

**BSDS, INC.
KANSAS CITY, MISSOURI
FINANCIAL STATEMENTS
TOGETHER WITH INDEPENDENT
AUDITOR'S REPORT
FOR THE YEAR ENDED JUNE 30, 2021**

BSDS, INC.
d/b/a BROOKSIDE CHARTER SCHOOL
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INDEPENDENT AUDITOR'S REPORT

To the Members of the Board of Directors
BSDS, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of BSDS, Inc. ("School") (a nonprofit corporation), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

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

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 Balance sheet – Governmental Funds, Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds, Schedule of Revenues by Source, Schedule of Expenditures Paid by Object 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 13 through 16 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 28 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 31, 2021, 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 31, 2021

FINANCIAL STATEMENTS

BSDS, INC.
d/b/a BROOKSIDE CHARTER SCHOOL
STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 2021

ASSETS

Cash and cash equivalents	\$	4,147,722
Investments		-
Accounts receivable, net		11,836
Federal and state funds receivable		186,422
Interest receivable		-
Prepaid Insurance		-
Prepaid Expenses		7,180
Property and equipment, net		<u>10,445,746</u>
 Total Assets	 \$	 <u><u>14,798,906</u></u>

LIABILITIES AND NET ASSETS

Liabilities:		
Accounts payable	\$	450,131
Deferred revenue		115,000
Accrued personnel costs		68,642
Notes Payable		6,705,554
Capital lease payable		<u>-</u>
 Total liabilities		 <u>7,339,327</u>
 Net Assets		
Without donor restrictions		7,454,480
With donor restrictions		<u>5,099</u>
 Total net assets		 <u>7,459,579</u>
 Total Liabilities and Net Assets	 \$	 <u><u>14,798,906</u></u>

See accompanying notes.

BSDS, INC.
d/b/a BROOKSIDE CHARTER SCHOOL
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT, REVENUE AND GAIN:			
Government grants and contracts	\$ 8,895,155	\$ -	\$ 8,895,155
Tuition	-	\$ -	-
Investment income	5,669	-	5,669
Fees and services	61,995	-	61,995
Contributions	636,000	133,801	769,801
Fundraising	-	-	-
Other	354,052	-	354,052
Net assets released from restrictions	-	-	-
Total support, revenue and gain	9,952,871	133,801	10,086,672
EXPENSES:			
Program Services:			
Charter school	7,273,821	70,024	7,343,845
Management and general	2,328,752	58,983	2,387,735
Total expenses	9,602,572	129,008	9,731,580
Change in net assets	350,299	4,793	355,092
Net assets, beginning of year	7,104,181	306	7,104,487
Net assets, end of year	\$ 7,454,480	\$ 5,099	\$ 7,459,579

See accompanying notes.

BSDS, INC.
d/b/a BROOKSIDE CHARTER SCHOOL
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2021

	Charter School	Management and General	Fundraising	Total
Salaries	\$ 4,533,809	\$ 928,348	\$ -	\$ 5,462,157
Payroll taxes and benefits	1,170,354	397,063	-	1,567,417
Amortization	-	-	-	-
Assistance to individuals	-	-	-	-
Building and equipment maintenance	59,975	6,664	-	66,639
Conferences, meetings and travel	-	920	-	920
Contract and professional fees	277,304	558,041	-	835,346
Depreciation	435,416	-	-	435,416
Student transportation	52,999	-	-	52,999
Food supplies	-	101,295	-	101,295
Office supplies	-	-	-	-
Other supplies	2,377	248,434	-	250,811
Insurance	41,130	72,892	-	114,022
Interest	248,105	27,567	-	275,672
Occupancy	109,057	12,117	-	121,174
Utilities	94,421	10,491	-	104,912
Program and support services	-	-	-	-
Printing and publications	-	-	-	-
Textbooks and educational materials	193,776	-	-	193,776
Telephone and communications	125,122	13,902	-	139,024
Rent	-	10,000	-	10,000
Postage and shipping	-	-	-	-
Special event expense	-	-	-	-
Bad debt expense	-	-	-	-
Other	-	-	-	-
Total expenses	<u>\$ 7,343,845</u>	<u>\$ 2,387,735</u>	<u>\$ -</u>	<u>\$ 9,731,580</u>

See accompanying notes.

BSDS, INC.
d/b/a BROOKSIDE CHARTER SCHOOL
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2021

CASH FLOWS FROM OPERATING ACTIVITIES:	
Increase in net assets	\$ 355,092
Adjustments to reconcile increase in net assets to net cash provided by operating activities:	
Depreciation	435,416
(Gain) loss on investments	450,097
(Increase) decrease in:	
Accounts receivable	376,766
Federal and state funds receivable	(186,422)
Prepaid Costs	97,825
Prepaid insurance	-
Increase (decrease) in:	
Accounts payable	260,984
Deferred revenue	43,368
Accrued personnel costs	61,510
Capital lease principal	<u>-</u>
Net cash provided by operating activities	<u>1,894,636</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Purchase of property and equipment	(34,838)
Loan Costs	<u>-</u>
Net cash used by investing activities	<u>(34,838)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:	
Net Change in Note Payable	<u>(106,151)</u>
Net cash used by financing activities	<u>(106,151)</u>
NET INCREASE IN CASH	1,753,647
CASH, beginning	<u>2,394,075</u>
CASH, ending	<u>\$ 4,147,722</u>
SUPPLEMENTAL DISCLOSURES:	
Interest paid	<u>\$ 275,672</u>

See accompanying notes.

BSDS, INC.
d/b/a BROOKSIDE CHARTER SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE A – MISSION AND NATURE OF BUSINESS

The mission of Brookside Charter School is to believe in their students and be committed to providing them with unlimited opportunities.

Brookside Charter School is a Leader in Me School that teaches and implements the 7 Habits to ensure students feel empowered in their daily lives. Students are critical thinkers that are not afraid of failure, because they learn from their strengths and weaknesses. The caring staff creates a safe environment where learning is student centered. Educators collaborate to deliver quality instruction that drives academic excellence. Families work side by side with staff to prepare leaders for today's society.

They are a Leader in Me School:

- Instruction is student centered: Students are actively involved in constructing their own knowledge.
- Instruction is data driven.
- Instruction is literacy based.
- Curriculum is based on standards.
- Leadership is shared within a collaborative culture.
- Families are valued as integral partners.
- Self-discipline is fostered through non-punitive, student-centered strategies.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash and Cash Equivalents: For purposes 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.

Investments: Investments are valued at cost, if purchased, or at fair value at the date of contribution, if donated, in the Statement of Financial Position. Unrealized gains and losses are included in the Statement of Activities.

Accounts Receivable: Accounts receivable considered uncollectible are charged against the allowance account in the year they are deemed uncollectible. The amount considered uncollectible for the year ending June 30, 2021 is \$0.

BSDS, INC.
d/b/a BROOKSIDE CHARTER SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (concluded)

Property and Equipment: All property and equipment are valued at historical cost. A capitalization threshold of \$1,000 is used to report capital assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of useful lives by type of asset is as follows:

Buildings	15-40 years
Furniture, fixtures and equipment	7 years
Computers	5 years
Software	3 years

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

Compensated Balances: Employees accrue seven (7) days (56 hours) of paid time off ("PTO") each year. PTO is earned as of the first day of each school year. In the event accrued PTO is not used by the end of the school year, employees may carry over unused PTO to the next school year, up to maximum of 40 days (320 hours).

Tax Exempt Status: The School is exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code and comparable state law as charitable organizations whereby only unrelated business income, as defined by Section 509(a)(2) of the Code, is subject to federal income tax. The School currently has no unrelated business income. Accordingly, no provision for income taxes has been recorded. The School has adopted provisions of FASB standard on Accounting for Uncertainty in Income Taxes (ASV 740-10-25). The School does not believe there are any material uncertain tax provisions and, accordingly, they will not recognize any liability for unrecorded tax benefits. For the year ended June 30, 2021, there were no interest or penalties recorded in the financial statements. 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.

Subsequent Events: Management has evaluated subsequent events through December 31, 2021, the date the financial statements were available to be issued.

Recognition of Donor Restrictions: Contributions that are restricted by the donor are reported as increases in with donor restrictions 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, with donor restrictions are reclassified to without donor restrictions.

Functional Allocation of Expenses: Expenses consist of costs related to Organization activities and administrative functions. These costs have been summarized on a functional basis in the statement of activities without donor restrictions. Costs are directly charged to the functions they benefit.

BSDS, INC.
d/b/a BROOKSIDE CHARTER SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE C - CASH AND CASH EQUIVALENTS

At June 30, 2021, the bank balances of the School's deposits totaled \$4,247,339. Of this amount, \$250,145 was covered by FDIC insurance, \$3,996,385 by Country Club Bank Federated Treasury Obligation money market funds secured by repurchase agreements, and \$809 was unsecured.

NOTE D – INVESTMENTS

The School carries Level 1 measurements for investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values based on quoted prices in active markets in the Statement of Financial Position. Unrealized gains and losses are included in the change in net assets in the accompanying Statement of Activities. The School initially records Level 2 financial investments at the fair value as of the date the investments are donated to the School and thereafter carries such investments primarily at current appraised values. The School uses the income approach to record Level 3 investments. Fair values for assets in Level 3 are calculated using assumptions about discounted cash flow and other present value techniques. At June 30, 2021, the school had no investments.

NOTE E - 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 F - RETIREMENT PLAN

The School contributes to The Kansas City Public School Retirement System (the Retirement System), a cost-sharing multiple-employer defined benefit pension plan. Participation is mandatory for employees of the Kansas City, Missouri School District; the Kansas City Public Library; the charter schools within the boundaries of the Kansas City Missouri School District; and the 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. The Retirement System is administered by a twelve-member Board of Trustees. 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 Kansas City Public School Retirement System, 3100 Broadway Street, Suite 1211, Kansas City, Missouri, 64111 or by calling 1-816-472-5800.

Effective December 1, 2016, employees were required to contribute 9.0% of their annual covered salary. Employers also make contributions to the plan. Effective December 1, 2020, the employer contribution rate increased from 10.5% to 12%. The contribution requirements of members and the School are established, and may be amended, by the Board of Trustees. The School's contributions to the System for the year ended June 30, 2021, were \$615,373, equal to the required contributions.

BSDS, INC.
d/b/a BROOKSIDE CHARTER SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE G - PROPERTY, PLANT AND EQUIPMENT

Building and Improvements	\$ 13,030,730
Equipment	846,978
Land	442,145
Loan fees	271,933
	14,591,786
Accumulated depreciation	(4,146,040)
	\$ 10,445,746

Depreciation expense for the year ended June 30, 2021, was \$435,416. The depreciation expense was allocated to the related functions: instruction \$44,850, instructional staff support \$515, general administration \$230, building improvements \$59,433, food service \$1,692, and operation of plant \$328,696.

NOTE H - NOTES PAYABLE

On April 13, 2020, the School entered into a Payroll Protection Program loan agreement. This note was made available through the U.S. Small Business Administration. The loan was for \$1,156,000, with interest rate at 1.0% payable over a two-year period. The application for forgiveness was filed in June 2021. At June 30, 2021, the outstanding balance was \$1,156,000 and has not been forgiven.

On June 30, 2020, a note payable was entered into with Equitable Facilities Fund in the amount of \$5,655,705 to pay off existing debt. Beginning August 1, 2020, the note requires 360 monthly principal and interest payments of \$25,716 until maturity in July 2050, with interest at 3.6%. At June the outstanding balance was \$5,549,554.

BSDS, INC.
d/b/a BROOKSIDE CHARTER SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE H - NOTES PAYABLE (concluded)

The annual requirements to amortize all notes payable outstanding as of June 30, 2021, including interest payments are as follows:

Year ending June 30,	Principal	Interest	Total
2022	\$ 700,301	\$ 209,908	\$ 910,209
2023	696,915	196,695	893,610
2024	118,511	190,080	308,591
2025	122,849	185,743	308,592
2026	127,345	181,247	308,592
2027-2031	710,144	832,814	1,542,958
2032-2036	849,967	692,991	1,542,958
2037-2041	1,017,321	525,637	1,542,958
2042-2046	1,217,627	325,331	1,542,958
2047-2051	1,144,574	89,869	1,234,443
Total	<u>\$ 6,705,554</u>	<u>\$ 3,430,315</u>	<u>\$ 10,135,869</u>

NOTE I – FEDERAL AND STATE FUNDS RECEIVABLE

Federal and State Funds Receivable at June 30, 2021, consist of the following:

State – Basic Formula	\$ 186,422
Other Receivables	<u>-</u>
	<u>\$ 186,422</u>

NOTE J – LEASE COMMITMENTS

On June 25, 2017, the School entered into a non-cancelable lease with a maintenance agreement for copier equipment. The base lease price is payable in monthly installments of \$3,931. Overage will be invoiced in addition to monthly base.

BSDS, INC.
d/b/a BROOKSIDE CHARTER SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE K- 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, 2021, reduced by amounts not available to meet general expenditures within one year of the Statement of Financial Position date because of donor restrictions.

Cash		\$ 4,147,722
Investments		<u>-</u>
Total financial assets		\$ 4,147,722
Donor restricted assets		<u>(5,099)</u>
Financial assets available to meet cash needs for general expenditures within one year		<u>\$ 4,142,623</u>

NOTE L - CONTINGENCIES

The School is involved in some asserted claims that are pending as of the audit report date. No provision has been made in the financial statements for any loss that might arise in the event of an unfavorable outcome of these matters. School management believes that such matters and claims will ultimately be resolved without material financial liability, if any, to the School.

The continued operation of BSDS, Inc. 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 with the Department of Elementary and Secondary Education and School sponsor agreements.

NOTE M - SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 31, 2021, the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

BSDS, INC.
d/b/a BROOKSIDE CHARTER SCHOOL
BALANCE SHEET - GOVERNMENTAL FUNDS
AS OF JUNE 30, 2021

	<u>GENERAL FUND</u>	<u>SPECIAL REVENUE FUND</u>	<u>CAPITAL PROJECTS FUND</u>	<u>TOTALS</u>
ASSETS				
Cash and cash equivalents	\$ 3,959,604	\$ 113,643	\$ 74,475	\$ 4,147,722
Investments	-	-	-	-
Refundable deposit	-	-	-	-
Prepaid expenses	7,180	-	-	7,180
Accounts receivable, net	11,836	-	-	11,836
Federal and state funds receivable	186,422	-	-	186,422
Interest receivable	-	-	-	-
Prepaid insurance	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 4,165,042</u>	<u>\$ 113,643</u>	<u>\$ 74,475</u>	<u>\$ 4,353,160</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 335,230	\$ 113,658	\$ 1,243	\$ 450,132
Deferred revenue	115,000	-	-	115,000
Accrued personnel costs	68,657	(15)	-	68,641
Note Payable - PPP Loan	1,156,000	-	-	1,156,000
Note Payable - EFF Loan	-	-	-	-
Lease payable	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities	<u>1,674,887</u>	<u>113,643</u>	<u>1,243</u>	<u>1,789,773</u>
Liabilities:				
Bonds payable	<hr/>	<hr/>	<hr/>	<hr/>
Fund Balances:				
Unreserved	<u>2,490,155</u>	<u>-</u>	<u>73,232</u>	<u>2,563,387</u>
Total liabilities and fund balances	<u>\$ 4,165,042</u>	<u>\$ 113,643</u>	<u>\$ 74,475</u>	<u>\$ 4,353,160</u>

BSDS, INC.
d/b/a BROOKSIDE CHARTER SCHOOL
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	TOTALS
REVENUES:				
Local	\$ 1,310,989	\$ 321,680	\$ 416,661	\$ 2,049,330
State	2,721,772	3,914,061	-	6,635,833
Federal	1,339,769	61,740	-	1,401,509
	<u>5,372,530</u>	<u>4,297,481</u>	<u>416,661</u>	<u>10,086,672</u>
Total Revenues				
EXPENDITURES:				
Instruction	1,410,979	3,784,520	-	5,195,499
Student services	335,236	-	-	335,236
Instructional staff support	217,085	-	-	217,085
Building level administration	56	429,426	-	429,482
General administration and central services	1,546,058	83,535	31,368	1,660,961
Operation of plant	754,409	-	3,470	757,879
Food service	323,669	-	-	323,669
Community services	82,520	-	-	82,520
Building acquisition and construction	-	-	-	-
Transportation	52,999	-	-	52,999
Debt service:				
Principal	-	-	106,151	106,151
Interest and fees	-	-	275,672	275,672
	<u>4,723,011</u>	<u>4,297,481</u>	<u>416,661</u>	<u>9,437,153</u>
Total Expenditures				
Revenues Over (Under) Expenditures	649,519	-	-	649,519
Other Financing Sources (Uses):				
Transfers	-	-	-	-
Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	649,519	-	-	649,519
Fund balance, beginning	1,840,636	-	73,232	1,913,868
Fund balance, ending	<u>\$ 2,490,155</u>	<u>\$ -</u>	<u>\$ 73,232</u>	<u>\$ 2,563,387</u>

BSDS, INC.
d/b/a BROOKSIDE CHARTER SCHOOL
SCHEDULE OF REVENUES BY SOURCE
FOR THE YEAR ENDED JUNE 30, 2021

	<u>GENERAL FUND</u>	<u>SPECIAL REVENUE FUND</u>	<u>CAPITAL PROJECTS FUND</u>	<u>TOTALS</u>
LOCAL:				
Sales tax	\$ 536,133	\$ 321,680	-	\$ 857,813
Tuition	-	-	-	-
Earnings on investments	5,669	-	-	5,669
Food service	-	-	-	-
Student activities	583	-	-	583
Community service	61,412	-	-	61,412
Donations	461,210	-	308,592	769,801
Other	245,982	-	108,070	354,052
Total Local	<u>1,310,989</u>	<u>321,680</u>	<u>416,661</u>	<u>2,049,330</u>
STATE:				
Basic formula	2,387,978	3,914,061	-	6,302,039
Basic formula - classroom trust fund	291,651	-	-	291,651
Transportation	8,763	-	-	8,763
Food service	3,630	-	-	3,630
Other state revenue	29,750	-	-	29,750
Total State	<u>2,721,772</u>	<u>3,914,061</u>	<u>-</u>	<u>6,635,833</u>
FEDERAL:				
Medicaid	167,441	-	-	167,441
ESSER I	233,865	61,740	-	295,605
CARES - Governor's Emergency Education Relief Fund	44,640	-	-	44,640
Coronavirus Relief Fund (OA CRF)	57,596	-	-	57,596
Title I	357,745	-	-	357,745
Title II.A	25,970	-	-	25,970
Title IV A	42,926	-	-	42,926
Food Service	201,439	-	-	201,439
Individuals with Disabilities - Part B	132,249	-	-	132,249
FEMA	75,899	-	-	75,899
Total Federal	<u>1,339,769</u>	<u>61,740</u>	<u>-</u>	<u>1,401,509</u>
 Total Revenues	 <u>\$ 5,372,530</u>	 <u>\$ 4,297,481</u>	 <u>\$ 416,661</u>	 <u>\$ 10,086,672</u>

BSDS, INC.
d/b/a BROOKSIDE CHARTER SCHOOL
SCHEDULE OF EXPENDITURES PAID BY OBJECT
FOR THE YEAR ENDED JUNE 30, 2021

	GENERAL FUND	SPECIAL REVENUE FUND	DEBT SERVICE FUND	CAPITAL PROJECTS FUND	TOTALS
Salaries	\$ 2,113,785	\$ 3,348,372	\$ -	\$ -	\$ 5,462,157
Employee benefits	664,144	949,109	-	-	1,613,253
Purchased services	1,290,571	-	-	-	1,290,571
Supplies	654,511	-	-	-	654,511
Capital	-	-	-	34,838	34,838
Debt Service	-	-	-	381,823	381,823
Principal	-	-	-	-	-
Interest and fees	-	-	-	-	-
	<u>\$ 4,723,011</u>	<u>\$ 4,297,481</u>	<u>\$ -</u>	<u>\$ 416,661</u>	<u>\$ 9,437,153</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
BSDS, Inc.

Report on Compliance with State Requirements

We have examined management's assertions that BSDS, Inc. ("School") complied with the requirements of Missouri laws and regulations regarding budgetary and disbursement procedures; accurate disclosure by the School's records of pupil 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, 2021.

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 BSDS, Inc. complied with the aforementioned requirements for the year ended June 30, 2021, are fairly stated, in all material respects. However, we noted one instance of noncompliance as noted on page 23 relating to secured deposits.

This report is intended solely for the information and use of the Governing Board, administration, Missouri Charter School Commission, 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 31, 2021

BSDS, INC.
CHARTER NUMBER 048-916
SCHEDULE OF SELECTED STATISTICS
FOR THE YEAR ENDED JUNE 30, 2021

1. CALENDAR (SECTIONS 160.041, 171.029, 171.031, AND 171.033 RSMO)

Report each unique calendar the district/charter school has as defined by Sections 160.041, 171.029, 171.031, and 171.033, RSMo.

School Code	Begin Grade	End Grade	Half Day Indicator	Standard Day Length	Days	Hours in Session
6950	PK	5	-	6.92	168	1,162.0000
3950	6	8	-	6.92	168	1,162.0000

2. AVERAGE HOURS

Report the total attendance hours of PK-12 students allowed to be claimed for the calculation of Average Daily Attendance.

School Code	Grade Level	Full-Time Hours	Part-Time Hours	Remedial Hours	Other Hours	Summer School Hours	Total Hours
6950	PK	22,937.8800	-	-	-	-	22,937.8800
6950	K	79,736.4400	-	-	-	2,310.0000	82,046.4400
6950	1	74,275.0400	-	-	-	3,096.0000	77,371.0400
6950	2	96,120.6400	-	-	-	3,056.0000	99,176.6400
6950	3	92,297.6600	-	-	-	2,740.1000	95,037.7600
6950	4	87,928.5400	-	-	-	4,756.8000	92,685.3400
6950	5	65,536.8000	-	-	-	4,747.3000	70,284.1000
3950	6	58,186.9200	-	-	-	4,129.5200	62,316.4400
3950	7	66,222.3800	-	-	-	4,389.7600	70,612.1400
3950	8	64,730.0700	-	-	-	4,069.9400	68,800.0100
Grand Total		707,972.37	-	-	-	33,295.42	741,267.7900

BSDS, INC.
CHARTER NUMBER 048-916
SCHEDULE OF SELECTED STATISTICS
FOR THE YEAR ENDED JUNE 30, 2021

3. SEPTEMBER MEMBERSHIP

Report the FTE count of resident students in grades PK-12 taken the last Wednesday in September who are enrolled on the count day **and** in attendance at least 1 of the 10 previous school days, by grade at each attendance center. This count should only include PK students marked as being eligible to be claimed for state aid in the October MOSIS Student Core File.

School Code	Grade Level	Full-Time	Part-Time	Other	Total
6950	PK	23	-	-	23
6950	K	65	-	-	65
6950	1	79	-	-	79
6950	2	95	-	-	95
6950	3	90	-	-	90
6950	4	86	-	-	86
6950	5	69	-	-	69
3950	6	64	-	-	64
3950	7	73	-	-	73
3950	8	70	-	-	70
Grand Total		714	-	-	714

4. FREE AND REDUCED PRICED LUNCH FTE COUNT (SECTION 163.011(6), RSMO)

Report the FTE count taken the last Wednesday in December of resident students enrolled in grades K-12 and in attendance at least 1 of the 10 previous school days whose eligibility for free or reduced lunch is documented through the application process using federal eligibility guidelines or through the direct certification process. Desegregation students are considered residents of the district in which the students are educated.

School Code	Free Lunch	Reduced Lunch	Deseg In Free	Deseg In Reduced	Total
6950	480	-	-	-	480
3950	203	-	-	-	203
Grand Total	683	-	-	-	683

BSDS, INC.
CHARTER NUMBER 048-916
SCHEDULE OF SELECTED STATISTICS
FOR THE YEAR ENDED JUNE 30, 2021

5. FINANCE

Section	Question	Answer
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	True
	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

BSDS, INC.
CHARTER NUMBER 048-916
SCHEDULE OF SELECTED STATISTICS
FOR THE YEAR ENDED JUNE 30, 2021

5.5	As required by Section 162.405, RSMo, an insurance policy was purchased for the charter school's employee theft coverage in the total amount of:	\$1,000,000
5.6	The charter school's deposits were secured during the year as required by Sections 110.010 and 110.020, RSMo.	False
5.7	The district 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 approved 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)	N/A
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 district 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
Notes:	The school's deposits were not secured as stated false in 5.6	

BSDS, INC.
CHARTER NUMBER 048-916
SCHEDULE OF SELECTED STATISTICS
FOR THE YEAR ENDED JUNE 30, 2021

6. TRANSPORTATION (SECTION 163.161, RSMO)

Section	Question	Answer
6.1	The 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:	True
	Eligible ADT	7.0
	Ineligible ADT	0
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
6.5	Actual odometer records show the total district/charter-operated and contracted mileage for the year was:	5,668
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	5,326
	Ineligible Miles (Non-Route/Disapproved)	342
6.7	Number of days the charter school operated the school transportation system during the regular school year:	131

BSDS, INC.
d/b/a BROOKSIDE CHARTER SCHOOL
SCHEDULE OF STATE FINDINGS
JUNE 30, 2021

I. Chapter 67 RSMO (Budget Statute)

There were no budget findings.

II. Other Findings

1. The School's deposits were not secured during the year as required by Sections 110.010 and 110.020, RSMo.

The School utilizes sweep accounts to protect their funds in excess of FDIC coverage. The accounts included in the sweep contain funds that have additional deposits during certain times of the year, which exceeded the sweep from the operating account.

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
BSDS, 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 BSDS, Inc. (a nonprofit organization) (School), which comprise the Statement of Financial Position as of June 30, 2021, and the related Statements of Activities, Functional Expenses and Cash Flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 31, 2021.

Internal Control Over Financial Reporting

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

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

We noted certain other matters that we reported to the management of the District in a separate report dated December 31, 2021.

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 31, 2021



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
BSDS, Inc.

Report on Compliance for Each Major Federal Program

We have audited BSDS, 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, 2021. The School's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the School 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, 2021.

Report on Internal Control Over Compliance

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

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 31, 2021

BSDS, INC.
d/b/a BROOKSIDE CHARTER SCHOOL
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2021

Federal Grantor Pass-through Grantor Program or Cluster Title	Federal Assistance Listing Number	Pass Through Entity Identifying Number	Provided To Subrecipients	Total Federal Expenditures
<u>U.S. Department of Education</u>				
Passed-through Missouri				
Department of Elementary and Secondary Education				
Special Education Cluster (IDEA)				
Special Education - Grants to States - IDEA Special Education Part B	84.027	048-916	\$ -	\$ 132,249
Early Childhood Special Education -619	84.173	048-916	-	1,842
Total Special Education Cluster (IDEA)			-	134,091
Title I Grants to Local Educational Agencies	84.010	048-916	-	358,245
Supporting Effective Instruction State Grants (Title II)	84.367	048-916	-	42,926
Student Support and Academic Enrichment Program (Title IV)	84.424	048-916	-	25,970
Education Stabilization Fund				
COVID-19: CARES Elementary & Secondary School Emergency Relief Fund	84.425D	048-916	-	295,605
COVID-19: CARES Student Connectivity	84.425D	048-916	-	44,640
Total Education Stabilization Fund			-	340,245
<u>Total U.S. Department of Education</u>				
			-	901,477
<u>U.S. Department of Treasury</u>				
Passed-through Missouri				
Department of Elementary and Secondary Education				
Coronavirus Relief Fund				
COVID-19: CARES K-12 Support CRF	21.019	048-916	-	49,596
COVID-19: CARES Student Access	21.019	048-916	-	8,000
Total U.S. Department of Treasury			-	57,596
U.S. Department of Agriculture				
Passed-through Missouri				
Department of Elementary and Secondary Education				
Food & Nutrition Services Breakfast Payment	10.553	048-916	-	62,591
National School Lunch Program	10.555	048-916	-	99,072
COVID 19: CARES Food & Nutrition Lunch Program	10.555	048-916	-	16,272
COVID 19: CARES Food & Nutrition Breakfast Program	10.555	048-916	-	10,244
Non Cash Commodities				
National School Lunch Program-Commodities	10.555	048-916	-	19,622
Total National School Lunch Program			-	145,210
Total Child Nutrition Cluster			-	207,801
Food & Nutrition Services Fruits & Vegetables	10.582	048-916	-	13,260
<u>Total U.S. Department of Agriculture</u>				
			-	221,060
U.S. Department of Homeland Security				
Passed-through Missouri Emergency Management Agency				
Hazard Mitigation Grant Program	97.039	N/A	-	75,899
Total U.S. Department of Homeland Security			-	75,899
<u>Total Federal Expenditures</u>				
			-	\$ 1,256,033

See Accompanying Notes to the Schedule of Expenditures of Federal Awards

BSDS, INC.
d/b/a BROOKSIDE CHARTER SCHOOL
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 – BASIS OF PRESENTATION

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported in accordance with Generally Accepted Accounting Principles. Such expenditures are recognized following the cost principles contained in Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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	\$1,339,769
Special Revenue Fund	61,740
Capital Projects Fund	-
Total	\$1,401,509

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, 2021.

NOTE 9 – DONATED PERSONAL PROTECTIVE EQUIPMENT (UNAUDITED)

The school did not receive any donated personal protective equipment during the fiscal year ended June 30, 2021.

BSDS, INC.
d/b/a BROOKSIDE CHARTER SCHOOL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2021

I. SUMMARY OF AUDITOR'S RESULTS

A. Financial Statements

1. Type of auditor's report issued: Unmodified accrual 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 2CFR 200.516(a)? Yes No

4. Identification of major federal programs:

CFDA Number(s):	Name of Federal Program or Cluster:
21.019	COVID 19: Coronavirus Relief Fund
84.425D	COVID 19: Education Stabilization Fund

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

BSDS, INC.
d/b/a BROOKSIDE CHARTER SCHOOL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2021

II. FINANCIAL STATEMENT FINDINGS

There were no audit findings related to internal control, compliance, questioned costs, or fraud that related to the financial statements for the year ended June 30, 2021.

III. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

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, 2021.

BSDS, INC.
d/b/a BROOKSIDE CHARTER SCHOOL
SUMMARY OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2021

I. FINANCIAL STATEMENT FINDINGS – PRIOR YEAR

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

II. FEDERAL AWARD FINDINGS – 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, 2020.