



AMIkids Caddo, Inc.

FINANCIAL STATEMENTS

June 30, 2021

(With comparative financial information for 2020)



	Page
REPORT	
Independent Auditors' Report	1
FINANCIAL STATEMENTS	
Statement of Financial Position	3
Statement of Activities.....	4
Statement of Functional Expenses	5
Statement of Cash Flows	6
Notes to Financial Statements	7
Supplemental Information	
Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer	16
Independent Auditors' Report on Internal Control Over Financial Reporting And on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	17



REPORT



INDEPENDENT AUDITORS' REPORT

The Board of Trustees
AMlkids Caddo, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of AMlkids Caddo, Inc. (the School), which is comprised of the statements 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.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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

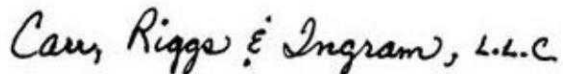
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of AMIkids Caddo, Inc. as of June 30, 2021 and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 20, 2021, on our consideration of AMIkids Caddo, Inc.'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 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 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 AMIkids Caddo, Inc.'s internal control over financial reporting and compliance.

Report on Summarized Comparative Information

We have previously audited the AMIkids Caddo, Inc.'s 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 29, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2020 is consistent, in all material respects, with the audited financial statements from which it has been derived.



CARR, RIGGS & INGRAM, LLC

Tampa, Florida
October 20, 2021



FINANCIAL STATEMENTS



AMIkids Caddo, Inc.
Statement of Financial Position

<i>June 30,</i>	2021	2020
Assets		
Cash and cash equivalents	\$ 112,594	\$ 404,746
Accounts receivable:		
Funding agencies	23,492	3,750
Other	452	-
Prepaid expenses	4,830	6,145
Property and equipment, net	19,777	30,488
Total assets	\$ 161,145	\$ 445,129
Liabilities		
Accounts payable	\$ -	\$ 14,539
Accrued expenses	23,053	66,599
Accrued pension	-	1,344
Due to AMIkids and affiliated institutes	371,551	477,950
Capital lease obligations	20,512	31,114
Total liabilities	415,116	591,546
Net assets		
Without donor restrictions	(257,980)	(146,926)
With donor restrictions	4,009	509
Total net assets	(253,971)	(146,417)
Total liabilities and net assets	\$ 161,145	\$ 445,129

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

AMIkids Caddo, Inc. Statement of Activities

<i>For the year ended June 30,</i>	Without Donor Restrictions	With Donor Restrictions	2021 Total	2020 Summarized Total
Public Support and revenue:				
Federal Support	\$ 51,470	\$ -	\$ 51,470	\$ 51,707
Regional Revenue	1,575,059	-	1,575,059	2,314,840
Contributions	3,945	22,458	26,403	4,972
Total public support	1,630,474	22,458	1,652,932	2,371,519
Revenue:				
Other	65	-	65	29
Total revenue	65	-	65	29
Net assets released from restrictions	18,958	(18,958)	-	-
Total public support and revenue	1,649,497	3,500	1,652,997	2,371,548
Expenses:				
Program services	1,647,197	-	1,647,197	2,020,540
Management and general	113,354	-	113,354	178,756
Total expenses	1,760,551	-	1,760,551	2,199,296
Change in net assets	(111,054)	3,500	(107,554)	172,252
Net assets, beginning of year	(146,926)	509	(146,417)	(318,669)
Net assets, end of year	\$ (257,980)	\$ 4,009	\$ (253,971)	\$ (146,417)

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

AMIkids Caddo, Inc.
Statement of Functional Expenses

<i>For the year ended June 30,</i>	Program Services	Management and General	2021 Total	2020 Summarized Total
Salaries	\$ 929,495	\$ -	\$ 929,495	\$ 1,186,226
Employee benefits and payroll taxes	254,744	-	254,744	255,297
Other staff expenses	3,226	-	3,226	2,890
Travel	-	-	-	487
Conferences and training	3,689	189	3,878	5,803
Office and other supplies	14,920	6,977	21,897	20,299
Rent and utilities	73,484	205	73,689	65,602
Insurance	90,990	9,034	100,024	98,681
Professional fees	-	3,726	3,726	4,816
Management fee	109,338	82,843	192,181	277,779
Student supplies and training	84,193	-	84,193	120,261
Community development	375	-	375	380
Equipment and maintenance	62,817	10,380	73,197	129,849
Interest	9,215	-	9,215	22,983
Depreciation	10,711	-	10,711	7,943
Total expense	\$ 1,647,197	\$ 113,354	\$ 1,760,551	\$ 2,199,296

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

AMIkids Caddo, Inc. Statement of Cash Flows

<i>For the year ended June 30,</i>	2021	2020
Cash flows from operating activities:		
Change in net assets	\$ (107,554)	\$ 172,252
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	10,711	7,943
(Increase) decrease in:		
Accounts receivable	(20,194)	(176)
Prepaid expenses and other	1,315	58,893
Increase (decrease) in:		
Accounts payable	(14,539)	1,674
Accrued expenses	(43,546)	15,811
Accrued pension	(1,344)	1,344
Due to AMIkids and affiliated institutes	(7,899)	(7,176)
Net cash and cash equivalents provided by (used in) operating activities	(183,050)	250,565
Cash flows from investing activities:		
Purchases of property and equipment	-	(33,215)
Net cash and cash equivalents used in investing activities	-	(33,215)
Cash flows from financing activities:		
Proceeds from new borrowings from affiliates	101,500	206,000
Proceeds from new borrowings from third parties	-	33,215
Payments on affiliate notes payable	(200,000)	(200,000)
Payments on capital lease obligations	(10,602)	(7,908)
Net cash and cash equivalents provided by (used in) financing activities	(109,102)	31,307
Net increase (decrease) in cash and cash equivalents	(292,152)	248,657
Cash and cash equivalents at beginning of year	404,746	156,089
Cash and cash equivalents at end of year	\$ 112,594	\$ 404,746
Supplemental disclosure of noncash investing and operating activities:		
Cash paid for interest	\$ 9,215	\$ 22,983

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

AMIkids Caddo, Inc. (the School), a Louisiana not-for-profit corporation, was formed exclusively for educational purposes. The School has entered into a Type 1 charter school contract with Caddo Parish School Board (CPSB) to operate the School in Caddo Parish, Louisiana. The School serves sixth to eighth graders and expelled students from Caddo Parish Public Schools and provides education, treatment, and behavior modification as components of the AMIkids Personal Growth Model[®]. These services are performed by the School, which is one of over forty affiliated, but independently governed member schools located in Alabama, Florida, Georgia, Louisiana, New Mexico, North Carolina, South Carolina, Texas and Virginia. The School's educational component is accredited by Cognia, a global accrediting agency dedicated to advancing excellence in schools, universities, and educational agencies. AMIkids, Inc. (AMIkids) is located in Florida and executes the contracts, collects funds, coordinates the operations and manages the record keeping of these member Schools and schools through a subcontract agreement between AMIkids and the School. The School's operating funds were primarily generated from state contracts and federal and local funds. Continued operation of the School's foster care program is dependent on continued funding from local agencies as well as financial and other support from AMIkids.

The School is an independent non-profit entity, separate and distinct from the Caddo Parish School Board, the primary government and reporting entity. However, the School is a component unit of CPSB and the School's financial statements are included in the CPSB's basic financial statements as a component unit.

Use of Estimates

The preparation of U.S. GAAP financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates and such differences could be material.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Financial Accounting Standards Board (FASB) provides authoritative guidance regarding U.S. GAAP through the Accounting Standards Codification (ASC) and related Accounting Standards Updates (ASUs).

Net Assets Without Donor Restriction: Include net assets that are not subject to donor-imposed stipulations and net assets that have been designated for a specific purpose by the Board of Directors.

Net Assets With Donor Restrictions: Include gifts for which donor-imposed restrictions due to time or purpose have not yet been met and gifts that require, by donor restriction, that the corpus be invested in perpetuity and only the income be made available for program operations in accordance with donor restrictions, as applicable.

Cash and Cash Equivalents

Cash and cash equivalents include cash and all highly liquid investments with an original maturity of 90 days or less.

Cash is maintained in bank deposit accounts, which at times may exceed federally insured limits. The School believes it is not exposed to any significant credit risk in these accounts.

Accounts Receivable

Accounts receivable consists primarily of receivables from federal agencies and county school boards. The School reviews outstanding receivables for collectability based on historical payment history from the payer and any known circumstances casting doubt over the collectability of accounts and reserves for amounts considered to be uncollectible. The Institute considers its accounts receivable to be fully collectible and therefore, has not recorded an allowance for doubtful accounts. Amounts becoming uncollectible will be charged against the allowance for doubtful accounts when that determination is made.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and Equipment

All acquisitions of property and equipment in excess of \$1,000 and all expenditures for maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Property and equipment are stated at cost, if purchased or at estimated fair value at date of receipt if donated. Property and equipment transferred to the School by a funding agency are stated at estimated fair value at date of transfer. Property transferred or acquired with grant funds may revert to the funding agency should the School no longer provide the rehabilitation services required by the contract. At the time property is retired, or otherwise disposed of, the asset and related accumulated depreciation are removed from the accounts and any resulting gain or loss is included in earnings. Repairs and maintenance are expensed when incurred. Depreciation is calculated using the straight-line method over the following estimated useful lives of the assets:

Furniture, fixtures and equipment	3-5 years
Motor vehicles	3-5 years

Impairment of Long-Lived Assets

The School reviews all long-lived assets, which consist primarily of property and equipment, for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future net undiscounted cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the discounted cash flows.

Public Support and Revenue

Public support is primarily from AMIkids's contracts with various state agencies. Contracts with state agencies generally provide funding based on client service days. Other public support represents amounts received from federal and local sources.

A significant portion of the Institute's grants and contracts are from government agencies. These benefits received by the public as a result of the assets transferred is not equivalent to commensurate value received by the government agencies and are therefore not considered exchange transactions. Public support contracts are analyzed for measurable performance-related barriers or other measurable barriers, primarily client service days or expenditure of resources on allowable costs. Revenue is recognized as barriers are met. Funds received from non-exchange transactions in advance of barriers being met are recorded as deferred revenue.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Public Support and Revenue (Continued)

Contributions are recognized when cash, other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met or the donor has explicitly released the restriction. Contributions received with donor-imposed restrictions are initially recorded as increases in net assets without donor restrictions.

Donated Services

Amounts are reported in the financial statements for voluntary donations of services when those services create or enhance non-financial assets or require specialized skills provided by the individuals possessing those skills and would be typically purchased if not provided by donation. For the year ended June 30, 2021 and 2020, donated services were not material to the financial statements.

Functional Allocation of Expenses

The costs of providing the various services have been summarized on a functional basis between program services and supporting services. Certain costs have been allocated among program services and supporting services. Salaries are allocated based on the time and effort expended between program and supporting services. Rent and utilities and equipment and maintenance costs are allocated based on the ratio allocation of salaries between program and management and general.

Income Taxes

Under section 501(c)(3) of the Internal Revenue Code, the Institute is exempt from taxes on income other than unrelated business income.

The Institute utilizes the accounting requirements associated with uncertainty in income taxes using the provisions of Financial Accounting Standards Board (FASB) ASC 740, Income Taxes. Using that guidance, tax positions initially need to be recognized in the financial statements when it is more-likely-than-not the positions will be sustained upon examination by the tax authorities. It also provides guidance for derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. As of June 30, 2021 and 2020, the Institute has no uncertain tax provisions that qualify for recognition or disclosure in the financial statements.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, October 20, 2021 and determined there were no events that occurred that require disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these consolidated financial statements.

Recent Accounting Pronouncements

In September 2020, the Financial Accounting Standards Board (FASB) issued ASU 2020-07, *Not-for-Profit Entities* (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets. This change in accounting principle did not have a material impact on the financial statements.

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers* (Topic 606). This guidance specifies that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This ASU and its amendments supersede the revenue recognition requirements in Topic 605, *Revenue Recognition*, and most industry specific guidance. This change in accounting principle did not have a material impact on the financial statements.

Note 2: COMPARATIVE FINANCIAL INFORMATION

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the School's financial statements for the year ended June 30, 2020, from which the summarized information was derived.

AMIkids Caddo, Inc.
Notes to Financial Statements

Note 3: PROPERTY AND EQUIPMENT

Property and equipment at June 30, 2021 and 2020 consists of:

	2021	2020
Furniture, fixtures, and equipment	\$ 12,035	\$ 12,035
Motor vehicles	33,215	33,215
	45,250	45,250
Less accumulated depreciation	(25,473)	(14,762)
	\$ 19,777	\$ 30,488

Depreciation expense for the years ended June 30, 2021 and 2020 amounted to \$10,711 and \$7,943, respectively.

Note 4: CAPITAL LEASES

The Institute leases office equipment under capital lease. The economic substance of the lease is that the Institute is financing the acquisition of the assets through the lease, and accordingly, it is recorded in the Institute's assets and liabilities.

The following is an analysis of the leased assets included in property and equipment:

	2021	2020
Furniture, fixtures, and equipment	\$ 12,035	\$ 12,035
Motor vehicles	33,215	33,215
	45,250	45,250
Less: Accumulated Depreciation	(25,473)	(14,762)
Total included in property and equipment	\$ 19,777	\$ 30,488

Future minimum payments under capital lease are as follows:

Year Ending June 30,		
2022	\$	10,724
2023		10,476
2024		3,492
Total minimum lease payments		24,692
Less amounts representing interest		(4,180)
Present value of minimum lease payments	\$	20,512

AMIkids Caddo, Inc.
Notes to Financial Statements

Note 5: NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions at June 30 are available for the following purposes:

	2021	2020
Education/scholarship	\$ 3,500	\$ -
Other	509	509
	<u>\$ 4,009</u>	<u>\$ 509</u>

Net assets were released from donor restrictions during 2021 and 2020 by occurrence of events specified by donors as follows:

	2021	2020
Education/scholarship	\$ 18,958	\$ -
Experiential services	-	2,000.00
Other	-	576.00
	<u>\$ 18,958</u>	<u>\$ 2,576.00</u>

Note 6: LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

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

<u>As of June 30,</u>	<u>2021</u>
Cash and cash equivalents	\$ 112,594
Accounts receivable	23,944
Total	<u>136,538</u>
Less: Amounts unavailable for general expenditures within one year, due to:	
Restricted by donors with purpose restrictions	<u>(4,009)</u>
Financial assets available within one year to meet cash needs for general expenditures within one year	<u>\$ 132,529</u>

The Institute prepares an annual budget that is approved by the Board of Directors for the upcoming year. The annual budget includes projected revenue based on current grants, contracts and contributions. Internally prepared financial statements comparing budget to actual results are reviewed by management on a monthly basis and cash flow is monitored daily.

Generally the Institute will have advance notice of grants and contracts terminating and will manage the reductions in cash flow by reducing expenditures and where necessary, by reducing staffing levels.

Note 6: LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS (Continued)

As part of the Institute liquidity management, financial assets are structured to be available as general expenditures, liabilities and other obligations come due. To help manage unanticipated liquidity needs, the Institute has available intercompany short-term notes payable, which it could draw upon. The amount available would be sufficient to cover any deficit in available financial assets below general expenditures within the next fiscal year.

Note 7: RELATED PARTY TRANSACTIONS

As stated in Note 1, AMIkids executes the contracts, collects funds, coordinates the operations and manages the record keeping of the School and remits these funds to the School on a monthly basis in accordance with the subcontract agreement. For providing these and other services, AMIkids was paid \$192,181 and \$277,780 in fiscal 2021 and 2020, respectively, which was recorded as management fee and other expense included in program services and management and general in the accompanying statement of functional expenses.

The School periodically enters into transactions with AMIkids and affiliated Schools for intercompany billings of common costs and services received or rendered. The School may also enter into other financing transactions with AMIkids. Except as noted below, these amounts are non-interest bearing and have no maturity date or collateral.

Due to AMIkids and affiliated Schools at June 30, 2021 and 2020 consists of:

	2021	2020
Affiliate trade payables	\$ 42,251	\$ 50,150
Notes payable to AMIkids, due January 2022		
interest charges accruing at		
2.75% per annum, unsecured	329,300	427,800
	\$ 371,551	\$ 477,950

Note 8: PENSION PLAN

AMIkids maintains a noncontributory defined contribution money purchase pension plan covering all full-time employees who have completed two years of service and have attained the age of 20 ½ years. Contributions to the Plan are based on a percentage of each employee’s compensation for the year. The pension expense for the year ended June 30, 2021 and 2020 totaled \$39,329 and \$45,030, respectively.

Note 9: CONTINGENCIES

A substantial portion of AMIkids and the School's public support is derived from programs supported by various funding agencies. Under the terms of the agreements with these funding agencies, AMIkids's and the School's financial records are subject to audit by the appropriate governmental authorities. Depending upon the results of these audits, if any, funds may be required to be refunded to the appropriate funding agency. In the opinion of AMIkids and the School's management, no public support funds will be required to be refunded. Accordingly, no provision for such contingency has been made in these financial statements.

The School is subject to various claims and legal proceedings, which arise in the ordinary course of business. The School does not believe that these matters will have a material adverse effect on its financial position or operating activities.

The School had negative net asset without donor restrictions of \$146,926 at June 30, 2020 with a decrease in net assets of \$111,054 for the year ended June 30, 2021 resulting in a negative net assets without donor restrictions of \$257,980 at June 30, 2021.

The ability of the School to continue as a going concern is dependent on the support of AMIkids, Inc. It is the intention of AMIkids, Inc. to continue to support the operations of the School and provide working capital as needed to the extent the Institute remains in compliance with its AMIkids, Inc. contract.



SUPPLEMENTAL INFORMATION



AMIkids Caddo, Inc.
Schedule of Compensation, Benefits and Other Payments to Agency Head
Or Chief Executive Officer
Year ended June 30, 2021

Agency Head Name:
 Gwendolyn Hamilton

Purpose	June 30, 2021	
Salary	\$	81,488
Benefits-Retirement		12,223
Travel		557
Other		1,559
Total	\$	95,827

Independent Auditors' 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

The Board of Trustees
AMIkids Caddo, 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 AMIkids Caddo, Inc. (the "School"), a charter school and component unit of the District School Board of Caddo Parish, Louisiana, which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 20, 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 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 the School's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Tampa, Florida
October 20, 2021