

2020

Financial Statements

BOYS & GIRLS CLUBS OF MIDDLE TENNESSEE

FINANCIAL STATEMENTS

DECEMBER 31, 2020

(With Independent Auditor's Report Thereon)

BOYS & GIRLS CLUBS OF MIDDLE TENNESSEE
FINANCIAL STATEMENTS
DECEMBER 31, 2020

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BOYS GIRLS CLUBS OF MIDDLE TENNESSEE
ROSTER OF BOARD OF DIRECTORS
DECEMBER 31, 2020

RJ Stillwell	Chairman
Hunter West	Director
Ward Wilson	Director
Farzin Ferdowsi	Director
Jerry Geraghty	Treasurer
Sherri Neal	Director
Lee Schaefer	Director
Jensen Gahagan Sessums	Director
Mark Traylor	Director
Lisa Carson	Director
Derek Smith	Director
Brian Bialek	Director
Allen Bolden	Director
Warren Brent, Jr.	Director
Eric Bymaster	Director
James Crumlin	Director
Amanda Farnsworth	Director
Anne Keeble Frazer	Director
John Gallagher	Director
Tony Grande	Director
Andrea Hart	Director
Don Holmes	Director
Elliott Holt	Director
Marion Ligon	Director
Whit McCrary, IV	Director
Rebecca Ozols	Director
Katie Payne	Director
Tonya Sisco	Director
Peter Smith	Director
Phil Thornton	Director
Steve Tjugum	Director
Jack Wallace	Director
Kenneth Webb	Director
Stephen Wilson	Director



PATTERSON, HARDEE & BALLENTINE, P.C.

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Boys & Girls Clubs of Middle Tennessee

Report on the Financial Statements

We have audited the accompanying financial statements of Boys & Girls Clubs of Middle Tennessee (a nonprofit organization), which comprise the statement of financial position as of December 31, 2020, 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 Boys & Girls Clubs of Middle Tennessee as of December 31, 2020, 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

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying roster of board of directors and 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. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 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 information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 25, 2021, on our consideration of Boys & Girls Clubs of Middle Tennessee'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 Boys & Girls Clubs of Middle Tennessee'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 Boys & Girls Clubs of Middle Tennessee's internal control over financial reporting and compliance.

Patterson Handley & Bellentine

October 25, 2021

BOYS & GIRLS CLUBS OF MIDDLE TENNESSEE
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2020

ASSETS

Current Assets:

Cash and cash equivalents	\$ 2,826,448
Restricted cash	60,075
Grants and contracts receivable	715,486
Prepaid expenses and deposits	74,343
Investments	<u>1,647,246</u>

Total current assets	<u>5,323,598</u>
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Property and Equipment, net	1,088,652
Membership rights, net	<u>17,333</u>
	<u>1,105,985</u>

Assets Whose Use is Limited:

Restricted pledges, net	51,330
Restricted grants receivable	51,750
Beneficial interest in agency endowment fund held by the Community Foundation of Middle Tennessee	41,345
Investments	<u>938,498</u>
Total assets whose use is limited	<u>1,082,923</u>

Total Assets	<u><u>\$ 7,512,506</u></u>
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LIABILITIES AND NET ASSETS

Current Liabilities:

Notes payable - current portion	\$ 366,464
Accounts payable	98,299
Accrued expenses	52,543
Deferred revenue	<u>170,000</u>

Total current liabilities	687,306
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Notes payable - long-term portion	<u>137,155</u>
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Total liabilities	<u>824,461</u>
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Net Assets:

Without donor restrictions	5,545,047
With donor restrictions	<u>1,142,998</u>

Total net assets	<u>6,688,045</u>
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Total Liabilities and Net Assets	<u><u>\$ 7,512,506</u></u>
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See accompanying notes to financial statements.

BOYS & GIRLS CLUBS OF MIDDLE TENNESSEE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020

	Without Donor Restrictions	With Donor Restriction	Total
Public Support and Revenue:			
Gross special events revenue	\$ 490,888	\$ -	\$ 490,888
Less direct cost of special events	(117,246)	-	(117,246)
Net special events revenue	373,642	-	373,642
Individual gifts and contributions	1,356,315	7,777	1,364,092
Grants and contracts	1,457,687	16,650	1,474,337
United Way grants, allocations, and designations	18,293	94,500	112,793
Program service fees	603,255	-	603,255
Gain on sale of asset	1,887,237	-	1,887,237
In-kind revenue	21,304	-	21,304
Donated rent	76,790	-	76,790
Net investment gain	16,066	269,981	286,047
Miscellaneous revenue	22,671	-	22,671
Net assets released from restrictions	410,380	(410,380)	-
Total public support	5,869,998	(21,472)	5,848,526
Total public support and revenue	6,243,640	(21,472)	6,222,168
Expenses:			
Program Services:			
Comprehensive Youth Development	2,789,096	-	2,789,096
Supporting Services:			
Management and General	671,593	-	671,593
Fundraising	236,040	-	236,040
Total supporting services	907,633	-	907,633
Total expenses	3,696,729	-	3,696,729
Increase (decrease) in net assets	2,546,911	(21,472)	2,525,439
Net assets at beginning of year	2,998,136	1,164,470	4,162,606
Net assets at end of year	\$ 5,545,047	\$ 1,142,998	\$ 6,688,045

See accompanying notes to financial statements.

BOYS & GIRLS CLUBS OF MIDDLE TENNESSEE
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2020

	Program Services	Supporting Services		
	Comprehensive Youth Development	Management and General	Fundraising	Total
Salaries	\$ 1,561,944	\$ 472,655	\$ 144,430	\$ 2,179,029
Employee taxes & benefits	235,607	69,018	21,519	326,144
Total payroll & related expenses	1,797,551	541,673	165,949	2,505,173
Awards and grants	7,091	-	-	7,091
Communications	24,109	1,162	-	25,271
Depreciation & amortization	128,103	2,614	26,000	156,717
Equipment rental and maintenance	19,793	7,281	-	27,074
Field trips & other youth events	175	-	-	175
In-kind expense	76,790	-	21,304	98,094
Interest expense	7,581	-	-	7,581
Marketing	26,129	-	11,198	37,327
Membership dues	26,900	6,709	-	33,609
Miscellaneous	21,386	18,552	245	40,183
Postage	799	2,396	799	3,994
Professional fees	120,165	44,116	8,173	172,454
Special events	47,875	-	69,371	117,246
Supplies	262,874	19,973	26	282,873
Training and conferences	4,119	1,692	-	5,811
Transportation	35,082	-	-	35,082
Travel and mileage	17,834	3,062	2,296	23,192
Utilities and occupancy costs	212,615	22,363	50	235,028
Total expenses by function	2,836,971	671,593	305,411	3,813,975
Less expenses included with revenues on the statement of activities:				
Direct cost of special events	(47,875)	-	(69,371)	(117,246)
Total expenses included in the expense section on the statement of activities	\$ 2,789,096	\$ 671,593	\$ 236,040	\$ 3,696,729

See accompanying notes to financial statements.

BOYS & GIRLS CLUBS OF MIDDLE TENNESSEE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020

Cash Flows From Operating Activities:	
Increase in net assets	\$ 2,525,439
Adjustments to reconcile increase in net assets to net cash provided by operating activities:	
Depreciation and amortization	156,717
Realized gain on investments	(84,064)
Unrealized gain on investments	(173,662)
Gain on sale of property and equipment	(1,887,237)
Change in value of beneficial interest in agency endowment fund	(4,287)
Changes in:	
Grants and contracts receivable	(399,814)
Prepaid expenses and deposits	(34,492)
Assets whose use is limited	(44,474)
Accounts payable	36,321
Accrued expenses	(113,576)
Deferred revenue	93,600
Total adjustments	<u>(2,454,968)</u>
Net cash provided by operating activities	70,471
Cash Flows From Investing Activities:	
Proceeds from sale of investments	457,056
Purchase of investments	(1,297,660)
Purchase of property and equipment	(30,310)
Proceeds from sale of property and equipment	1,917,730
Purchase of membership rights	(26,000)
Net cash provided by investing activities	<u>1,020,816</u>
Cash Flows From Financing Activities:	
Payments on long-term debt	(49,286)
Proceeds from long-term debt	379,322
Net cash provided by financing activities	<u>330,036</u>
Net increase in cash	1,421,323
Restricted cash, cash and cash equivalents - beginning of year	<u>1,465,200</u>
Restricted cash, cash and cash equivalents - end of year	<u><u>\$ 2,886,523</u></u>

Supplemental Cash Flow Information

Interest paid during the year ended December 31, 2020, was \$7,581.

See accompanying notes to financial statements.

BOYS & GIRLS CLUBS OF MIDDLE TENNESSEE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 1 – Summary of Significant Accounting Policies

Nature of Activities

In these notes, the terms "Organization", "we", "us" or "our" mean Boys & Girls Clubs of Middle Tennessee. We have chosen to present our name how it is recognized nationally as "Boys & Girls Clubs of Middle Tennessee," rather than our official name of "Boys and Girls Clubs of Middle Tennessee" in accordance with the Secretary of State. We are a nonprofit organization affiliated with the Boys & Girls Clubs of America. Founded in 1903, the Boys & Girls Clubs of Middle Tennessee consist of nine Club facilities throughout the region. The goal of the organization is to enable all young people, especially those who need us most, to reach their full potential as productive, caring, and responsible citizens. We strive to improve each child's life by instilling in them a sense of competence, usefulness, belonging, and power/influence. We focus on three priority outcomes: academic success, healthy lifestyles, good character and citizenship.

Basis of Presentation

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

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Organization's management and the board of directors. Restrictions fulfilled in the same accounting period in which the contributions are received are reported in the Statement of Activities as net assets without donor restrictions.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Revenue and Cost Recognition

Revenue is measured based on consideration specified in a contract with a customer. The Company recognizes revenue when it satisfies a performance obligation which is determined by a series of services performed or upon delivery of a promised good or service. Contract terms are determined based on the expected completion dates of each performance obligation.

Contract modifications are routine in the performance of our contracts. Contracts are often modified to account for changes in the contract specifications or requirements. In most instances, contract modifications are for goods or services that are not distinct, and are therefore, accounted as part of the existing contract.

Performance Obligations

A performance obligation is a promise in a contract to transfer a distinct good or service to the customer, and is the unit of account in the new revenue recognition standard. The contract transaction price is allocated to each distinct performance obligation and recognized as revenue when, or as, the performance obligation is satisfied. Our service contracts satisfied at a point in time have a single performance obligation that is based on the service specifically described in the contracts.

BOYS & GIRLS CLUBS OF MIDDLE TENNESSEE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 1 - Summary of Significant Accounting Policies (continued)

Performance Obligations Satisfied at a Point in Time

All of our revenue is recognized at a point in time rather than over time. Upon fulfillment of the performance obligation, which is the delivery of the service and reimbursement requests to the customer, the customer is provided an invoice demonstrating transfer of control to the customer. The Company believes that point in time recognition remains appropriate for this segment and will continue to recognize revenues upon completion of the performance obligation and issuance of an invoice.

Contract Estimates

Contract estimates are based on various assumptions to project the outcome of future events. These assumptions include estimated transaction price changes by third party payers and estimated penalties determined by the oversight agencies over some of our contracts. There were no contract estimates for the year ended December 31, 2020.

Cash Equivalents

For the purposes of the Statement of Cash Flows, we consider all unrestricted cash and investment instruments purchased with an original maturity date of ninety days or less from the date of issuance to be a cash equivalent. At December 31, 2020, we had cash equivalents in the amount of \$1,341,339.

Contributions, Support and Revenue

The Organization recognizes contributions as revenue when they are received or unconditionally pledged and records these revenues as with donor restrictions or without donor restrictions according to donor stipulations that limit the use of these assets due to either a time or purpose restriction. Contributions received with donor restrictions that are met in the year of receipt are recorded as revenues without donor restrictions. When a restriction expires or is met in a subsequent year, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the consolidated statements of activities and changes in net assets. Conditional contributions or promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Contributions to be received in future periods are discounted at an appropriate discount rate. Amortization of discounts on multi-year pledges is recorded as additional contribution revenue as either with or without donor restrictions based on any donor-imposed restrictions, if any, on the related contributions.

The Organization has adopted Accounting Standards Update ("ASU") No. 2018-08 Not-for-Profit Entities: Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 605) during 2020, as the standard improves the usefulness and understandability of the Organization's financial reporting. Analysis of various provisions of this standard resulted in no significant changes in the way the Organization recognizes contributions, and therefore no changes to the previously issued audited financial statements were required on a retrospective basis. The presentation and disclosures of contributions have been enhanced in accordance with the standard.

Prepaid expenses

Prepaid expenses consist of insurance premiums and license fees paid by us in advance.

Property and Equipment

Property and equipment is recorded at cost, or, if donated, at the estimated fair market value at the date of donation. Our capitalization policy is to capitalize any expenditure over \$5,000 for property and equipment, and any expenditure over \$500 for leasehold improvements. Depreciation is provided utilizing the straight-line method over the estimated useful lives of the respective assets. Expenditures for repairs and maintenance are charged to expense as incurred.

BOYS & GIRLS CLUBS OF MIDDLE TENNESSEE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 1 – Summary of Significant Accounting Policies (continued)

Property and Equipment (continued)

Long-lived assets to be held and used are reviewed for impairment whenever events or changes in circumstances indicate the related carrying amount may not be recoverable. At December 31, 2020, no assets were considered to be impaired.

Functional Allocation of Expenses

The costs of providing program services and supporting services have been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses and support services that can be identified specifically with the Comprehensive Youth Development program are allocated directly to their natural expenditure classification. Other expenses that are common to several programs or supporting functions are allocated based on various relationships. Multiple expenses have been allocated on the basis of estimates of time and effort.

Marketing

Marketing is expensed as incurred. Total marketing expense for the year ended December 31, 2020, was \$37,327.

Donated Services and Goods

Donated services are recognized if they create or enhance non-financial assets, or the donated service requires specialized skills, was performed by a donor who possesses such skills, and would have been purchased by us if not donated. Such services are recognized at fair value as support and expense in the period the services are performed.

We received donated rent for the year ended December 31, 2020, of \$76,790. See NOTE 13.

Income Taxes

We are a tax-exempt organization under Section 501(c) (3) of the Internal Revenue Code and are classified as an organization that is not a private foundation as defined in Section 509(a) of the Internal Revenue Code. Therefore, no provision for federal income taxes is included in the accompanying financial statements. We do not believe there are any uncertain tax positions. Further, we do not believe that we have any unrelated business income, which would be subject to federal taxes.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires us to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Fair Values of Financial Instruments

The carrying values of current assets and current liabilities approximate fair values due to short maturities of these instruments. The fair value of the note payable approximates the carrying amount and is estimated based on current rates offered to us. All of our financial instruments are categorized as level 1 in the fair value hierarchy.

BOYS & GIRLS CLUBS OF MIDDLE TENNESSEE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 2 – Pledges Receivable

Pledges receivable consisted of the following at December 31, 2020:

Due in less than one year	\$ 10,000
Due in one or more years	<u>50,000</u>
	60,000
Less: discounts to net present value	<u>(8,670)</u>
Net pledges receivable	<u>\$ 51,330</u>

Gross restricted pledges receivable of \$60,000 for golf membership renewal rights in 2020, have been discounted for the time value of money using a discount rate of 4.65%. The rate was determined using the interest method after an allowance had been established. The net restricted pledges for the golf membership rights at December 31, 2020, was \$51,330.

NOTE 3 – Investments

Investments consisted of the following at December 31, 2020:

	<u>Market Value</u>	<u>Cost</u>
LLC Ownership	\$ 156,312	\$ 133,506
Equity	1,925,710	1,526,860
Fixed Income Taxable	390,459	376,984
Real Estate	<u>113,263</u>	<u>98,114</u>
	\$ 2,585,744	\$ 2,135,464
Less: restricted investments	<u>(938,498)</u>	
	<u>\$ 1,647,246</u>	

The net Investment gain included the following for the year ended December 31, 2020:

Interest and dividend income	\$ 46,805
Realized gain - net	84,064
Unrealized gain - net	173,662
Investment fees	<u>(18,484)</u>
Net investment gain	<u>\$ 286,047</u>

At December 31, 2020, our investments were held in a trust, we are the sole beneficiary of this trust.

At December 31, 2020, we owned units of ownership in a limited liability company (LLC). Our ownership is a result of a contribution made in 2010.

We have elected to report other investments that do not have a readily determinable value, at carrying value, except those for which the fair value option has been elected.

BOYS & GIRLS CLUBS OF MIDDLE TENNESSEE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 3 – Investments (continued)

We have recognized our LLC ownership interest at fair market value in accordance with generally accepted accounting principles under the fair value option. The fair value of the ownership interest is measured annually based on the values of the underlying investment held in the LLC. As of December 31, 2020, the fair value of this ownership interest was \$156,312.

NOTE 4 – Fair Value Measurements

We use a framework for measuring fair value and disclosing fair values. We define fair value at the price which would be received to sell an asset in an orderly transaction between market participants at the measurement date. We use this framework for all assets and liabilities measured and reported on a fair value basis and enable the reader of the financial statements to assess the inputs used to develop those measurements by establishing a hierarchy for ranking the quality and reliability of the information used to determine fair values. Each asset and liability carried at fair value is classified into one of the following categories:

- Level 1 - Quoted market prices in active markets for identical assets or liabilities
- Level 2 - Observable market based inputs or unobservable inputs corroborated by market data
- Level 3 - Unobservable inputs not corroborated by market data.

The following table summarizes our financial assets measured at fair value on a recurring basis segregated by level of valuation inputs within the fair value hierarchy utilized to measure fair value as of December 31, 2020:

	Carrying Value	Fair Value	Level 1	Level 2	Level 3
Common Stocks-Public	\$ 1,925,710	\$ 1,925,710	\$ 1,925,710	\$ -	\$ -
LLC Ownership	156,312	156,312	-	156,312	-
Fixed Income Taxable	390,459	390,459	390,459	-	-
Real Estate	113,263	113,263	113,263	-	-
Beneficial interest in agency endowment fund	41,345	41,345	-	-	41,345
	<u>\$ 2,627,089</u>	<u>\$ 2,627,089</u>	<u>\$ 2,429,432</u>	<u>\$ 156,312</u>	<u>\$ 41,345</u>

As shown on the financial statements as follows at December 31, 2020:

Unrestricted investments	\$ 1,647,246
Restricted investments	<u>938,498</u>
	2,585,744
Beneficial interest in agency endowment fund	<u>41,345</u>
	<u>\$ 2,627,089</u>

NOTE 4 – Fair Value Measurements (continued)

There were no transfers between Level 1, Level 2, and Level 3 investments during the year ended December 31, 2020.

A reconciliation of changes in the amounts reported for the asset valued using Level 3 inputs is included in NOTE 10.

BOYS & GIRLS CLUBS OF MIDDLE TENNESSEE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 5 – Availability and Liquidity

Financial assets available for general expenditure within one year of the statement of financial position, consist of the following:

Financial assets for the year ended December 31, 2020

Cash and cash equivalents	\$ 2,826,448
Grants and contracts receivable	715,486
Investments	<u>1,647,246</u>
	<u>\$ 5,189,180</u>

The Organization has certain donor-restricted assets limited to use which are only available for restricted programs. Accordingly, these assets have been excluded in the qualitative information above.

In the next fiscal year, we plan to receive the same level of contributions, and consider contributions for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. The Organization has minimal amounts of liabilities in order to maintain most of its financial assets to be readily available. Cash is currently held in four bank accounts. This cash is readily available.

We manage our liquidity and reserves following three guiding principles: Operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged. If our analysis of liquid assets reveals inadequate funds for near-term operating needs, we will immediately reduce spending of program and management and general expenditures.

NOTE 6 – Property and Equipment

Property and equipment consisted of the following at December 31, 2020:

Land	\$ 18,000
Buildings and improvements	2,025,849
Vehicles	687,871
Furniture, equipment and software	<u>44,899</u>
	2,776,619
Less accumulated depreciation	<u>(1,687,967)</u>
Net property and equipment	<u>\$ 1,088,652</u>

Total depreciation expense for the year ended December 31, 2020, was \$130,717.

NOTE 7 – Membership Rights

In 2017, we renewed a membership purchase agreement with the Golf Club of Tennessee for \$260,000 for an additional 10 years. In the agreement, the Club allowed for 10 \$26,000 annual payments to cover the cost. See NOTE 2 for the pledge receivable. The amortization expense for December 31, 2020, is \$26,000.

BOYS & GIRLS CLUBS OF MIDDLE TENNESSEE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 8 – Net Assets With Restrictions

Net assets with restrictions consisted of the following at December 31, 2020:

Scholarship - Youth of the Year	\$ 30,191
United Way of Williamson County	47,250
City of Franklin grant	8,100
Ray White Fund	20,446
Restricted Pledge – See NOTE 2	51,329
RBI Program	4,831
Beneficial interest in agency endowment fund - See NOTE 9	41,345
Endowment fund – see NOTE 10	938,498
Scholarships	<u>1,008</u>
	<u>\$ 1,142,998</u>

NOTE 9 – Beneficial Interest in Agency Endowment Fund

In the year ended December 31, 2020, the Community Foundation of Middle Tennessee, (the Foundation) a non-profit organization, is in control of an endowment fund for us. The endowment has been recorded as permanently restricted. The Foundation has ultimate authority and control over all property of the fund and the income derived therefrom. The endowment is considered a reciprocal transfer and is therefore recorded as an asset on our Statement of Financial Position.

The Board of Directors has interpreted the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA) as requiring the preservation of the fair value of the original gifts as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary.

Since the Foundation has control over the fund and the earnings, we have not established an investment policy for the fund nor have we established policies for expenditures from the fund. We are not aware of any deficiencies in the fair value of assets in the fund as compared to the required amounts by the donors. We recognize contribution income when the Foundation makes a distribution to us. We recognize investment earnings and fees in the Statement of Activities, as they are reported to us by the Foundation.

NOTE 10 – Endowment Funds

Our endowment consists of funds established by donors to be held in perpetuity, including gifts requiring that the principal be invested and the income or specific portions thereof be used for operations. Our permanently restricted endowment funds are based on the spending policies described below which follow the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA) and the State of Tennessee's State Uniform Prudent Management of Institutional Funds Act (SUPMIFA).

Financial accounting standards provide guidance on the net asset classification of donor-restricted endowment funds for a nonprofit organization that is subject to an enacted version of UPMIFA. Financial accounting standards also require additional disclosures about our endowment funds (both donor-restricted endowment funds and board-designated endowment funds), whether or not we are subject to UPMIFA.

BOYS & GIRLS CLUBS OF MIDDLE TENNESSEE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 10 – Endowment Funds (continued)

Interpretation of applicable law - The Board of Directors has interpreted UPMIFA as requiring the preservation of the fair value of the original gifts as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, we classify as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, and (b) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by us in a manner consistent with the standard of prudence prescribed by UPMIFA.

Spending policy - we have a policy of appropriating for distribution each year a payout equal to the total earnings from the funds. Funds released from restriction as of December 31, 2020, were \$28,390.

Investment return objective, risk parameters and strategies - The objective of our endowment portfolio is a balanced approach between equities and fixed income securities. The investment horizon is long-term and balances the need for income and growth. The portfolio allows for a 30% to 70% investment in equities and a 30% to 70% investment in fixed income.

At December 31, 2020, our investments were held in a trust, we are the sole beneficiary of this trust.

The following is the balance and activity reported in our financial statements for the year ended December 31, 2020:

Balance - beginning of period	\$ 37,058
Change in value of beneficial interest in agency endowment fund:	
Contribution	35
Investment income	4,483
Administrative expenses	<u>(231)</u>
Total change in value of beneficial interest in agency endowment fund	<u>4,287</u>
Balance - end of period	<u>\$ 41,345</u>

A schedule of endowment net asset composition (including both the cash and investments) by type of fund as of December 31, 2020, is as follows:

	<u>Without Restriction</u>	<u>With Restriction</u>	<u>Total</u>
Endowment funds	<u>\$ 914,508</u>	<u>\$ 938,498</u>	<u>\$ 1,853,006</u>

BOYS & GIRLS CLUBS OF MIDDLE TENNESSEE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 11 – Changes in Endowment Fund Net Assets

The following is a schedule of changes in endowment net assets for the year ended December 31, 2020:

	<u>Without Restriction</u>	<u>With Restriction</u>	<u>Total</u>
Endowment net assets, December 31, 2019	\$ 649,070	\$ 938,498	\$ 1,587,568
Investment income	-	45,783	45,783
Administrative expenses	-	(21,799)	(21,799)
Net depreciation (realized and unrealized)	-	241,454	241,454
Amounts released from restriction	<u>265,438</u>	<u>(265,438)</u>	<u>-</u>
Endowment net assets, December 31, 2020	<u>\$ 914,508</u>	<u>\$ 938,498</u>	<u>\$ 1,853,006</u>

Included on the financial statements as follows at December 31, 2020:

Endowment investments	\$ 1,853,006
Unrestricted investments	576,427
LLC ownership	<u>156,311</u>
	<u>\$ 2,585,744</u>

NOTE 12 – Joint Costs

During the year ended December 31, 2020, we had certain joint costs pertaining to special events that have been allocated between fundraising and program expense as follows:

	<u>Program</u>	<u>Fundraising</u>	<u>Total</u>
Special events	<u>\$ 47,875</u>	<u>\$ 69,371</u>	<u>\$ 117,246</u>

All criteria required to allocate joint costs were met during the year ended December 31, 2020.

NOTE 13 – Leases

We have an agreement with another organization to lease administrative office space and reimburse certain operating costs through June, 2022. The agreement calls for a reimbursement of actual costs to operate the facility including association fees, utilities, janitorial costs, insurance, maintenance and other items. Operating costs reimbursable under the agreement include a prorata share of an office services associate, telephone and internet service, consumable supplies and other items. An accounting of the actual costs is prepared on a semi-annual basis and any adjustment from the projected cost to the actual cost is reimbursed at that time. For the year ended December 31, 2020, expenses under this agreement totaled \$24,408.

On December 1, 2007, we entered into a lease agreement for a club facility that has been extended and expires October 31, 2021. Expenses under this agreement totaled \$13,200 for the year ended December 31, 2020.

BOYS & GIRLS CLUBS OF MIDDLE TENNESSEE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 13 – Leases (continued)

We currently have a variable lease for 3 of our locations. The rent expense as of December 31, 2020, totaled \$18,046. The monthly rent charged is calculated as follows: \$2.80 per week per child based on the average number of children in attendance each week.

We also lease various office equipment under operating lease agreements. Equipment rental expense for the year ended December 31, 2020, was \$9,706, which is included in equipment rental and maintenance on the Statement of Functional Expenses.

Expenses incurred under operating leases for the year ended December 31, 2020, were \$66,252, not including donated rent of \$76,790 from four club locations that we do not have a lease agreement with and one with whom we do. As of the date of this report, the lease for one of the office spaces has not been renewed but has been properly accrued for since it is expected to be renewed.

The following is a schedule of future minimum lease payments:

Year Ending December 31,

2021	\$ 49,783
2022	2,864
2023	994
2024	<u>581</u>
	<u>\$ 54,222</u>

NOTE 14 – Concentrations of Credit Risk

Financial instruments that potentially subject us to concentrations of credit risk consist of cash and cash equivalents, and various grant, contract and contributions receivables. Grant, contract and contributions receivable represent concentrations of credit risk to the extent they are receivable from concentrated sources.

Two donors represent 77% of total receivables at December 31, 2020. Two vendors represent 69% of total accounts payable at December 31, 2020.

We maintain our cash in bank accounts which, at times, may exceed federally insured limits. We have not experienced any losses in such accounts and do not believe this exposes us to any significant credit risk on our cash. At December 31, 2020, we had \$1,248,434 of uninsured cash and cash equivalents.

Investments are subject to market risk, the risk inherent in a fluctuating market. The broker/dealer that is the custodian of the Organization's securities is covered by the Securities Investor Protection Corporation ("SIPC"), which provides protection to investors in certain circumstances such as fraud or failure of the institution. Coverage is limited to \$500,000, including up to \$250,000 in cash. The SIPC does not insure against market risk.

NOTE 15 – Employee Benefit Plan

Substantially all of our employees are covered by a defined contribution money purchase plan known as the Boys & Girls Clubs of America Master Pension Plan and Trust (the "Plan"). We fund our share of pension expense for the year in quarterly contributions to the Plan.

BOYS & GIRLS CLUBS OF MIDDLE TENNESSEE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 15 – Employee Benefit Plan (continued)

The plan provides for elective employer contributions. We contribute five percent of eligible employees' annual compensation to the Plan. Employees become eligible to participate on the plan anniversary date if they are at least 21 years of age and have worked at least 1,000 hours in the immediately preceding twelve months. Employee benefits are fully vested after six years of service as a plan participant.

For the year ended December 31, 2020, we accrued and contributed a total of \$50,063 to the plan, which is included in employee taxes and benefits on the Statement of Functional Expenses.

We have an HRA plan that is administered by a third party. At various times we have been underfunded and overfunded by an amount immaterial to the financial statements as a whole. Due to the amounts being immaterial, we expense the amounts as bills are due.

NOTE 16 – Related Parties

We are a locally governed affiliate that is required to pay membership dues to the national organization. In return, we receive support from the national organization which helps fund our programs. During the year ended December 31, 2020, we remitted a total of \$12,136 in membership dues and received \$497,357 in funding. As of December 31, 2020, we were due \$5,856 from our national affiliate, which is grouped with grants and contracts receivable.

We are also part of the Tennessee Alliance which is a collective of all Boys & Girls Clubs of Tennessee which raises money to distribute to the Tennessee clubs. During the year ended December 31, 2020, we remitted \$21,473 in membership dues and received funding of \$119,630. As of December 31, 2020, we were due \$40,328 from Tennessee Alliance, which is grouped with grants and contracts receivable.

NOTE 17 – Contingencies

From time to time, we may be and have been named as a defendant in lawsuit. At December 31, 2020, we do not believe that any claims have merit and intend to vigorously defend our position. At December 31, 2020, we have not accrued any legal fees.

NOTE 18 – Note Payable

In April 2016, we entered into an agreement to purchase four vehicles for \$335,930, of which \$124,297 was outstanding at December 31, 2020. The vehicles are secured by a loan which bears interest annually at 4.650%. Until maturity, the loan requires a minimum monthly payment of \$4,693, which will be applied to the monthly interest calculation with any excess applied to principal. The note matures in April, 2023, with any unpaid principal due at that time.

During 2020, we received the Payroll Protection Program loan from our bank in the amount of \$379,322, of which was still the outstanding balance recorded at December 31, 2020. The loan matures on April, 2022, and accrues interest at 1%. In accordance with the CARES Act, this funding is subject to forgiveness and will be applied for by the Organization in the subsequent year.

Year ending December 31,

2021	\$ 366,464
2022	118,564
2023	<u>18,591</u>
Total	503,619
Less: current maturities	<u>(366,464)</u>
	<u>\$ 137,155</u>

BOYS & GIRLS CLUBS OF MIDDLE TENNESSEE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 19 – New Pronouncements

In February 2016, FASB issued Accounting Standards Update 2016-02, *Leases (Topic 842)*. The Update provides guidance about recording lease transactions on an organization's statements of financial position and activities. The amendments in this Update are effective for annual periods beginning after December 15, 2021, and for annual periods and interim periods thereafter with early adoption permitted. We are currently evaluating the impact of adopting this statement.

NOTE 20 – Subsequent Events

The Organization has evaluated events subsequent to the year ended December 31, 2020. As of October 25, 2021, the PPP Loan in Note 18 has been forgiven and recognized as income for 2021 fiscal year. No other events subsequent to December 31, 2020, are considered necessary to be included in the financial statements for the year ended December 31, 2020.



PATTERSON, HARDEE & BALLENTINE, P.C.

Certified Public Accountants

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors of
Boys & Girls Clubs of Middle Tennessee

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 Boys & Girls Clubs of Middle Tennessee (a nonprofit organization), which comprise the statement of financial position as of December 31, 2020, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 25, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Boys & Girls Clubs of Middle Tennessee's internal control over financial reporting (internal control) as a basis for designing the 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 Boys & Girls Clubs of Middle Tennessee's internal control. Accordingly, we do not express an opinion on the effectiveness of Boys & Girls Clubs of Middle Tennessee'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 entity'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 Boys & Girls Clubs of Middle Tennessee'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 organization'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 organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Patterson Hande & Ballentine

October 25, 2021



PATTERSON, HARDEE & BALLENTINE, P.C.

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors
Boys & Girls Clubs of Middle Tennessee

Report on Compliance for Each Major Federal Program

We have audited Boys & Girls Clubs of Middle Tennessee's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Boys & Girls Clubs of Middle Tennessee's major federal programs for the year ended December 31, 2020. Boys & Girls Clubs of Middle Tennessee'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 Boys & Girls Clubs of Middle Tennessee'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 Boys & Girls Clubs of Middle Tennessee'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 Boys & Girls Clubs of Middle Tennessee compliance.

Opinion on Each Major Federal Program

In our opinion, Boys & Girls Clubs of Middle Tennessee 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 December 31, 2020.

Report on Internal Control Over Compliance

Management of Boys & Girls Clubs of Middle Tennessee 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 Boys & Girls Clubs of Middle Tennessee'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 Boys & Girls Clubs of Middle Tennessee'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.

Patterson Handley & Ballentine

October 25, 2021

BOYS & GIRLS CLUBS OF MIDDLE TENNESSEE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020

Federal Grantor/ Pass-Through Grantor	Program/ Cluster Name	CFDA Number	Contract Number	Passed Through to Subrecipients	Expenditures
Federal Awards					
Pass-through Funding:					
U.S. DOE through Tennessee Department of Education	21st Century Community Learning Centers	84.287	S287C190043		\$ 505,639
Total Program 84.287					505,639
U.S. DHHS through TN. Dept. of Health and Human Services	Temporary Assistance for Needy Families (TANF)	93.558	100147995-100/102 ; 42016052-51		205,555
Total Program 93.558					205,555
U.S. DOA through TN. Dept. of Health and Human Services	Child and Adult Care Food Program	10.558	78237740		4,283
Total Program 10.558					4,283
U.S. DOJ through Boys & Girls Club of America	Juvenile Mentoring Program	16.726	2018-JU-FX-0013		26,400
Total Program 16.726					26,400
TOTAL FEDERAL AWARDS					741,877
Grantor/ Pass-Through Grantor	Program/ Cluster Name	CFDA Number	Contract Number	Passed Through to Subrecipients	Expenditures
State Financial Assistance					
Tennessee Alliance	Lottery Education After-school Program	N/A	N/A		119,630
TOTAL STATE AWARDS					119,630
TOTAL FEDERAL AND STATE AWARDS					\$ 861,507

Note 1 - Basis of Presentation: This schedule was prepared on an accrual basis. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. These grants are 100% pass-through to Boys & Girls Club of Middle Tennessee (BGCMT). BGCMT is assuming all audit responsibility.

Note 2 - Indirect Cost Rate: BGCMT allocates indirect costs using the Restricted Indirect Cost Rate (RICR) for each contract, which is calculated using the following, (General Management Costs + Fixed Costs) / Other Expenditures. The RICR applied during the year ranged from 4% - 7%.

Note 3 - Provider Relief Funding: Prior to the issuance of this schedule for the year ending December 31, 2020, the United States Department of Health and Human Services deferred the reporting periods for Provider Relief Funds that were received during 2020. As a result, the \$385,234 of Provider Relief Funds received during the year are not included in the schedule above and will be included at December 31, 2021, in accordance with the 2021 Uniform Guidance.

BOYS & GIRLS CLUBS OF MIDDLE TENNESSEE
SCHEDULE OF CURRENT YEAR FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2020

SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's reports issued:	<i>Unmodified</i>	
Internal control over financial reporting:	<u>YES</u>	<u>NO</u>
Material weakness identified?		<u>X</u>
Significant deficiency identified that are not considered to be material weakness?		None reported
Noncompliance material to financial statements noted?		<u>X</u>

Federal Awards

Type of auditor's reports issued on compliance for major programs:	<i>Unmodified</i>	
Internal control over major programs:	<u>YES</u>	<u>NO</u>
Material weakness identified?		<u>X</u>
Significant deficiency identified that are not considered to be material weakness?		None reported
Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.520 (e)?		<u>X</u>

Identification of Major Programs

<u>CFDA Number:</u>	<u>Name of Federal Program or Cluster:</u>
82.287	21 ST Century Community Learning Centers

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

Auditee qualified as low-risk auditee?	<u>YES</u>	<u>NO</u>
		<u>X</u>

BOYS & GIRLS CLUBS OF MIDDLE TENNESSEE
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020

There were no prior findings reported.