682	1,605,357	42,745	6,913,784	305,256	16,171	7,235,211
Payroll taxes and employee benefits		1,076,620	328,231	8,739	1,413,590	62,413	3,306	1,479,309
Retirement benefits		116,726	35,586	948	153,260	6,767	358	160,385
Legal services		-	-	-	-	3,000	-	3,000
Accounting and audit services		-	-	-	-	159,099	-	159,099
Other purchased, professional, and consulting services		139,478	42,632	139	182,249	2,168	-	184,417
Building lease and rent		813,632	248,053	6,605	1,068,290	49,666	-	1,117,956
In-kind building lease and rent		417,125	127,170	3,386	547,681	25,462	-	573,143
Repairs and maintenance		12,927	3,941	105	16,973	789	-	17,762
Insurance		40,909	12,472	332	53,713	2,497	-	56,210
Supplies and materials		131,330	40,134	201	171,665	1,509	-	173,174
Equipment and furnishings		8,409	2,533	38	10,980	739	2	11,721
Staff development		91,878	28,011	746	120,635	5,608	-	126,243
Marketing and recruitment		27,712	8,449	225	36,386	1,692	-	38,078
Technology		90,573	27,613	735	118,921	5,529	-	124,450
Food service		76,142	22,733	549	99,424	-	-	99,424
Student services		59,507	18,186	9	77,702	-	-	77,702
Office expense		16,639	5,073	135	21,847	123,538	292	145,677
Depreciation and amortization		84,320	25,707	684	110,711	5,148	-	115,859
Other		1,075	328	9	1,412	1,524	-	2,936
		\$ 8,470,684	\$ 2,582,209	\$ 66,330	\$ 11,119,223	\$ 762,404	\$ 20,129	\$ 11,901,756

See accompanying notes to the financial statements.

MOTT HAVEN ACADEMY CHARTER SCHOOL
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2020

	No. of Positions	Program Services				Supporting Services		2020
		General Education	Special Education	Pre-K Education	Total	Management and General	Fundraising	
Personnel service costs								
Administrative staff personnel	14	\$ 795,209	\$ 223,557	\$ -	\$ 1,018,766	\$ 327,584	\$ 61,448	\$ 1,407,798
Instructional personnel	87	4,335,152	1,232,942	73,244	5,641,338	-	-	5,641,338
Non-instructional personnel	7	225,321	64,274	10,462	300,057	10,462	-	310,519
Total salaries and staff	108	5,355,682	1,520,773	83,706	6,960,161	338,046	61,448	7,359,655
Payroll taxes and employee benefits		1,061,042	301,288	16,583	1,378,913	66,972	12,174	1,458,059
Retirement benefits		101,236	28,747	1,582	131,565	6,390	1,162	139,117
Accounting and audit services		-	-	-	-	207,711	-	207,711
Other purchased, professional, and consulting services		50,451	14,340	304	65,095	34,551	-	99,646
Building lease and rent		813,547	231,010	12,715	1,057,272	60,684	-	1,117,956
In-kind building lease and rent		252,106	71,586	3,940	327,632	18,805	-	346,437
Repairs and maintenance		14,379	4,083	225	18,687	1,073	-	19,760
Insurance		37,318	10,597	583	48,498	2,784	-	51,282
Supplies and materials		141,561	40,250	393	182,204	1,875	-	184,079
Equipment and furnishings		17,813	5,064	55	22,932	2,901	22	25,855
Staff development		165,243	46,940	1,959	214,142	9,352	-	223,494
Marketing and recruitment		32,071	9,106	501	41,678	2,392	-	44,070
Technology		62,761	17,850	-	80,611	-	-	80,611
Food service		154,817	43,961	2,420	201,198	11,548	-	212,746
Student services		183,235	52,101	429	235,765	2,050	-	237,815
Office expense		-	-	-	-	58,612	536	59,148
Depreciation		51,088	14,530	-	65,618	-	-	65,618
Other		5,872	1,668	92	7,632	2,597	-	10,229
		\$ 8,500,222	\$ 2,413,894	\$ 125,487	\$ 11,039,603	\$ 828,343	\$ 75,342	\$ 11,943,288

See accompanying notes to the financial statements.

MOTT HAVEN ACADEMY CHARTER SCHOOL
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from operating revenue	\$ 9,806,835	\$ 10,878,690
Other cash received	1,979,550	1,603,398
Cash paid to employees and suppliers	<u>(12,342,950)</u>	<u>(11,939,520)</u>
NET CASH (USED IN) PROVIDED BY OPERATING ACTIVITIES	<u>(556,565)</u>	<u>542,568</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	<u>(313,351)</u>	<u>(83,754)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Paycheck Protection Program loan payable	<u>-</u>	<u>1,608,000</u>
NET (DECREASE) INCREASE IN CASH	(869,916)	2,066,814
CASH AND CASH - RESTRICTED - BEGINNING OF YEAR	<u>2,432,344</u>	<u>365,530</u>
CASH AND CASH - RESTRICTED - END OF YEAR	<u>\$ 1,562,428</u>	<u>\$ 2,432,344</u>
Reconciliation of change in net assets to net cash (used in) provided by operating activities:		
Change in net assets	\$ 2,755,311	\$ 369,271
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Depreciation and amortization	115,859	65,618
Forgiveness of debt, Paycheck Protection Program	(1,608,000)	-
Changes in operating assets and liabilities:		
Grants and other receivables	(577,110)	199,324
Due from New York Foundling Hospital	(738,867)	-
Due from NYC Department of Education	53,295	(29,795)
Prepaid expenses and other assets	7,209	21,354
Accounts payable and accrued expenses	459,004	(43,835)
Accrued salaries and other payroll related expenses	33,110	53,794
Due to New York Foundling Hospital	<u>(1,056,376)</u>	<u>(93,163)</u>
NET CASH (USED IN) PROVIDED BY OPERATING ACTIVITIES	<u>\$ (556,565)</u>	<u>\$ 542,568</u>
Cash and cash - restricted consist of:		
Cash	\$ 1,492,068	\$ 2,362,017
Cash - restricted	<u>70,360</u>	<u>70,327</u>
Total	<u>\$ 1,562,428</u>	<u>\$ 2,432,344</u>

See accompanying notes to the financial statements.

MOTT HAVEN ACADEMY CHARTER SCHOOL

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2021 AND 2020

1. NATURE OF THE ORGANIZATION

Mott Haven Academy Charter School (the "School") is a New York State, not-for-profit educational corporation that was incorporated on January 15, 2008 to operate a charter school pursuant to Article 56 of the Educational Law of the State of New York. The School was granted a provisional charter on January 15, 2008, valid for a term of five years, by the Board of Regents of the University of the State of New York. The charter was renewed through June 30, 2025.

The School opened its doors in the fall of 2008 in South Bronx with a rigorous academic program and a highly structured and supportive school culture. While the School is comprised of students from many backgrounds, it is uniquely designed to meet the needs of at-risk students who receive foster care and prevention services through the New York City child welfare system.

The School is exempt from federal income tax under Section 501(a) of the Internal Revenue Code ("IRC") as an organization described in Section 501(c)(3) of the IRC and a similar provision under New York State income tax laws. The School has also been classified as an entity that is not a private foundation within the meaning of Section 509(a) of the IRC and qualifies for deductible contributions as provided in Section 170(b)(1)(A)(ii) of the IRC.

The School operates classes for students in kindergarten through eighth grade. The eighth grade was added in fiscal year 2020. The School also has a Pre-K program named "Little Haven" which is funded by the New York City Department of Education ("NYCDOE").

2. SIGNIFICANT ACCOUNTING POLICIES

Financial Statement Presentation

The School's financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

The classification of the School's net assets and its support, revenues, and expenses is based on the existence or absence of donor-imposed restrictions. It requires that the amounts for each of the two classes of net assets – with donor restrictions or without donor restrictions – be displayed in a statement of financial position and that the amount of change in each of those classes of net assets be displayed in a statement of activities.

These classes are defined as follows:

Net Assets with Donor Restrictions consist of contributions and other inflows of assets whose use is subject to donor-imposed restrictions that are more specific than broad limits reflecting the nature of the not-for-profit entity, the environment in which it operates and the purposes specified in its articles of incorporation or bylaws or comparable documents. Donor-imposed restrictions may be temporary in nature, such as stipulating that resources may be used only after a specified date or limited to specific programs or services. Certain donor-imposed restrictions are perpetual in nature.

Net Assets without Donor Restrictions consist of contributions and other inflows of assets whose use is not subject to donor-imposed restrictions. This net asset category includes both contributions not subject to donor restrictions and exchange transactions, and are, therefore, available for general operations.

The School had \$108,184 and \$105,652 of net assets with donor restrictions at June 30, 2021 and 2020, respectively.

Cash – Restricted

An escrow account in the amount of \$70,360 and \$70,327 was held aside under the provisions of the School's charter to pay for legal and audit expenses that would be associated with a dissolution should it occur, as required by the New York State Education Department as of June 30, 2021 and 2020, respectively.

MOTT HAVEN ACADEMY CHARTER SCHOOL

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2021 AND 2020

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Grants and Other Receivables

Grants and other receivables represent unconditional promises to give by donors. Grants and other receivables that are expected to be collected within one year and are recorded at net realizable value are \$849,965 and \$272,855 at June 30, 2021 and 2020, respectively. The School determined that no allowance for uncollectible accounts for grants and other receivables is necessary at June 30, 2021 and 2020. Such estimate is based on management's assessments and historical information, the aged basis of its receivables, as well as current economic conditions.

Contributions

Transfers of cash or other assets or settlement of liabilities that are both voluntary and nonreciprocal are recognized as contributions.

Contributions may either be conditional or unconditional. A contribution is considered conditional when the donor imposes both a measurable barrier and a right of return. Conditional contributions are recognized as revenue on the date all donor-imposed barriers are overcome or explicitly waived by the donor. Barriers may include specific and measurable outcomes, limitations on the performance of an activity and other stipulations related to the contribution. A donor has a right of return of any assets transferred or a right of release of its obligation to transfer any assets in the event the School fails to overcome one or more barriers. Assets received before the barrier is overcome are accounted for as refundable advances.

Unconditional contributions may or may not be subject to donor-imposed restrictions. Donor-imposed restrictions limit the use of the donated assets as to time or purpose restrictions.

Contributions subject to donor restrictions are recognized in changes in net assets with donor restrictions. When a purpose restriction is satisfied or when a time restriction expires, the contribution is reported as net assets released from restrictions and is recognized in changes in net assets without donor restrictions in the statement of activities.

Revenue Recognition

Per-Pupil Revenue

The School recognizes revenues from per-pupil funding in the fiscal year in which the academic programs are provided. Per-pupil revenue is billed and received based on the total number of full-time equivalent (FTE) students and the basic charter school tuition rate for the school district of residence of the students attending the School in any given fiscal year for general education and special education. The FTE is formula-driven and based on the number of days the student has been with the School as a proportion of the number of days in the entire school year (the calculation is done by using the New York State calculator online). The School's total student population includes general education and special education students. The School has determined that revenue from its students has the same performance obligations, types of contract, and services rendered. As a result, the student body is viewed as one customer base for revenue purposes. The School uses a portfolio approach to account for per-pupil contracts as a collective group rather than recognizing revenue on an individual-contract basis. The School believes that revenue recognized by utilizing the portfolio approach approximates the revenue that would have been recognized if an individual contract approach were used.

MOTT HAVEN ACADEMY CHARTER SCHOOL

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2021 AND 2020

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition (continued)

Per-Pupil Revenue (continued)

Per-pupil invoicing is managed on a bi-monthly basis to the funding source (local school district). Billing is a function of student enrollment for the upcoming fiscal year, which is the basis for the first two invoices per-pupil due June 1st and July 31st, which is a projection. Subsequent invoices are due bi-monthly. With the implementation of an automated-invoicing process through a dedicated website, the submission of each invoice is done online. After the year is complete, the School submits the FTE per-pupil reconciliation, listing every student who attended any part of the year, and the FTE each represents. Based on this final count, it calculates how much should have been paid to the School and included in the reconciliation will be any amounts due from the funding source included in grants and other receivables on the statement of financial position at year end, or any amounts payable to the funding source included as a liability on the statement of financial position at year end, as amounts are tried up to actual based on actual numbers submitted at year end.

Additional funding is also provided to support special education services. All students who are identified to need special education services or settings have an Individualized Education Program (“IEP”), formalized for his or her unique needs. Based on this IEP, the student is categorized into one of three levels of service: 0-20% service, 20-60% service, or 60% or more service required and provided by the School. For a student receiving less than 20% in services, no additional funding is received. For a student receiving services between 20% and 60% and 60% or more services of the school day, additional funding per FTE is received. Billing for this support is incorporated into the per-pupil invoices and is also settled in the same FTE per-pupil reconciliation process.

As the students receive the benefit of these services simultaneously as the School is providing them, the School recognizes per-pupil revenue from these services over time. The School believes that this method provides a reasonable depiction of the transfer of services over the term of the performance obligation based on the services needed to satisfy the obligation. Generally, performance obligations satisfied over time relate to students receiving academic or school services. The School measures the performance obligation from admission or enrollment into the School to the point when the student is discharged or the end of the school year where it is no longer required to provide services to the student, which is generally at the time of discharge or the completion of the school year. All of these services are bundled and considered a single-performance obligation, and as such, the School accounts for these bundled-performance obligations under state and local per pupil operating revenue in the statement of activities and recognizes the per-pupil revenue over time.

Government Grants

Revenue from federal, state, and local government grants and contracts is recognized by the School when qualifying expenditures are incurred and billable to the government, or when required services have been provided.

Contract Assets and Contract Liabilities

In accordance with Accounting Standards Codification (ASC) 606, contract assets are to be recognized when an entity has the right to receive consideration in exchange for goods or services that have been transferred to a customer when that right is conditional on something other than the passage of time. The School does not recognize contract assets, as the right to receive consideration is unconditional in accordance with the passage of time criteria. Also, in accordance with ASC 606, contract liabilities are to be recognized when an entity is obligated to transfer goods or services for which consideration has already been received. The School does not receive consideration prior to the transfer of goods or services and, therefore, does not recognize contract liabilities.

MOTT HAVEN ACADEMY CHARTER SCHOOL

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions of Nonfinancial Assets

The School receives contributed goods and services that are an integral part of its operations. Such support is recorded as contributions in-kind, at their fair value, provided it meets the criteria for recognition. In-kind contributions consist of rent subsidies and are reflected as both income and expense in the accompanying financial statements.

Property and Equipment

Property and equipment are stated at cost and are depreciated on the straight-line method over the estimated useful lives of the assets. Leasehold improvements are amortized over the lesser of the useful life of the asset or the lease term. The School has established a \$1,000 threshold above which assets are evaluated to be capitalized. Property and equipment acquired with certain government contract funds is recorded as an expense pursuant to the terms of the contract in which the government funding source retains ownership of the property. Maintenance and repairs are charged to expense as incurred; major renewals and betterments are capitalized, based on the established threshold.

Impairment

The School reviews long-lived assets to determine whether there has been any permanent impairment whenever events or circumstances indicate the carrying amount of an asset may not be recoverable. If the sum of the expected future undiscounted cash flows is less than the carrying amount of the assets, the School recognizes an impairment loss. No impairment losses were recognized for the years ended June 30, 2021 and 2020.

Advertising

The School expenses advertising costs as incurred. The School incurred \$38,078 and \$44,070 of advertising costs for the years ended June 30, 2021 and 2020, respectively, which is included in the accompanying statements of functional expenses under marketing and recruitment.

Functional Allocation of Expenses

The costs of providing programs and other activities have been summarized on a functional basis in the accompanying statement of activities. Accordingly, certain costs have been allocated among the respective programs and activities according to the functional categories, as follows:

Program Services – This category represents expenses related to general education and special education for certain students requiring additional attention and guidance. These costs are allocated based on the FTE allocation method.

Management and General – This category represents expenses related to the overall administration and operation of the School that are not specific to any program services or development. These costs are allocated based on the FTE allocation method.

Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Reclassifications

Certain accounts in the June 30, 2020 financial statements have been reclassified to conform to the June 30, 2021 presentation. These reclassifications had no effect on net income or net assets.

MOTT HAVEN ACADEMY CHARTER SCHOOL

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2021 AND 2020

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subsequent Events

The School has evaluated events through October 25, 2021, which is the date the financial statements were available to be issued.

Income Taxes

The School is exempt from federal, state and local income taxes under Section 501(c)(3) of the Internal Revenue Code (the "IRC") and, therefore, has made no provision for income taxes in the accompanying financial statements. In addition, the School has been determined by the Internal Revenue Service not to be a "private foundation" within the meaning of Section 509(a) of the IRC. There was no unrelated business income for the year ended June 30, 2021.

Under U.S. GAAP, an organization must recognize the tax benefit associate with tax positions taken for tax-return purposes when it is more likely than not that the position will not be sustained upon examination by a taxing authority. The School does not believe it has taken any material uncertain tax positions and, accordingly, it has not recorded any liability for unrecognized tax benefits. The School is subject to routine audits by a taxing authority. As of June 30, 2021, the School was not subject to any examination by a taxing authority.

Adopted Accounting Pronouncement

Revenue from Contracts with Customers (Topic 606)

During the year ended June 30, 2021, the School adopted Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers* (Topic 606), as of July 1, 2020 using the modified-retrospective approach. This guidance requires an entity to recognize revenue to depict the transfer of promised goods and services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for these goods or services. The School's revenue is derived primarily from per-pupil revenue for services provided to students. Per-pupil revenues are recognized as revenue over the course of the academic school year or program for which it is earned. The adoption of ASU 2014-09 did not result in a material change to the timing of when revenue is recognized.

Recent Accounting Pronouncements

Lease Accounting

In February 2016, the Financial Accounting Standards Board ("FASB") issued ASU 2016-02, *Leases*, which will require lessees to recognize a lease liability, which is a lessee's obligation to make lease payments arising from a lease, measured on a discounted basis; and a right-of-use asset, which is an asset that represents the lessee's right to use, or control the use of, a specified asset for the lease term. The standard is effective for non-public business entities for fiscal years beginning after December 15, 2021. Th School is currently evaluating the impact of the adoption of ASU 2016-02.

Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets

In September 2020, the FASB issued ASU 2020-07, *Presentation and Disclosures by Not-For-Profit Entities for Contributed Nonfinancial Assets* (Topic 958). The update requires not-for-profits to present contributed nonfinancial assets as a separate line item on the statement of activities, and to disclose information regarding each type of contributed nonfinancial assets. The update is effective for financial statements issued for fiscal years beginning after June 15, 2021, and interim periods within fiscal years beginning after June 15, 2022, with early application permitted. The School is currently evaluating the impact of the adoption of ASU 2020-07.

MOTT HAVEN ACADEMY CHARTER SCHOOL

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020

3. LIQUIDITY AND AVAILABILITY OF RESOURCES

The School maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities and other obligations come due.

The School's financial assets available within one year of the statements of financial position date for general expenditures are as follows:

June 30,	2021	2020
Cash	\$ 1,492,068	\$ 2,362,017
Cash – restricted	70,360	70,327
Due from New York Foundling Hospital	738,867	-
Grants and other receivables	849,965	272,855
Due from NYC Department of Education	<u>3,368</u>	<u>56,663</u>
Total financial assets	3,154,628	2,761,862
Less amounts unavailable for general expenditures within one year due to:		
Restricted by contract	(70,360)	(70,327)
Restricted by donors with purpose restrictions	(58,184)	(55,652)
Restricted by donors with time restrictions	<u>(50,000)</u>	<u>(50,000)</u>
Total financial assets available to management for general expenditures within one year	<u>\$ 2,976,084</u>	<u>\$ 2,585,883</u>

The School had a surplus of approximately \$2,755,000 and \$369,000 for the years ending June 30, 2021 and 2020. The New York Foundling Hospital ("NY Foundling"), a related party that shares board members with the School, is committed to provide financial support through November 2022.

NY Foundling subsidizes rent and facility costs (see Note 4). In addition, NY Foundling provided contributions and grants to the School totaling \$1,425,594 and \$635,749 for the years ending June 30, 2021 and 2020, respectively.

4. RELATED PARTY

The School is located at 170 Brown Place, Bronx, New York, 10454. The new LEED certified, environmentally friendly building is leased by NY Foundling. The School subleases a portion of the building from NY Foundling. NY Foundling occupies the remaining space in the building. NY Foundling is a related party and shares two board members with the School.

The School is obligated under a non-cancelable operating sublease for office and classroom space, which originally was to expire on August 31, 2020 but was amended and renewed through August 31, 2025.

Future minimum lease payments are as follows for the years ending June 30,:

2022	\$ 1,117,956
2023	1,117,956
2024	1,117,956
2025	1,117,956
2026	<u>465,815</u>
	<u>\$ 4,937,639</u>

MOTT HAVEN ACADEMY CHARTER SCHOOL

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020

4. RELATED PARTY (CONTINUED)

For the years ending June 30, 2021 and 2020, the School incurred building lease and rent costs of \$1,691,099 and \$1,464,393, respectively, of which \$573,143 and \$346,437 was contributed by NY Foundling as a subsidy. Such subsidy has been recorded as contributions in-kind at fair value. These amounts are reflected as both income and expense in the accompanying financial statements. The School owed NY Foundling approximately \$186,000 and \$1,056,000 in building lease and rent costs as of June 30, 2021 and 2020, respectively.

5. PROPERTY AND EQUIPMENT

Property and equipment consist of the following as of June 30,:

	2021	2020	Estimated Useful Lives
Furniture and fixtures	\$ 335,102	\$ 331,882	7 years
Computer hardware and software	537,819	447,627	3 years
Musical instruments	12,470	12,470	3 years
			Lesser of the useful life of the asset or the
Leasehold improvements	160,752	158,526	lease term
Equipment	<u>263,271</u>	<u>189,577</u>	3 years
	1,309,414	1,140,082	
Less: accumulated depreciation	<u>(950,117)</u>	<u>(978,277)</u>	
	<u>\$ 359,297</u>	<u>\$ 161,805</u>	

Depreciation expense for the years ended June 30, 2021 and 2020 was \$115,859 and \$65,618, respectively.

6. LOAN PAYABLE - PAYCHECK PROTECTION PROGRAM

In May 2020, the School received a loan in the amount of \$1,608,000 through the Paycheck Protection Program of the 2020 CARES Act ("PPP") administered by the Small Business Administration ("SBA"). The loan is due on May 13, 2022 and bears interest at 1 percent. Monthly payments of principal and interest commence on December 5, 2020. The School may prepay the loan at any time prior to maturity with no prepayment penalties. Funds from the loan may only be used for certain purposes, including payroll, benefits, rent, and utilities. Under the terms of the PPP, all or a portion of the loan may be forgiven based on certain requirements being met. On June 14, 2021, the School received full forgiveness of the loan from the SBA.

7. EMPLOYEE BENEFITS

The School adopted a 401(k) retirement plan (the "Plan") which covers most of the employees. The Plan is a defined contribution plan. Employees are eligible to enroll in the Plan either the first day of the Plan year or the first day of the seventh month of the Plan year. Those employees who have completed at least one full year of service are also eligible for employer contributions. The Plan provides for the School to contribute up to 4% of participating employee salaries. The School contribution becomes fully vested after the first year. For the years ended June 30, 2021 and 2020, employer contribution expense for the School was \$160,385 and \$139,117, respectively, which is included in retirement benefits in the accompanying statements of functional expenses.

MOTT HAVEN ACADEMY CHARTER SCHOOL

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020

8. RISK MANAGEMENT

- A. The School is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; injuries to employees; and natural disasters. The School maintains commercial insurance to help protect itself from such risks. The School also intends to defend its positions on these matters. As of June 30, 2021, there are no matters for which the School believes the ultimate outcome would have a material adverse effect on the School's financial position.

- B. The School entered into contractual relationships with certain governmental funding sources. The governmental agencies may request return of funds as a result of noncompliance by the School, as well as additional funds for the use of facilities. The accompanying financial statements make no provision for the possible disallowance or refund. The School is of the opinion that such cost disallowances, if any, will not have a material effect in the School's financial statements.

- C. On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act ("CARES") was signed into law in response to the coronavirus (COVID-19) pandemic. The CARES Act includes many measures to provide relief to companies and organizations. Under the CARES Act, the Local Education Agencies (LEAs) received funds from the Elementary and Secondary School Emergency Relief ("ESSER") fund to provide equitable services to students and teachers in non-public schools. The School was granted funds to defray the COVID-19 outbreak costs under the aforementioned ESSER fund during the year ended June 30, 2021.

9. CONCENTRATIONS

Financial instruments that potentially subject the School to a concentration of credit risk include cash accounts at a major financial institution that, at times, exceeded the Federal Deposit Insurance Corporation insured limit of \$250,000.

The School received approximately 69% and 80% of its total revenue from per pupil funding from the NYCDOE during the years ending June 30, 2021 and 2020, respectively. The School received approximately 10% and 5% of its total revenue from NY Foundling during both the years ending June 30, 2021 and 2020.

10. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are purpose and time restricted and consist of the following at June 30,:

	2021	2020
Family coordinator and school nurse	\$ 5,048	\$ 32,052
Haven Kids rock music program	29,512	23,600
Mental health services	12,624	-
COVID-19	11,000	-
Time restriction - 2022	50,000	-
Time restriction - 2021	-	50,000
	\$ 108,184	\$ 105,652

MOTT HAVEN ACADEMY CHARTER SCHOOL

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020

10. NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)

Net assets were released from restrictions during the years ended June 30, 2021 and 2020 by incurring expenses and the passing of time, thus satisfying the restrictions as follows:

	2021	2020
Alumni support and college readiness	\$ 300,000	\$ -
Family coordinator and school nurse	152,504	173,522
Mental health services	187,375	-
Support services/Social worker and behavior specialist	126,000	126,000
After school program	178,000	178,000
COVID-19	60,000	-
Blended literacy program	45,000	-
Haven Kids rock music program	21,794	50,913
Arts and music	30,000	-
Academic tutoring	5,000	-
Playground equipment	-	10,000
Dissemination project	-	150,000
Remote learning	-	30,000
Time restriction – 2021	50,000	-
Time restriction – 2020	-	80,000
	<u>\$ 1,155,673</u>	<u>\$ 798,435</u>

SUPPLEMENTARY INFORMATION

MOTT HAVEN ACADEMY CHARTER SCHOOL
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM OR CLUSTER TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH ENTITY IDENTIFYING NUMBER	PROVIDED TO SUBRECIPIENTS	FEDERAL EXPENDITURES
<u>U.S. Department of Education:</u>				
Passed through the New York State Education Department:				
Title I - Grants to Local Educational Agencies (Title I Part A of the ESEA)	84.010	Not Applicable	\$ - \$	277,300
Title II - Supporting Effective Instruction State Grants	84.367	Not Applicable	-	38,752
Title IV - Student Support and Academic Enrichment Program	84.424	Not Applicable	-	21,519
Elementary and Secondary School Emergency Relief Fund (ESSER)	84.425D	Not Applicable	-	259,581
Special Education Cluster (IDEA): Education - Grants to States (IDEA, Part B)	84.027	Not Applicable	-	69,033
Charter Schools Programs - Response to COVID-19 Grants	84.424	Not Applicable	-	49,950
Total U.S. Department of Education				716,135
<u>U.S. Department of Agriculture:</u>				
Passed through the New York State Education Department:				
School Breakfast Program	10.553	Not Applicable	-	32,862
National School Lunch Program	10.555	Not Applicable	-	58,972
Fresh Fruit and Vegetable Program	10.582	Not Applicable	-	20,520
Total U.S. Department of Agriculture				112,354
Total Expenditures of Federal Awards			\$ - \$	828,489

See accompanying notes to this schedule.

MOTT HAVEN ACADEMY CHARTER SCHOOL

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS JUNE 30, 2021

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Mott Haven Academy Charter School under programs of the federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Because the Schedule presents only a selected portion of the operations of the School, it is not intended to and does not present the financial position, changes in net assets or cash flows of the School.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or limited as to reimbursement.

3. INDIRECT COST RATE

The School has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.



Tel: 212-576-1400
Fax: 212-576-1414
www.bdo.com

600 Third Avenue, 3rd Floor
New York, NY 10016

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards

To the Board of Trustees
Mott Haven Academy Charter School
Bronx, New York

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Mott Haven Academy Charter School (the "School"), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements and have issued our report thereon dated October 25, 2021.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

BDO USA, LLP

New York, NY
October 25, 2021



Tel: 212-576-1400
Fax: 212-576-1414
www.bdo.com

600 Third Avenue, 3rd Floor
New York, NY 10016

Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance

To the Board of Trustees
Mott Haven Academy Charter School
Bronx, New York

Report on Compliance for Each Major Federal Program

We have audited Mott Haven Academy Charter School's (the "School") compliance with the type of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the School's major federal programs for the year ended June 30, 2021. The School's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the School's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the School's compliance.

Opinion on Each Major Federal Program

In our opinion, the School compiled, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

Management of the School is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School's internal control over compliance.



Report on Internal Control Over Compliance (continued)

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have been identified.

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

BDO USA, LLP

New York, NY
October 25, 2021

MOTT HAVEN ACADEMY CHARTER SCHOOL

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2021

1. SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with generally accepted accounting principles: Unmodified

- Internal control over financial reporting:
• Material weakness(es) identified?
• Significant deficiency(ies) identified?
Noncompliance material to financial statements noted?

Federal Awards

- Internal control over major federal programs:
• Material weakness(es) identified?
• Significant deficiency(ies) identified?

Type of auditor's report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 516(a)?

Identification of major federal programs:

Table with 2 columns: CFDA Number, Name of Federal Program or Cluster. Rows include 84.010 Title IA - Grants to Local Education Agencies and 84.425D Elementary and Secondary School Emergency Relief Fund (ESSER)

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee?

2. FINANCIAL STATEMENT FINDINGS

There were no findings related to the financial statements that are required to be reported in accordance with generally accepted government auditing standards.

MOTT HAVEN ACADEMY CHARTER SCHOOL

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2021

3. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There were no findings and questioned costs for federal awards (as defined in 2 CFR 200.516(a)) that are required to be reported.