

**HOGAN PREPARATORY ACADEMY, INC.
KANSAS CITY, MISSOURI
FINANCIAL STATEMENTS
TOGETHER WITH INDEPENDENT
AUDITOR'S REPORT
FOR THE YEAR ENDED JUNE 30, 2020**

**HOGAN PREPARATORY ACADEMY, INC.
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INDEPENDENT AUDITOR'S REPORT

To the Members of the Board of Directors
Hogan Preparatory Academy, Inc.

Report on the Financial Statements

We have audited the accompanying modified cash-basis financial statements of Hogan Preparatory Academy, Inc. (a nonprofit organization) (school), which comprise the Statement of Assets, Liabilities and Net Assets - Modified Cash Basis of as of June 30, 2020, and the related Statements of Support, Revenue, Reclassifications, Expenses and Changes in Net Assets, Functional Expenses and Cash Flows - Modified Cash Basis 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 the modified cash basis of accounting described in Note B. This includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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.

Auditors' 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 Hogan Preparatory Academy, Inc. as of June 30, 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with the modified cash basis of accounting described in Note B.

Basis of Accounting

We draw attention to Note B of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters


Supplementary and Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Statement of Assets, Liabilities and Fund Balances – Modified Cash Basis – Governmental Funds, Statement of Revenues, Expenditures and Changes in Fund Balances – Modified Cash Basis – Governmental Funds, Schedule of Revenues Collected by Source – Modified Cash Basis, Schedule of Expenditures by Object – Modified Cash Basis, and 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* are presented for purposes of additional analysis and are not a required part of the financial statements.

The supplementary information presented on pages 12 through 15 are presented for purposes of complying with requirements of the Missouri Department of Elementary and Secondary Education and the schedule of expenditures of Federal awards presented on page 26 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The 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 supplementary information and the schedule of expenditures of federal awards are 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 December 15, 2020, on our consideration of the 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 the School'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 School's internal control over financial reporting and compliance.



DANIEL JONES & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
ARNOLD, MISSOURI

December 15, 2020

FINANCIAL STATEMENTS

HOGAN PREPARATORY ACADEMY, INC.
STATEMENT OF ASSETS, LIABILITIES AND NET ASSETS - MODIFIED CASH BASIS
JUNE 30, 2020

ASSETS

Cash	\$ 2,635,760
Other assets	36,412
Property and equipment, net	<u>2,846,999</u>
 Total Assets	 <u>\$ 5,519,171</u>

LIABILITIES AND NET ASSETS

LIABILITIES

Payroll withholdings	\$ -
Notes payable	<u>1,666,334</u>
 Total liabilities	 <u>1,666,334</u>

NET ASSETS

Without donor restrictions	<u>3,852,837</u>
 Total Liabilities and Net Assets	 <u>\$ 5,519,171</u>

See accompanying notes to the financial statements.

HOGAN PREPARATORY ACADEMY, INC.
STATEMENT OF SUPPORT, REVENUE, RECLASSIFICATIONS, EXPENSES AND
CHANGES IN NET ASSETS - MODIFIED CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Net Assets Without Donor Restrictions</u>
REVENUES:	
Government grants and contracts	\$ 12,646,220
Contributions	964,494
Fees and services	11,749
Other revenue	435,324
Earnings on investments	<u>580</u>
Total revenues	14,058,367
EXPENSES:	
Program Services	-
Charter School	9,818,870
Management and General	3,292,951
Total Expenses	13,111,821
Change in net Assets	946,546
Net assets, beginning of year	<u>2,906,291</u>
Net assets, end of year	<u><u>\$ 3,852,837</u></u>

See accompanying notes to the financial statements.

HOGAN PREPARATORY ACADEMY
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2020

	Charter School	Management and General	Fundraising	Total
Salaries	\$ 5,401,925	\$ 619,079	\$ -	\$ 6,021,004
Payroll taxes and benefits	1,312,180	164,245	-	1,476,425
Amortization	-	888	-	888
Assistance to individuals	-	-	-	-
Building and equipment maintenance	38,196	9,549	-	47,745
Conferences, meetings and travel	20,263	4,292	-	24,555
Contract and professional fees	1,907,505	1,064,464	-	2,971,969
Depreciation	-	108,949	-	108,949
Student transportation	-	660,202	-	660,202
Food supplies	-	-	-	-
Office supplies	10,307	62,109	-	72,416
Other supplies	18,197	1,624	-	19,821
Insurance	-	114,013	-	114,013
Interest	-	17,364	-	17,364
Occupancy	467,651	116,913	-	584,564
Utilities	180,790	45,197	-	225,987
Program and support services	-	-	-	-
Printing and publications	516	83,779	-	84,295
Textbooks and educational materials	414,473	-	-	414,473
Telephone and communications	17,267	32,884	-	50,151
Rent expense	29,600	7,400	-	37,000
Postage and shipping	-	-	-	-
Special event expense	-	-	-	-
Bad debt expense	-	-	-	-
Other	-	180,000	-	180,000
Total expenses	\$ 9,818,870	\$ 3,292,951	\$ -	\$ 13,111,821

See accompanying notes to the financial statements.

HOGAN PREPARATORY ACADEMY, INC.
STATEMENT OF CASH FLOWS - MODIFIED CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2020

CASH FLOWS FROM OPERATING ACTIVITIES:	
Change in net assets	946,546
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Amortization	888
Depreciation	108,949
(Increase) decrease in:	
Escrow funds	-
Other assets	(10,771)
Increase (decrease) in:	
Payroll withholdings	<u>(1,729)</u>
Net cash provided by operating activities	<u>\$ 1,043,883</u>
 CASH FLOWS FROM INVESTING ACTIVITIES:	
Purchase of property and equipment	(571,988)
Gain on sale	<u>-</u>
Net Cash used by Investing Activities	<u>\$ (571,988)</u>
 CASH FLOWS FROM FINANCING ACTIVITIES:	
Proceeds from PPP loan	1,412,300
Payments on Note Payable	<u>(66,869)</u>
Net cash provided by financing activities	<u>1,345,431</u>
NET INCREASE IN CASH	1,817,326
CASH AND CASH EQUIVALENTS, beginning	<u>818,434</u>
CASH AND CASH EQUIVALENTS, ending	<u><u>\$ 2,635,760</u></u>
 SUPPLEMENTAL DISCLOSURES:	
Interest paid	<u><u>\$ -</u></u>

See accompanying notes to the financial statements.

HOGAN PREPARATORY ACADEMY, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

NOTE A - BUSINESS ACTIVITY

The Hogan Preparatory Academy, Inc. (the School) is a not-for-profit public benefit corporation organized on June 8, 1998, under Chapter 355, RSMo and governed by Senate Bill No. 781 of the 89th General Assembly of the Missouri legislature. The corporation operates a charter school, which is sponsored by University of Central Missouri. The School is exempt from most Missouri laws and statutes governing educational institutions. The aforementioned Senate Bill No. 781 governs it. The School's charter allows for the provision of education for students in grades kindergarten through twelve.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting: Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. The financial statements are presented on the modified cash basis of accounting. This basis recognizes assets, liabilities, net assets/fund equity, revenues and expenses when they result from cash transactions, with a provision for recording capital assets, depreciation and long-term liabilities, such as promissory notes. Accordingly, the accompanying financial statements are not intended to present financial position or results of operations in accordance with accounting principles generally accepted in the United States of America.

Cash and cash equivalents: For the purpose of the statement of cash flows, the School considers all unrestricted highly-liquid investments with an initial maturity of three months or less to be cash equivalents.

Estimates: The preparation of financial statements in conformity with the modified cash basis requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Income Taxes: The School is exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code and has been classified as an organization that is not a private foundation under Section 509(a)(2).

The School's Forms 990, Return for Organization Exempt from Income Taxes, for the years ended June 30, 2020, 2019, and 2018 are subject to examination by the IRS, generally three years after they were filed.

Personal Leave: Personal days are considered as expenditures in the year paid. Full-time and Part-time employees accumulate personal days based on length of service and number of months of employment during the fiscal year. A maximum of 40 unused personal hours for 10-month employees and 80 unused personal hours for 12-month employees may be carried over to the next fiscal year. Unused personal days, except as specified above, are forfeited.

Property and Equipment: All property and equipment are valued at historical cost, if acquired, or fair value, if donated. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. A capitalization threshold of \$1,000 is used to report capital assets.

Equipment	5 years to 15 years
Buildings and improvements	15 years to 50 years

HOGAN PREPARATORY ACADEMY, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (concluded)

Recognition of Donor Restrictions

Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restriction. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Subsequent Events

The School has evaluated subsequent events through December 15, 2020, the date which the financial statements were available to be issued.

NOTE C - CASH

At June 30, 2020, the bank balances of the School deposits totaled \$2,666,977, of which, \$250,000 was covered by FDIC insurance and the remaining \$2,419,977 was supported by collateral.

NOTE D - INSURANCE

The School is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees; and natural disasters. The School maintains commercial insurance to protect itself from such risks.

NOTE E - RETIREMENT PLAN

The School contributes to The Public School Retirement System of the School District of Kansas City, Missouri a cost-sharing multiple-employer defined benefit pension plan. Participation is mandatory for employees of the Kansas City, Missouri Public School District, the Kansas City Public Library, and the Public School Retirement System. The Retirement System provides service and disability retirement benefits to full-time employees and optional benefits to members' beneficiaries. Positions covered by The Retirement System are also covered by Social Security. A 12-member Board of Trustees administers the Retirement System.

The Retirement System issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to: The Public School Retirement System of the School District of Kansas City, Missouri, 324 E. 11th St., Kansas City, Missouri, 64106, or by calling 1-816-472-5800.

Retirement System members were required to contribute 9% of their annual covered salary. The School is required to contribute an 11.25% match. The contribution requirements of members and the School are established, and may be amended, by the Board of Trustees. The School's required contributions to the System for the year ended June 30, 2020, were \$645,027.

HOGAN PREPARATORY ACADEMY, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

NOTE F - PROPERTY AND EQUIPMENT

Buildings and improvements	\$ 2,935,793
Land	200,433
Equipment	<u>909,683</u>
	4,045,909
Accumulated depreciation	<u>(1,198,910)</u>
	<u>\$ 2,846,999</u>

Depreciation expense for the year ended June 30, 2020, was \$108,949. The depreciation expense was allocated to building and improvements in the amount of \$67,803, instruction and related equipment in the amount of \$5,869, and non-instruction related equipment in the amount of \$35,277.

NOTE G - NOTES PAYABLE

On January 15, 2013, the School executed a secured promissory note to a bank for \$520,000. Proceeds from this note were used to purchase a new facility. The note was restructured on September 15, 2018 with a new maturity date of December 12, 2023, bearing interest rate at 6.75%. The balance on the note at June 30, 2020, was \$175,015.

On December 31, 2013, the School executed a secured promissory note to a bank for \$234,100. Proceeds from this note were used to purchase air conditioner system upgrades. The note has a maturity date of January 1, 2024, bearing interest at 3.5%. The balance on the note at June 30, 2020, was \$93,424.

On March 27, 2017, the School executed a secured promissory note to a bank for \$2,025,800. Proceeds from this note were used to purchase a new facility, furniture and equipment. The note is due on demand. If no demand is made, the School will be required to make interest only payments beginning May 1, 2018, 179 consecutive monthly principal and interest payments of \$16,083 beginning April 1, 2020, and one principal and interest payment of \$16,083 on March 1, 2035. The balance of the note was paid off during the fiscal year.

On April 15, 2020, the school was awarded a loan through the Paycheck Protection Program of \$1,412,300. As of June 30, 2020 guidance had not be released by the SBA to allow the school to apply forgiveness. The school expects the loan to be forgiven in its entirety per program guidelines.

Debt service requirements at June 30, 2020, to maturity are:

June 30, 2020	Principal	Interest	Total
2021	\$ 691,916	\$ 28,157	\$ 720,073
2022	866,080	12,953	879,033
2023	79,297	4,936	84,233
2024	<u>43,446</u>	<u>744</u>	<u>44,190</u>
Total	1,680,739	<u>\$ 46,790</u>	<u>\$ 1,727,529</u>
Less Unamortized loan fees	<u>(14,405)</u>		
Note payable, net	<u>\$ 1,666,334</u>		

HOGAN PREPARATORY ACADEMY, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

NOTE H - LEASE COMMITMENTS

On January 13, 2015, the School entered into two 120 month lease agreements with Brightergy Leasing, LLC for the installation of two Solar Panel Systems for the schools. Each lease calls for one \$37,500 initial payment. The initial payment is a rebate payment received from Missouri Kansas City Power and Light for the installation of solar panels. The lease requires monthly payments of \$200 per lease.

On November 2, 2016, the school entered into an operating lease with Toshiba Business Solutions. This lease replaced four of their other copier leases to consolidate them. There remains one copier on the lease, which will terminate October 25, 2021 with a monthly payment of \$929.73.

On February 28, 2017, the School entered into an operating lease for a Digital Mailing system with Pitney Bowes. The term is for 60 months for an amount of \$179.64 billed quarterly. The school added a new lease to the agreement on April 10, 2019 which runs for 60 months at an amount of \$181.59 billed quarterly.

On May 1, 2019, the School entered into a lease agreement with Swope Corridor Renaissance Upper Room, Inc. to lease property at 300 E. 39th Street, Kansas City, MO 64111 for the Charter School's elementary school. The first-year lease calls for annual payment of \$1. The property does have an optional renewal for a monthly rental amount of \$12,500.

On June 25, 2019, the School entered into a one-year lease agreement with The Diocese of Kansas City – St. Joseph Real Estate Corporation to lease four offices at 5809 Michigan, Kansas City, MO 64130. The lease calls for monthly payments of \$1,000.

On April 29, 2020, the school entered into an operating lease for copiers with Sumner One. The lease provides 7 copiers for 60 months at a monthly amount of \$1,239.63.

Future minimum lease payments on the preceding leases are as follows:

Year ending June 30,	Copiers	Postage Machine	Solar Panels	2803 E. 51st St	5809 Michigan	Total
2021	\$ 26,032	\$ 1,445	\$ 4,800	\$ 150,000	\$ 12,000	\$ 194,277
2022	17,665	1,086	4,800	-	-	23,551
2023	14,876	726	4,800	-	-	20,402
2024	14,876	726	4,800	-	-	20,402
2025	14,876	726	4,800	-	-	20,402
Total	\$ 88,325	\$ 4,709	\$ 24,000	\$ 150,000	\$ 12,000	\$ 279,034

HOGAN PREPARATORY ACADEMY, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

NOTE I - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The School strives to maintain liquid financial assets sufficient to cover general expenditures and maintain financial stability.

The following table reflects the School's financial assets as of June 30, 2020, reduced by amounts not available to meet general expenditures within one year of the statement of assets, liabilities and net assets –modified cash basis date because of donor restrictions.

Cash	\$ 2,635,760
Donor restricted assets	<u>-</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 2,635,760</u>

NOTE J- CONTINGENCIES

Hogan Preparatory Academy, Inc. was not involved in pending litigation as of the audit report date.

The continued operation of Hogan Preparatory Academy is dependent upon the guidelines set forth by RSMo, Department of Elementary and Secondary Education, and the continued support of the School's sponsor. The School may cease to exist upon infringement of the aforementioned agreements.

NOTE K- SUBSEQUENT EVENTS

On November 13, 2020 the School received notice from BOK Financial that the SBA Paycheck Protection Program Loan Forgiveness had been approved.

SUPPLEMENTARY INFORMATION

HOGAN PREPARATORY ACADEMY, INC.
STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES -
MODIFIED CASH BASIS - GOVERNMENTAL FUNDS
JUNE 30, 2020

	<u>GENERAL FUND</u>	<u>SPECIAL REVENUE FUND</u>	<u>CAPITAL PROJECTS FUND</u>	<u>TOTALS</u>
ASSETS				
Cash and cash equivalents	\$ 2,635,760	\$ -	\$ -	\$ 2,635,760
Other assets	<u>36,412</u>	<u>-</u>	<u>-</u>	<u>36,412</u>
 Total assets	 <u>\$ 2,672,172</u>	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ 2,672,172</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Payroll liabilities	\$ -	\$ -	\$ -	\$ -
 Total liabilities	 <u>-</u>	 <u>-</u>	 <u>-</u>	 <u>-</u>
Fund Balances:				
Unassigned	<u>2,672,172</u>	<u>-</u>	<u>-</u>	<u>2,672,172</u>
 Total liabilities and fund balances	 <u>\$ 2,672,172</u>	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ 2,672,172</u>

HOGAN PREPARATORY ACADEMY, INC.
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - MODIFIED CASH BASIS - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	TOTALS
REVENUES:				
Local	3,465,645	416,080	-	3,881,725
State	4,744,364	4,742,038	-	9,486,402
Federal	2,102,541	-	-	2,102,541
Other	-	-	-	-
Total Revenues	<u>10,312,550</u>	<u>5,158,118</u>	<u>-</u>	<u>15,470,668</u>
EXPENDITURES:				
Instruction	2,937,072	3,344,459	2,190	6,283,721
Student services	389,258	131,765	-	521,023
Instructional staff support	599,310	579,890	-	1,179,200
General administration & central services	1,232,158	969,549	-	2,201,706
Building level administration	263,397	129,958	-	393,355
Operation of plant	1,059,502	-	1,111	1,060,613
Transportation	660,202	-	-	660,202
Food service	625,567	-	-	625,567
Community service	60,036	2,496	-	62,532
Facility construction and acquisition	-	-	568,689	568,689
Debt service:				
Principal payments	-	-	66,869	66,869
Interest and fees	-	-	17,364	17,364
Total Expenditures	<u>7,826,502</u>	<u>5,158,118</u>	<u>656,222</u>	<u>13,640,842</u>
Revenues Over (Under) Expenditures	<u>2,486,048</u>	<u>-</u>	<u>(656,222)</u>	<u>1,829,826</u>
Other Financing Sources (Uses):				
Sale of Property Proceeds	-	-	-	-
Transfers	<u>(656,222)</u>	<u>-</u>	<u>656,222</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(656,222)</u>	<u>-</u>	<u>656,222</u>	<u>-</u>
Net change in fund balances	1,829,826	-	-	1,829,826
Fund balance, beginning	<u>842,346</u>	<u>-</u>	<u>-</u>	<u>842,346</u>
Fund balance, ending	<u>\$ 2,672,172</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,672,172</u>

HOGAN PREPARATORY ACADEMY, INC.
SCHEDULE OF REVENUES COLLECTED BY SOURCE - MODIFIED CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2020

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	TOTALS
LOCAL:				
Sales tax	\$ 660,798	\$ 396,479	\$ -	\$ 1,057,277
Food Service	5	-	-	5
Student activities	8,718	-	-	8,718
Interest income	580	-	-	580
Donations	964,494	-	-	964,494
Rental	3,027	-	-	3,027
Other local revenue	<u>1,828,023</u>	<u>19,601</u>	<u>-</u>	<u>1,847,624</u>
	<u>3,465,645</u>	<u>416,080</u>	<u>-</u>	<u>3,881,725</u>
STATE:				
Basic formula	4,244,917	4,742,038	-	8,986,955
Transportation	159,523	-	-	159,523
Basic formula - classroom trust fund	294,036	-	-	294,036
Food service	5,626	-	-	5,626
Special education high need fund	7,032	-	-	7,032
Other state revenue	<u>33,230</u>	<u>-</u>	<u>-</u>	<u>33,230</u>
Total State	<u>4,744,364</u>	<u>4,742,038</u>	<u>-</u>	<u>9,486,402</u>
FEDERAL:				
Medicaid	50,345	-	-	50,345
Title I	1,121,691	-	-	1,121,691
Special Education High Needs Fund	438	-	-	438
IDEA grants	197,006	-	-	197,006
Child Nutrition Cluster	628,546	-	-	628,546
Title II, Part A	68,550	-	-	68,550
Title IV.A	<u>35,966</u>	<u>-</u>	<u>-</u>	<u>35,966</u>
Total Federal	<u>2,102,541</u>	<u>-</u>	<u>-</u>	<u>2,102,541</u>
OTHER:				
Sale of Vehicle	-	-	-	-
Sale of Property	-	-	-	-
Loan Proceeds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>\$ 10,312,550</u>	<u>\$ 5,158,118</u>	<u>\$ -</u>	<u>\$ 15,470,668</u>

HOGAN PREPARATORY ACADEMY, INC.
SCHEDULE OF EXPENDITURES BY OBJECT - MODIFIED CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2020

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	2020 TOTALS
Salaries	\$ 1,874,537	\$ 4,146,467	\$ -	\$ 6,021,004
Employee benefits	464,774	1,011,651	-	1,476,425
Purchased services	4,765,964	-	-	4,765,964
Supplies	721,227	-	-	721,227
Capital outlay	-	-	571,989	571,989
Principal	-	-	66,869	66,869
Interest and fees	-	-	17,364	17,364
	<u>\$ 7,826,502</u>	<u>\$ 5,158,118</u>	<u>\$ 656,222</u>	<u>\$ 13,640,842</u>

STATE COMPLIANCE SECTION



**INDEPENDENT ACCOUNTANT'S REPORT ON MANAGEMENT'S ASSERTIONS
ABOUT COMPLIANCE WITH SPECIFIED REQUIREMENTS OF
MISSOURI STATE LAWS AND REGULATIONS**

To the Members of the Board of Directors
Hogan Preparatory Academy, Inc.

Report on Compliance with State Requirements

We have examined management's assertions that Hogan Preparatory Academy, Inc. ("School") complied with the requirements of Missouri laws and regulations regarding budgetary and disbursement procedures; accurate disclosure by the School's records of average daily attendance and average daily transportation of pupils, and other statutory requirements as listed in the Schedule of Selected Statistics for the year ended June 30, 2020.

Management's Responsibility

Management is responsible for the School's compliance with the aforementioned requirements.

Auditor's Responsibility

Our responsibility is to express an opinion on management's assertions about the School's compliance based on our examination. Our examination was made in accordance with the attestation standards established by the American Institute of Certified Public Accountants and, accordingly, 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 examination provides a reasonable basis for our opinion. Our opinion does not provide a legal determination on the School's compliance with specified requirements.

Opinion on Compliance with State Requirements

In our opinion, management's assertions that Hogan Preparatory Academy, Inc. complied with the aforementioned requirements for the year ended June 30, 2020, are fairly stated, in all material respects.

This report is intended solely for the information and use of the Governing Board, administration, University of Central Missouri and the Missouri Department of Elementary and Secondary Education and other audit agencies and is not intended to be and should not be used by anyone other than these specified parties.

Daniel Jones & Associates

DANIEL JONES & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
ARNOLD, MISSOURI

December 15, 2020

**HOGAN PREPARATORY ACADEMY, INC.
SCHEDULE OF SELECTED STATISTICS
FOR THE YEAR ENDED JUNE 30, 2020**

1. CALENDAR (Sections 160.041, 171.029, 171.031 and 171.033, RSM0)

School Code	Begin Grade	End Grade	Half Day Indicator	Standard Day Length	Days	Hours in Session
6910	PK	PK		6.1667	136	838.6712
6910	K	5		6.8300	128	849.1333
3945	6	8		6.6500	128	856.7000
1935	9	12		6.6000	128	817.3000

2. ATTENDANCE HOURS

School Code	Grade Level	Full-Time Hours	Part-Time Hours	Remedial Hours	Other Other	Summer School Hours	Total Hours
6910	PK	27.6866					27.6866
6910	K-5	301.9275				87.8482	389.7757
3945	6-8	285.7076				19.8784	305.5860
1935	9-12	306.4717				20.0018	326.4735
Grand Total		921.7934				127.7284	1,049.5218

3. SEPTEMBER MEMBERSHIP

School Code	Grade Level	Full-Time	Part-Time	Other	Total
6910	PK	23.00	-		23.00
6910	K	45.00	-	-	45.00
6910	1	54.00	-	-	54.00
6910	2	66.00	-	-	66.00
6910	3	56.00	-	-	56.00
6910	4	62.00	-	-	62.00
6910	5	55.00	-	-	55.00
3945	6	83.00	-	-	83.00
3945	7	116.00	-	-	116.00
3945	8	122.00	-	-	122.00
1935	9	138.00	-	-	138.00
1935	10	83.00	-	-	83.00
1935	11	71.00	-	-	71.00
1935	12	65.00	-	-	65.00
	Grand Total	1,039.00	-	-	1,039.00

**HOGAN PREPARATORY ACADEMY, INC.
SCHEDULE OF SELECTED STATISTICS
FOR THE YEAR ENDED JUNE 30, 2020**

4. FREE AND REDUCED PRICED LUNCH FTE COUNT (Section 163.011(6), RSMo)

School Code	Free Lunch	Reduced Lunch	Deseg In Free	Deseg In Reduced	Total
1935	319.00	-	-	-	319.00
3945	306.00	-	-	-	306.00
6910	326.00	-	-	-	326.00
Grand Total	951.00	-	-	-	951.00

5. FINANCE

5.1	The charter school maintained a calendar in accordance with 160.041, 171.029, 171.031, and 171.033, RSMo and all attendance hours were reported.	True
5.2	The charter school maintained complete and accurate attendance records allowing for the accurate calculation of Average Daily Attendance, which includes the reporting of calendar and attendance hours, for all students in accordance with all applicable state rules and regulations. Sampling of records included those students receiving instruction in the following categories:	True
	Academic Programs Off-Campus	N/A
	Career Exploration Program – Off Campus	N/A
	Cooperative Occupational Education (COE) or Supervised Occupational Experience Program	N/A
	Dual enrollment	N/A
	Homebound instruction	N/A
	Missouri Options	N/A
	Prekindergarten eligible to be claimed for state aid	N/A
	Remediation	N/A
	Sheltered Workshop participation	N/A
	Students participating in the school flex program	N/A
	Traditional instruction (full and part-time students)	True
	Virtual instruction (MOCAP or other option)	N/A
	Work Experience for Students with Disabilities	N/A
5.3	The charter school maintained complete and accurate attendance records allowing for the accurate calculation of September Membership for all students in accordance with all applicable state rules and regulations.	True
5.4	The charter school maintained complete and accurate attendance and other applicable records allowing for the accurate reporting of the State FTE count for Free and Reduced Lunch for all students in accordance with all applicable state rules and regulations.	True
5.5	As required by Section 162.401, RSMo, a bond was purchased for the charter school’s treasurer in the total amount of:	\$250,000

**HOGAN PREPARATORY ACADEMY, INC.
SCHEDULE OF SELECTED STATISTICS
FOR THE YEAR ENDED JUNE 30, 2020**

5.6	The charter school's deposits were secured during the year as required by Sections 110.010 and 110.020, RSMo.	True
5.7	The charter school maintained a separate bank account for all Debt Service Fund monies in accordance with Section 108.180 and 165.011, RSMo. (Not applicable to charter schools)	N/A
5.8	Salaries reported for educators in the October MOSIS Educator Core and Educator School files are supported by complete and accurate payroll and contract records.	True
5.9	If a \$162,326 or 7% x SAT x WADA transfer was made in excess of adjusted expenditures, the board approve a resolution to make the transfer, which identified the specific projects to be funded by the transfer and an expected expenditure date for the projects to be undertaken. (Not applicable to charter schools)	True
5.10	The charter school published a summary of the prior year's audit report within thirty days of the receipt of the audit pursuant to Section 165.121, RSMo.	True
5.11	The charter school has a professional development committee plan adopted by the board with the professional development committee plan identifying the expenditure of seventy-five percent (75%) of one percent (1%) of the current year basic formula apportionment. Remaining 25% of 1% if not spent must be restricted and spent on appropriate expenditures in the future. Spending requirement is modified to seventy-five percent (75%) of one half percent (1/2%) of the current year basic formula apportionment if through fiscal year 2024 the amount appropriated and expended to public schools for transportation is less than twenty-five percent (25%) of allowable cost. (Not applicable to charter schools.)	N/A
5.12	The amount spent for approved professional development committee plan activities was:	N/A
5.13	The charter school has posted, at least quarterly, a searchable expenditure and revenue document or database detailing actual income, expenditures, and disbursement for the current calendar or fiscal year on the district or school website or other form of social media as required by Section 160.066, RSMo.	True

6. TRANSPORTATION

6.1	The charter school transportation allowable costs substantially conform to 5 CSR 30-261.040, Allowable Costs for State Transportation Aid.	True
6.2	The charter school's pupil transportation ridership records are maintained in a manner to accurately disclose in all material respects the average number of regular riders transported.	True
6.3	Based on the ridership records, the average number of students (non-disabled K-12, K-12 students with disabilities and career education) transported on a regular basis (ADT) was:	
	Eligible ADT	697.00
	Ineligible ADT	0.00
6.4	The charter school's transportation odometer mileage records are maintained in a manner to accurately disclose in all material respects the eligible and ineligible mileage for the year.	True

**HOGAN PREPARATORY ACADEMY, INC.
SCHEDULE OF SELECTED STATISTICS
FOR THE YEAR ENDED JUNE 30, 2020**

6.5	Actual odometer records show the total charter school-operated and contracted mileage for the year was:	201,465
6.6	Of this total, the eligible non-disabled and students with disabilities route miles and the ineligible non-route and disapproved miles (combined) was:	
	Eligible Miles	195,199
	Ineligible Miles (Non-Route/Disapproved)	6,266
6.7	Number of days the charter school operated the school transportation system during the regular school year:	136

HOGAN PREPARATORY ACADEMY, INC.
SCHEDULE OF STATE FINDINGS
FOR THE YEAR ENDED JUNE 30, 2020

I. Chapter 67 RSMO (Budget Statute)

Chapter 67 RSMo requires that each political subdivision of the State of Missouri adopts an annual budget, itemized by fund. It further requires that in no event shall the total proposed expenditures from any fund exceed the estimated revenues to be received plus any unencumbered balance or less any deficit estimated for the beginning of the budget year.

There were no state budget findings.

FEDERAL COMPLIANCE SECTION



**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 Members of the Board of Directors
Hogan Preparatory Academy, Inc.

We have audited, in accordance with the 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 Hogan Preparatory Academy, Inc. (a nonprofit organization) (School), which comprise the Statement of Assets, Liabilities and Net Assets – Modified Cash Basis, as of June 30, 2020, and the related Statements of Support, Revenue, Reclassifications, Expenses, and Changes in Net Assets, Functional Expenses and Cash Flows – Modified Cash Basis for the year then ended, and the related notes to the financial statements and have issued our report thereon dated December 15, 2020.

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 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 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.

A handwritten signature in cursive script that reads "Daniel Jones & Associates".

DANIEL JONES & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
ARNOLD, MISSOURI

December 15, 2020



REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON
INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

INDEPENDENT AUDITOR'S REPORT

To the Members of the Board of Directors
Hogan Preparatory Academy, Inc.

Report on Compliance for Each Major Federal Program

We have audited Hogan Preparatory Academy Inc.'s (School) compliance with the types 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, 2020. 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 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, 2020.

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.

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 not 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.



DANIEL JONES & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
ARNOLD, MISSOURI

December 15, 2020

HOGAN PREPATORY ACADEMY, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2020

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH ENTITY IDENTIFYING NUMBER	PROVIDED TO SUBRECIPIENTS	TOTAL FEDERAL EXPENDITURES
<u>U.S. Department of Agriculture</u>				
Passed-through Missouri Department of Elementary and Secondary Education:				
Child Nutrition Cluster:				
National School Breakfast Program	10.553	048-904	\$ -	\$ 187,175
National School Lunch Program	10.555	048-904	-	366,787
CARES Lunch	10.555	048-904	-	45,798
CARES Breakfast	10.555	048-904	-	28,787
Total Child Nutrition Cluster			-	628,547
Total U.S. Department of Agriculture			-	628,547
<u>U.S. Department of Education</u>				
Passed-through Missouri Department of Elementary and Secondary Education:				
SPED High Need Fund	84.027	048-904	-	438
IDEA, Part B	84.027	048-904	-	171,023
Total Special Education Cluster			-	171,461
Title I, Part A	84.010	048-904	-	670,571
School Improvement Grant	84.377	048-904	-	450,295
Title II.A	84.367	048-904	-	68,550
Title IV.A	84.424	048-904	-	35,940
Total U.S. Department of Education			-	1,396,817
Total Expenditures of Federal Awards			\$ -	\$ 2,025,364

See accompanying notes to the Schedule of Expenditures of Federal Awards.

HOGAN PREPARATORY ACADEMY, INC.
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2020

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the “Schedule”) includes the federal award activity of Hogan Preparatory Academy, Inc. under programs of the federal government for the year ended June 30, 2020. 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 Hogan Preparatory Academy, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of Hogan Preparatory Academy, Inc.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified cash 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 are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE 3 – INDIRECT COST RATE

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

NOTE 4 - RELATIONSHIP TO ACCOMPANYING FINANCIAL STATEMENTS

Federal awards are reported in the School’s accompanying financial statements as follows:

<u>Federal Sources</u>	
General Fund	\$2,102,541
Special Revenue Fund	-
Capital Projects Fund	-
Total	<u>\$2,102,541</u>

NOTE 5 – RELATIONSHIP TO FEDERAL FINANCIAL REPORTS

Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports.

NOTE 6 –MATCHING REVENUES

For those funds that have matching revenues and state funding, federal expenditures were determined by deducting matching revenues from total expenditures.

NOTE 7 – NON-CASH PROGRAMS

The commodities received, which are non-cash revenues, are valued using prices provided by the United States Department of Agriculture.

NOTE 8 – SUBRECIPIENTS

The School provided no federal awards to subrecipients during the year ended June 30, 2020.

**HOGAN PREPARATORY ACADEMY, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2020**

I. SUMMARY OF AUDITOR'S RESULTS

A. Financial Statements

1. Type of auditor's report issued: Unmodified-Modified Cash basis
2. Internal control over financial reporting:
 - a. Material weakness(es) identified? Yes No
 - b. Significant deficiency(ies) identified? Yes None Reported
3. Noncompliance material to financial statements noted? Yes No

B. Federal Awards

1. Internal control over major federal programs:
 - a. Material weakness(es) identified? Yes No
 - b. Significant deficiency(ies) identified? Yes None Reported
2. Type of auditor's report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? Yes No

4. Identification of major federal programs:

CFDA Number(s):	Name of Federal Program or Cluster:
84.010	Title I Grants to Local Educational Agencies
10.553, 10.555	Child Nutrition Cluster

5. Dollar threshold used to distinguish between type A and type B programs: \$ 750,000
6. Auditee qualified as low-risk auditee? Yes No

HOGAN PREPARATORY ACADEMY, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2020

II. FINANCIAL STATEMENT FINDINGS

There were no audit financial statement findings for the year ended June 30, 2020.

III. FEDERAL AWARD FINDINGS AND QUESTIONED COST

There were no audit findings related to internal control, compliance, questioned costs, or fraud that related to federal awards for the year ended June 30, 2020.

**HOGAN PREPARATORY ACADEMY, INC.
SUMMARY OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2020**

I. FINANCIAL STATEMENT FINDINGS – PRIOR YEAR

There were no audit findings for the year ended June 30, 2019.

II. FEDERAL AWARD FINDING AND QUESTIONED COSTS – PRIOR YEAR

There were no audit findings related to internal control, compliance, questioned costs, or fraud that related to federal awards for the year ended June 30, 2019.