BOYS & GIRLS CLUBS OF GREATER SALT LAKE

Financial Statements with
Federal Grant Awards (Uniform Guidance)
and
Independent Auditor's Report

For the Year Ended June 30, 2022
With Summarized Comparative Information for the
Year Ended June 30, 2021

HBME

CERTIFIED PUBLIC ACCOUNTANTS

BOYS & GIRLS CLUBS OF GREATER SALT LAKE

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Boys & Girls Clubs of Greater Salt Lake
Murray, Utah

Report on the Financial Statements

Opinion

We have audited the financial statements of Boys & Girls Clubs of Greater Salt Lake (the Club), which comprise the statements of financial position as of June 30, 2022 and 2021, and the related statements of activities and functional expenses for the year ended June 30, 2022, and the statements of cash flows for the years ended June 30, 2022 and 2021, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Club as of June 30, 2022 and 2021, and the changes in its net assets for the year ended June 30, 2022, and its cash flows for the years ended June 30, 2022 and 2021, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Club and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 10, 2022, on our consideration of the Club'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 the Club's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Club's internal control over financial reporting and compliance.

The prior year summarized comparative information has been derived from the Boys & Girls Clubs of Greater Salt Lake's June 30, 2021 financial statements and, in our report dated December 14, 2021, we expressed an unmodified opinion on those financial statements.

HBME, LLC

November 10, 2022

BOYS & GIRLS CLUBS OF GREATER SALT LAKE
Statements of Financial Position
June 30, 2022 and 2021

	2022	2021
ASSETS		
Current assets:		
Cash and cash equivalents	$ 2,510,401	$ 986,495
Cash and cash equivalents, restricted	4,845	515,394
Investments	-	13,569
Pledges receivable (no allowance necessary)	182,051	271,647
Accounts and grants receivable (no allowance necessary)	169,070	184,957
Contract assets	19,853	13,828
Assets held in endowment	433,256	275,055
Deposits and prepaid expenses	15,018	3,337
Total current assets	3,334,494	2,264,282
Noncurrent assets:		
Long term pledge receivable (no allowance necessary)	242,718	466,019
Property and equipment, net	12,643,731	11,834,790
Total noncurrent assets	12,886,449	12,300,809
Total assets	$ 16,220,943	$ 14,565,091
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable	$ 287,043	$ 151,740
Accrued liabilities	256,009	229,472
Scholarships payable	180,759	146,758
Contract liabilities	54,625	41,016
Line of credit	-	187,332
Notes payable	83,741	53,898
Deferred gain on sale-leaseback transactions	11,441	11,441
Total current liabilities	873,618	821,657
Noncurrent liabilities:		
Notes payable	1,557,044	1,093,267
Deferred gain on sale-leaseback transactions	143,009	154,450
Total noncurrent liabilities	1,700,053	1,247,717
Total liabilities	2,573,671	2,069,374
Net assets:		
Without donor restrictions:		
Undesignated	11,665,128	10,380,905
With donor restrictions:		
Purpose restrictions	938,718	725,696
Perpetual in nature	557,578	562,578
Time-restricted for future periods	485,848	826,538
Total net assets	13,647,272	12,495,717
Total liabilities and net assets	$ 16,220,943	$ 14,565,091

The accompanying notes are an integral part of these financial statements.

BOYS & GIRLS CLUBS OF GREATER SALT LAKE
Statement of Activities
For the Year Ended June 30, 2022
With Summarized Comparative Information for the Year Ended June 30, 2021

	2022			2021
	Without Donor Restrictions	With Donor Restrictions	Total	(summarized info)
REVENUES				
Public support:				
Government support	$ 3,463,389	$ 283	$ 3,463,672	$ 1,581,338
Individual and corporate contributions	2,126,462	1,036,236	3,162,698	3,275,948
Total public support	5,589,851	1,036,519	6,626,370	4,857,286
Other revenue:				
Program fees and membership dues	969,163	-	969,163	701,419
Rental income	40,656	-	40,656	5,568
In-kind rental revenue	49,000	-	49,000	49,000
Debt forgiveness income - PPP loan	-	-	-	643,800
Net investment return	14,395	53,937	68,332	67,788
Recognized gain on sale-leaseback transaction	11,441	-	11,441	2,244
Net assets released from restrictions	1,223,124	(1,223,124)	-	-
Total other revenue	2,307,779	(1,169,187)	1,138,592	1,469,819
Total public support and other revenues	7,897,630	(132,668)	7,764,962	6,327,105
EXPENSES				
Program services:				
Youth programs	5,796,945	-	5,796,945	4,578,461
Capital campaign	-	-	-	12,230
Total program services	5,796,945	-	5,796,945	4,590,691
Supporting services:				
Administration	497,348	-	497,348	595,270
Marketing and fund-raising	319,114	-	319,114	318,600
Total supporting services	816,462	-	816,462	913,870
Total expenses	6,613,407	-	6,613,407	5,504,561
Changes in net assets	1,284,223	(132,668)	1,151,555	822,544
Net assets at beginning of year	10,380,905	2,114,812	12,495,717	11,673,173
Net assets at end of year	$ 11,665,128	$ 1,982,144	$ 13,647,272	$ 12,495,717

The accompanying notes are an integral part of these financial statements.

BOYS & GIRLS CLUBS OF GREATER SALT LAKE
Statement of Functional Expenses
For the Year Ended June 30, 2022
With Summarized Comparative Information for the Year Ended June 30, 2021

	Program Services	Supporting Services				2021
	Youth Programs	Administration	Marketing and Fundraising	Total	Total Expenses	(summarized info)
Salaries and wages	$ 2,997,217	$ 159,567	$ 99,887	$ 259,454	$ 3,256,671	$ 2,902,795
Payroll taxes and employee benefits	492,995	57,866	32,465	90,331	583,326	501,630
Building maintenance and expense	708,574	36,939	-	36,939	745,513	566,186
Meals and snacks	83,654	-	-	-	83,654	69,113
Other program supplies	175,856	-	87	87	175,943	135,420
Equipment rental and expense	123,849	8,260	11,046	19,306	143,155	106,043
Travel and training	90,910	12,688	599	13,287	104,197	27,307
Office supplies and expense	62,996	15,067	6,062	21,129	84,125	59,857
Insurance expense	162,323	-	-	-	162,323	105,835
Professional fees	133,198	149,343	24,044	173,387	306,585	205,879
Interest and other financial	61,247	10,966	18,581	29,547	90,794	148,726
Scholarships	22,321	1,633	-	1,633	23,954	7,656
Events	-	-	124,843	124,843	124,843	57,466
Bad debt recoveries	-	-	-	-	-	(2,366)
Other expenses	-	19,050	1,500	20,550	20,550	8,886
Total expenses before non-cash expenses	5,115,140	471,379	319,114	790,493	5,905,633	4,900,433
Non-cash expenses:						
Depreciation and amortization	632,805	25,969	-	25,969	658,774	555,128
In-kind expenses	49,000	-	-	-	49,000	49,000
	681,805	25,969	-	25,969	707,774	604,128
Total expenses	$ 5,796,945	$ 497,348	$ 319,114	$ 816,462	$ 6,613,407	$ 5,504,561

The accompanying notes are an integral part of these financial statements.

BOYS & GIRLS CLUBS OF GREATER SALT LAKE
Statements of Cash Flows
For the Years Ended June 30, 2022 and 2021

	2022	2021
Cash flows from operating activities:		
Change in net assets	$ 1,151,555	$ 822,544
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation and amortization	658,774	555,128
Recognized gain on sale leaseback	(11,441)	(11,440)
Unrealized (gain) loss on investments	1,647	(2,604)
Unrealized gain on endowment	(26,326)	(34,519)
Gain on sale of fixed assets	-	9,198
Debt forgiveness income - PPP loan	-	(643,800)
Changes in assets and liabilities:		
Pledge receivable	312,897	323,118
Accounts and grants receivable	15,887	80,218
Contract assets	(6,025)	6,728
Prepaid expenses and deposits	(11,681)	8,418
Accounts payable	135,303	12,848
Accrued liabilities	26,537	9,817
Scholarships payable	34,001	12,493
Contract liabilities	13,609	20,929
Net cash provided by operating activities	2,294,737	1,169,076
Cash flows from financing activities:		
Principal payments on construction notes payable	-	(3,345,356)
Proceeds from mortgage notes payable	750,000	1,139,629
Principal payments on mortgage notes payable	(256,380)	(6,028)
Decrease in line of credit	(187,332)	(53,737)
Net cash provided (used) by financing activities	306,288	(2,265,492)
Cash flows from investing activities:		
Increase in assets held in endowment	(206,465)	(149,792)
Purchase of investments	-	(14,893)
Net realized gain on investments	(1,518)	(1,153)
Net realized (gain) loss on endowment	74,590	(5,560)
Proceeds from sale of investments	13,440	-
Proceeds from sale of assets held in endowment	-	14,179
Purchase of property	(1,467,715)	(166,936)
Net cash used by investing activities	(1,587,668)	(324,155)
Net increase (decrease) in cash and cash equivalents	1,013,357	(1,420,571)
Cash and cash equivalents at beginning of year	1,501,889	2,922,460
Cash and cash equivalents at end of year	$ 2,515,246	$ 1,501,889
Cash and cash equivalents, as reported:		
Cash and cash equivalents	$ 2,510,401	$ 986,495
Cash and cash equivalents, restricted	4,845	515,394
	$ 2,515,246	$ 1,501,889
Non-cash supplemental disclosures:		
Cash paid for interest	$ 90,794	$ 148,726

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The Boys & Girls Clubs of Greater Salt Lake (the Club) was organized by various cities and civic clubs in the Salt Lake Valley to provide recreation, learning activities, and behavior guidance to promote the health, social, educational, vocational and character development of young boys and girls. The Club relies primarily upon public support, membership dues and revenues from the Club's childcare program for its continued existence, serving over 7,000 youth throughout the Greater Salt Lake area.

Basis of presentation and net assets

The financial statements are presented in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958-205, *Not-for-Profit Entities, Presentation of Financial Statements*.

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

Net assets without donor restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. From time-to-time, the governing board may designate, from net assets without donor restrictions, net assets for a board-designated endowment.

Net assets with donor restrictions – Net assets subject to donor- or certain grantor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates those resources be maintained in perpetuity. When applicable, gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue when the assets are placed in service.

The Club reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Functional allocation of expenses

The costs of programs and supporting services have been summarized on a functional basis in the statement of activities. All direct costs are charged to the functional area to which they pertain. Indirect costs are charged to programs and supporting services based on estimates made by management considering the nature of the expense and how it relates to the functional area. General and administrative costs include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Club. As of June 30, 2021, the *Capital Campaign* function was discontinued.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of estimates

In preparing financial statements in conformity with accounting standards generally accepted in the United States of America (U.S. GAAP), management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates, and those differences could be material.

Cash and cash equivalents

The Club considers all cash and highly liquid financial instruments with original maturities of three months or less, which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents. Cash and highly liquid financial instruments restricted to building projects, endowments that are perpetual in nature, or other long-term purposes are excluded from this definition, when applicable. As of June 30, 2022, cash and cash equivalents consist of the following:

Cash	$ 869,038
Money market funds	1,646,208
	$ 2,515,246

Investments

Investments in marketable debt and equity securities are reported at their fair value in the statement of financial position. Unrealized gains and losses are included in the change in net assets.

Grants and accounts receivable

Grants and accounts receivable are recorded at the invoiced amount and do not bear interest. An allowance for doubtful accounts is recorded when the Club determines, based on historical experience and collection efforts, that an account is uncollectible. The Club reviews its allowance for doubtful accounts periodically. Account balances are charged off after all means of collection have been exhausted and the potential for recovery is considered remote.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions and pledges receivable

Contributions and pledges receivable that are to be collected within one year are recorded at net realizable value. When applicable, significant contributions or pledges receivable that are expected to be collected in future years are initially recorded at the fair value of their estimated future cash flows as of the date of the promise to give using a present value discount technique. In periods after initial recognition, contributions receivable is reported at the amount management expects to collect and are discounted over the collection period using the same discount rate as determined at the time of initial recognition.

The discount rate determined at the initial recognition of the contribution receivable is based upon management's assessment of many factors, including when the receivable is expected to be collected, the creditworthiness of the other parties, the Club's past collection experience and its policies concerning the enforcement of contributions receivable, expectations about possible variations in the amount or timing, or both, of the cash flows, and other factors concerning the receivable's collectability. The Club uses the allowance method to determine uncollectible contributions. The allowance is based on historical experience and management's analysis of specific balances.

Assets held in endowment

Amounts reported as assets held in endowment are managed by Elevated Private Wealth Advisors (PWA) and represent the net cumulative contributions made to PWA for investment, as well as earnings thereon. PWA invests the funds on behalf of the Club and has variance power to modify any restriction or condition on the distribution of funds if, at the sole discretion of PWA, the specified charitable purpose becomes unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the Club.

Revenue and revenue recognition

Revenue is recognized when earned. Childcare fees, program service fees and payments under cost-reimbursable contracts received in advance are deferred to the applicable period in which the related services are performed, or expenditures are incurred, respectively. Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounting Pronouncements Not Yet Adopted

In February 2016, the FASB issued *Accounting Standards Update 2016-02, Leases* (Topic 842), which will require significant changes in accounting for operating leases under which the Club is a lessee. Upon adoption, among other effects, the Club will be required to record assets and liabilities for all operating lease obligations with terms of 12 months or greater. The new standard is effective for the year ending June 30, 2023. The Club has evaluated the effect that implementation of the new standard will have on its financial position, results of operations, and cash flows, beginning July 1, 2022, and has concluded that certain lease agreements are applicable, and that further preparation is necessary to be compliant with the ASU, for the year ended June 30, 2023.

Public support and revenues

The Club derives its revenues from program fees, government contracts and grants, contributions and grants, and miscellaneous sources. Childcare and program revenue is recognized in the period to which the service or activity relates.

The Club conducts special events in which a portion of the gross proceeds paid by the participant represents payment for the direct cost of the benefits received, when applicable, by the participant at the event. Unless a verifiable objective means exists to demonstrate otherwise, the fair market value of meals and entertainment provided at special events is measured at actual cost to the Club. The direct costs of the special events, which ultimately benefit the donor rather than the Club, are recorded as costs of direct donor benefits.

Grants and other contributions of cash and other assets are reported at fair value at the date the written promise to give is received. Conditional promises to give or indications of intentions to give are not reported until the condition(s) are met. Restricted gifts are recorded as revenue when cash is received, or a written promise is given by a donor.

Contributions of donated non-cash assets are recorded at their fair market values when received. A substantial number of volunteers have donated significant amounts of time and services to the Club's program operations and fund-raising efforts. However, such contributed services do not meet the criteria for recognition of contributed services contained in U.S. GAAP and, accordingly, are not reflected in the accompanying financial statements. Other contributions of donated services that create or enhance non-financial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair market values when received.

The land on which the Murray Club building was originally constructed is leased from Murray City Corporation through the year 2046 for $1 per year. Also, the land on which the Sugarhouse Club was originally constructed is leased from Salt Lake City Corporation through the year 2046 for $1 per year. Neither the donee nor the donor determined the fair value of the leases, as they consider the valuation too difficult to determine; therefore, the related revenues and expenses are not recognized in these financial statements.

1. <u>SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)</u>

Income taxes

The Club is organized as a Utah nonprofit corporation and has been recognized by the IRS as exempt from federal (and state) income taxes under Section 501(c)(3) of the Internal Revenue Code. The Club is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, the Club is subject to income tax on net income that is derived from business activities that are unrelated to its exempt purposes. Management has determined that the Club is not subject to unrelated business income tax and has not filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS. The Club does not believe it has any material uncertain tax positions. The Club's 2019 and future tax returns, though not currently under audit, are subject to examination by both the Internal Revenue Service and applicable state tax commissions.

Fair value measurements

FASB ASC 820, Fair Value Measurements and Disclosures, provides the 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 hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described below:

- *Level 1*: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Club has the ability to access.

- *Level 2*: Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in inactive markets; inputs other than quoted market prices that are observable for the asset or liability; and inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

- *Level 3*: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. As of June 30, 2022, all investments were considered Level 1.

Advertising

Advertising costs are expensed when incurred. Advertising expense for the year ended June 30, 2022 was $20,582. Advertising expenses are included in marketing and fund-raising on the Statement of Activities.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and equipment

Purchases of property and equipment are recorded at cost. Donated property and equipment are capitalized at its fair value at the date of donation. Depreciation is provided on the straight-line method over estimated useful lives of 40 years for buildings and improvements, three to eight years for equipment and vehicles or over the lease term where applicable.

Reclassifications

Certain reclassifications of amounts previously reported have been made to the accompanying financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported net assets.

2. LIQUIDITY AND AVAILABILITY

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

Cash, cash equivalents	$ 2,510,401
Grants, accounts, and pledges receivable, net	351,121
Contract assets	19,853
Deposits	4,495
	$ 2,885,870

The endowment funds consist of donor-restricted endowments and funds designated by the board as endowments. Income from donor-restricted endowments is restricted for specific purposes, except for the amounts available for general use, when applicable. Donor-restricted endowment funds are not available for general expenditure.

As part of the liquidity management plan, management invests cash in excess of daily requirements in short-term investments, CDs, and money market funds. Occasionally, the Board designates a portion of any operating surplus to its operating reserve. No amounts were designated as of June 30, 2022.

3. PLEDGES RECEIVABLE

Pledges receivable consisted of the following as of June 30, 2022 and 2021:

	2022	2021
Amounts due in:		
Less than one year	$ 182,051	$ 271,647
Between one and five years	242,718	466,019
	424,769	737,666
Less: allowance for uncollectible pledges	-	-
Total pledges receivable	$ 424,769	$ 737,666

Long-term pledges receivable at June 30, 2022 are expected to be collected as follows:

Year	Undiscounted pledge	Discount at 3 percent	Discounted pledge
2024	$ 250,000	$ 7,282	$ 242,718

4. PROPERTY AND EQUIPMENT

Property and equipment consist of the following, at June 30, 2022 and 2021:

	2022	2021
Land	$ 165,000	$ 165,000
Building and improvements	16,771,929	15,522,278
Equipment	1,394,644	1,176,580
Vehicles	455,126	455,126
	18,786,699	17,318,984
Less: accumulated depreciation	(6,142,968)	(5,484,194)
Net property and equipment	$ 12,643,731	$ 11,834,790

5. COMMITMENT AND CONTINGENCIES

Operating leases

The Club is obligated under certain operating leases for vehicles, equipment and office space. Total lease expense for these operating leases for the year ended June 30, 2022 was approximately $101,900, including in-kind rental benefit of $49,000 for the Administrative Office. A lease agreement was signed during August 2020 for building use in Price, Utah, for a 2-year term, wherein the Club pays $1,750 per month for the duration of the lease. At the end of the lease, the Club has the option to purchase the building for $287,500 (if purchased by August 2022), , less any monthly rent credits, or continue month-to-month for $1,800. Management intends to remain in the building for the foreseeable future. In August 2022, the Club purchased the building. See note 13 for further details.

Legal proceedings

Management is not currently aware of claims or threatened claims that reasonably would be expected to exceed insurance limits, or otherwise have a material adverse effect upon the Club's financial position or activities.

6. LONG-TERM DEBT

Building sale-leaseback agreements

Midvale building

In January 2013, the Club entered into a sale-leaseback agreement with Midvale City, Utah, wherein the City purchased the Midvale Building for $1,050,000. Future minimum monthly payments consist of $5,859, for a period of 23 years, commencing February 2013. This lease is accounted for as an operating lease. Approximately $848,000 of the proceeds were used to pay off a note payable and line of credit with a local financial institution. The agreement was established to assist the Club in increasing its cash flow position and re-finance the note on the building. Lease expense totaled $70,308 during the fiscal year ended June 30, 2022.

The agreement resulted in a gain on sale of the building and land of $263,137, including an offset of $7,513 in closing costs. Financial Accounting Standards Codification Topic 840, *Leases*, requires that the seller-lessee shall recognize any profit over the life of the lease. The Club recognized $11,441 of the gain during the fiscal year ended June 30, 2022. $143,009 remains as of June 30, 2022.

6. LONG-TERM DEBT (CONTINUED)

A rollforward of long-term debt balances are as follows for the year ended June 30 2022:

	June 30, 2021	Proceeds	Payments	June 30, 2022	Current Portion
Notes payable:					
Eccles Club refinance	$ 1,139,629	$ -	$ (249,268)	$ 890,361	$ 58,725
Tooele Club purchase	-	750,000	(1,084)	748,916	23,508
Vehicle	7,536	-	(6,028)	1,508	1,508
	$ 1,147,165	$ 750,000	$ (256,380)	$ 1,640,785	$ 83,741

Future maturities of the long-term debt balances are as follows for the years ended June 30:

	Note payable - Mortgage	Note payable - Mortgage	Note Payable - Vehicle	Total
2023	$ 58,725	$ 23,508	$ 1,508	$ 83,741
2024	61,118	24,465	-	85,583
2025	63,608	25,462	-	89,070
2026	66,199	26,499	-	92,698
Thereafter	640,711	648,982	-	1,289,693
	$ 890,361	$ 748,916	$ 1,508	$ 1,640,785

Notes payable

Eccles Club Mortgage

During June 2021, the Club entered into a mortgage loan for $1,139,629, for the purpose of refinancing the remaining balance of its construction note into permanent financing. The interest rate is fixed at 3.91%, with monthly payments of $8,430, including interest, until maturity in July 2031.

Tooele Club Mortgage

During May 2022, the Club entered into a mortgage loan for $750,000, for the purpose of purchasing the Tooele Club building. The interest rate is variable, based on the prime rate plus 1.00%, but will not change more than once every five years, nor be lower than 5.00%. As of June 30, 2022, the calculated rate was 5.00%.

The note calls for 119 payments of $4,417, and one balloon payment of $560,250 at maturity in May 2032. However, whenever increases occur in the interest rate, the lender, at its option, may do one or more of the following: (A) increase the Club's payments to ensure the loan will pay off by its original final maturity date, (B) increase total payments to cover accruing interest, (C) increase the number of total payments, or (D) continue the original payments at the same amount and increase the final payment.

6. <u>LONG-TERM DEBT (CONTINUED)</u>

<u>Vehicle Purchase</u>

During October 2016, the Club entered into a note payable of $36,169 with Ford Motor Company to purchase a passenger van for the purpose of transporting kids. The agreement calls for monthly payments of $503, with 0% interest, through maturity in September 2022. As of June 30, 2022, the outstanding balance was $1,508.

Line of credit

The Club entered into an agreement with a local financial institution to establish a line of credit totaling up to $250,000. The interest rate is variable, based on the 30-day LIBOR. As of June 30, 2022, the rate was 4.99%, and the account balance was $0. The line is unsecured.

7. <u>ASSETS HELD IN ENDOWMENT</u>

Dee Operations Endowment

The Club entered into an agreement with a donor, who is a member of the Board of Directors, during 2020 wherein the donor unconditionally pledged to donate $100,000 each year for five years, totaling $500,000. The purpose of the donation is to establish the Dee Operations Endowment for the Boys and Girls Clubs of Greater Salt Lake (The Dee Endowment), wherein any individual or entity may contribute. The Dee Endowment will provide a permanent, self-sustaining source of funding for the Club's programs and operations that directly serve club members. The Club is authorized to only distribute and spend earnings on the endowment. The endowment is held and managed by Elevated Private Wealth Advisors. This multi-year pledge was recorded at a discount for the amounts to be received during years 3 through 5. See Note 3 for details.

8. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consisted of cash, accounts receivable and unappropriated earnings on permanent endowments as of June 30, 2022 and 2021 that are available for the following purposes:

	2022	2021
Subject to expenditure for specified purpose:		
Capital campaign	$ 242,718	$ 451,248
Educational scholarships	180,759	146,758
Youth development programs	-	127,690
Tooele Club remodel	500,000	-
Other	15,241	-
	938,718	725,696
Subject to the passage of time:		
Grant receivable	180,720	184,957
Childcare receivables	29,308	23,283
Youth development programs	275,820	618,298
	485,848	826,538
Perpetual in nature:		
Dee Operations Endowment	557,578	557,578
Educational scholarships	-	5,000
	557,578	562,578
Total net assets with donor restrictions	$ 1,982,144	$ 2,114,812

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for the years ended June 30, 2022 and 2021:

	2022	2021
Expiration of time restrictions		
Youth development programs	$ 618,298	$ 50,000
Grant receivable	184,957	-
Childcare receivables	13,828	-
	817,083	50,000
Satisfaction of purpose restrictions:		
Capital campaign	208,530	1,234,123
Educational scholarships	31,399	31,307
Youth development programs	166,112	4,417
	406,041	1,269,847
	$ 1,223,124	$ 1,319,847

9. RETIREMENT PLAN

The Club sponsors and maintains a 401(k) profit-sharing plan (the Plan). The Plan covers qualifying employees age 21 or older who work 1,000 hours or more per year and complete one year of employment. The Club's contributions to the Plan totaled approximately $25,000 for the year ended June 30, 2022, $3,802 of which remained payable at June 30, 2022, and is included with accrued liabilities on the statement of net position.

10. RELATED PARTY TRANSACTIONS

The Club pays dues to Boys and Girls Clubs of America. Payments were $15,297 for the year ending June 30, 2022.

Donations received from various members of the Board of Directors were approximately $81,037, during the year ended June 30, 2022.

11. DISAGGREGATION OF REVENUES FROM CONTRACTS WITH CUSTOMERS

Revenues from performance obligations satisfied at a point in time as well as satisfied over time consist of childcare fees. The Club satisfies its performance obligations in contracts with customers by providing childcare services. The Club recognizes revenues ratably over the specified contract with the customer based on childcare provided to the customer. Generally, payment is due from customers within a week or a month of the invoice date and the contracts do not have significant financing components. As the Club satisfies their performance obligations it is entitled to the amount of consideration expected in exchange for the services performed, generally weekly or monthly contractual billings. The Club is generally directly responsible for fulfilling its performance obligations in contracts with customers and does not rely on another party to fulfill its promise.

The disaggregation of the Club's revenue based on the timing of satisfaction of performance obligations for the years ended June 30, 2022 and 2021 are as follows:

	2022	2021
Performance obligations satisfied at a point in time	$ 968,803	$ 686,900
Performance obligations satisfied over time	41,016	20,087
Total revenues	$ 1,009,819	$ 706,987

12. CONTRACT BALANCES

Upon receipt of a prepayment from a customer, the Club recognizes a contract liabilities in the amount of the prepayment for its performance obligation to provide services in the future. As of June 30, 2022, the Club has recorded liabilities in the amount of $54,625, which the Club expects to recognize as revenue during 2023, when it provides services and, therefore, satisfies its performance obligation to the customer.

Contract assets and contract liabilities with customers were as follows for the years ended December 31, 2022, 2021, and 2020:

	2022	2021	2020
Contract assets	$ 19,853	$ 13,828	$ 20,556
Contract liabilities	54,625	41,016	20,087

13. SUBSEQUENT EVENTS

During the fiscal year ended June 30, 2021, the Club applied to the State of Utah Governor's Office for a grant, with the intent to purchase the Price building, as discussed in note 5. The Club received notice in August 2022 that $270,000 was awarded. As such, the Club used these proceeds to purchase the Price building for $290,622 (including fees of $3,122) during August 2022.

Management has evaluated for other subsequent events through November 10, 2022, the date which these financial statements were available to be issued.

SUPPLEMENTAL INFORMATION

FEDERAL SINGLE AUDIT

CERTIFIED PUBLIC ACCOUNTANTS

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CLARKE R. BRADSHAW, CPA
GARY E. MALMROSE, CPA
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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*

Independent Auditor's Report

To the Board of Directors
Boys and Girls Clubs of Greater Salt Lake

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 Boys and Girls Clubs of Greater Salt Lake (the Club) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Club's basic financial statements, and have issued our report thereon dated November 10, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Club's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Club's internal control. Accordingly, we do not express an opinion on the effectiveness of the Club'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 Club'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 over financial reporting 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 financial reporting that might be material weaknesses or significant deficiencies, therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting 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 Club's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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 did not disclose an instance 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 Club'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 Club's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

HBMC, LLC

November 10, 2022

HBME

COMMITTED. EXPERIENCED. TRUSTED

CERTIFIED PUBLIC ACCOUNTANTS

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REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH *THE UNIFORM GUIDANCE*

Independent Auditor's Report

To the Board of Directors
Boys and Girls Clubs of Greater Salt Lake

We have audited the Boys & Girls Clubs of Greater Salt Lake's (the Club) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Compliance Supplement that could have a direct and material effect on each of the Club's major federal programs for the year ended June 30, 2022. The Club'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 the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Club'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 (CFR) 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 Club'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 Club's compliance.

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Opinion on Each Major Federal Program

In our opinion, the Boys & Girls Clubs of Greater Salt Lake's complied, 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, 2022.

Report on Internal Control over Compliance

Management of the Club 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 Club's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program as a basis for designing 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 Club's internal control over compliance.

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

Purpose of This Report

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.

HBME, LLC

November 10, 2022

BOYS AND GIRLS CLUBS OF GREATER SALT LAKE
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2022

Federal Agency (Pass-Through Agency)	Federal Program	ALN	Award Grant Number	Expenditures: From Pass-Through Awards	Expenditures: From Direct Awards	Expenditures: Total	Passed Through to Subrecipient
U.S. Department of Agriculture							
(Utah State Board of Education)	Food Service Program	10.558	None	$ 55,576	$ -	$ 55,576	$ -
		Total U.S. Department of Agriculture		55,576	-	55,576	-
U.S. Department of Justice, Office of Juvenile Justice & Deliquency Prevention							
(Boys & Girls Clubs of America)	Juvenile Mentoring Program	16.726	None	86,406	-	86,406	-
		Total U.S. Department of Justice		86,406	-	86,406	-
U.S. Department of Education							
(Utah Board of Education)	Education Stabilization Fund	84.425	None	3,332	-	3,332	-
(Canyons School District)	Education Stabilization Fund	84.425	None	557	-	557	-
		Total U.S. Department of Education		3,889	-	3,889	-
U.S. Department of Health and Human Services							
(Utah Department of Health)	Personal Responsibility Education Program	93.092	None	32,117	-	32,117	-
(Utah Department of Health)	Rape Prevention and Education Program	93.136	None	40,000	-	40,000	-
(Utah Department of Health)	Sexual Risk Avoidance Education	93.235	None	33,432	-	33,432	-
(Utah Department of Workforce Services)	Temporary Assistance for Needy Families	93.558	None	83,068	-	83,068	-
(Utah Department of Workforce Services)	Temporary Assistance for Needy Families	93.558	None	45,836	-	45,836	-
(Utah Department of Workforce Services)	Temporary Assistance for Needy Families	93.558	None	28,124	-	28,124	-
(Salt Lake County)	Child Care and Development Block Grant	93.575	None	54,388	-	54,388	-
(Utah Department of Workforce Services)	Child Care and Development Block Grant	93.575	None	2,072,360	-	2,072,360	-
(Utah Department of Workforce Services)	Child Care and Development Block Grant	93.575	None	300,000	-	300,000	-
(Salt Lake County)	Social Services Block Grant	93.667	None	19,375	-	19,375	-
(Salt Lake County)	Substance Abuse Program	93.959	None	49,915	-	49,915	-
	Total U.S. Department of Health and Human Services			2,758,615	-	2,758,615	-
		TOTAL FEDERAL AWARDS EXPENDED		**$ 2,904,486**	**$ -**	**$ 2,904,486**	**$ -**

BOYS AND GIRLS CLUBS OF GREATER SALT LAKE
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2022

1. PURPOSE OF THIS SCHEDULE

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal grant activity of the Boys and Girls Clubs of Greater Salt Lake (the Club) under programs of the federal government for the year ended June 30, 2022.

The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Club, it is not intended to and does not present the financial position, changes in net assets or cash flows of the Club.

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 Uniform Guidance, where certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

Basis of Presentation

The accompanying schedule includes the federal grant activity of the Club. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. Federal Financial Assistance Pursuant to the Single Audit Act of 1984; the Single Audit Act Amendments of 2004, and the Uniform Guidance, federal financial assistance is defined as assistance provided by a federal agency, either directly or indirectly, in the form of grants, contracts, cooperative agreements, loans, loan guarantees, property, interest subsidies, insurance, endowments, or direct appropriations. Federal financial assistance does not include direct federal cash assistance to individuals.

Assistance Listing Number (ALN) - The Uniform Guidance requires the Schedule to show the total expenditures for each of the Club's federal financial assistance programs as identified in the ALN. The ALN is a government-wide summary of individual federal programs. Each program included in the ALN is assigned a five-digit program identification number which is reflected in the Schedule. Federal financial assistance programs and contracts which have not been assigned a ALN number have been identified as Unknown in the ALN Column of the schedule.

Type A and Type B Programs - The Single Audit Act of 1984 (as amended in 2004) and the Uniform Guidance establish the levels to be used in defining Type A and Type B federal programs. Type A programs for The Club are those programs that exceeded $750,000 in the federal awards expended for the fiscal year ended June 30, 2021. All other programs are classified as Type B programs by the Club.

3. FEDERAL DE MINIMUS INDIRECT RATE

The Club has not elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

BOYS AND GIRLS CLUBS OF GREATER SALT LAKE
Notes to the Schedule of Expenditures of Federal Awards (Continued)
For the Year Ended June 30, 2022

4. NON-CASH ASSISTANCE

No non-cash assistance is reported in the schedule for the year ended June 30, 2022.

5. LOAN AND LOAN GUARANTEE PROGRAMS

No loan or loan guarantee programs were expended during, nor did any exist as of, the fiscal year ended June 30, 2022.

BOYS AND GIRLS CLUBS OF GREATER SALT LAKE
Schedule of Findings, Questioned Costs, and Recommendations
For the Year Ended June 30, 2022

A. Summary of Auditor's Results

1.	Type of Report Issued:	Unmodified
2.	Internal Control over Financial Reporting:	
	Material Weaknesses Identified:	None
	Significant Deficiencies Identified that were not Considered to be Material Weaknesses:	None
3.	Non-compliance Material to Financial Statements Noted:	None
4.	Internal Control over Major Programs:	
	Material Weaknesses Identified:	None
	Significant Deficiencies Identified that were not Considered to be Material Weaknesses:	None
5.	Type of Auditor's Report Issued on Compliance for Major Programs:	Unmodified
6.	Any Audit Findings Disclosed That Are Required to be Reported in Accordance with the Uniform Guidance:	None
7.	Federal Programs Tested as Major Programs:	
	CCDF Cluster	93.575
8.	Dollar Threshold Used to Distinguish Between Type A and Type B Programs:	$750,000
9.	Auditee Qualification as High or Low Risk:	Low

B. Findings Related to the Financial Statements Required to be Reported in Accordance with Government Auditing Standards:

None.

C. Findings and Questioned Costs Related to Federal Awards Required to be Reported in Accordance with the Uniform Guidance:

None.