BOYS & GIRLS CLUBS OF LANIER, INC.
GAINESVILLE, GEORGIA
FINANCIAL STATEMENTS
FOR THE YEARS ENDED
December 31, 2021 and 2020

BOYS & GIRLS CLUBS OF LANIER, INC.
GAINESVILLE, GEORGIA

CONTENTS

ALEXANDER ALMAND & BANGS, LLP
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Management
of Boys & Girls Clubs of Lanier, Inc.
Gainesville, GA

Opinion

We have audited the accompanying financial statements of Boys & Girls Clubs of Lanier, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of activities, cash flows, and functional expenses for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Boys & Girls Clubs of Lanier, Inc. as of December 31, 2021 and 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.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Boys & Girls Clubs of Lanier, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Boys and Girls Clubs of Lanier, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Other Matters

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards,* is presented for purposes of additional analysis and is not a required part of the 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 April 26, 2022, on our consideration of Boys & Girls Clubs of Lanier, 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 Boys & Girls Clubs of Lanier, Inc.'s internal control over financial reporting and compliance.

Alexander Almand & Bangs LLP

Alexander, Almand and Bangs, LLP
Gainesville, GA
April 26, 2022

BOYS & GIRLS CLUBS OF LANIER, INC.
STATEMENTS OF FINANCIAL POSITION

	For The Year Ended December 31, 2021	2020
ASSETS		
CURRENT ASSETS		
Cash, without donor restrictions	$ 3,125,662	$ 1,403,102
Net contributions receivable, current portion	1,698,266	475,681
Grants receivable	748,141	221,127
Other assets	19,247	24,823
Cash, with donor restrictions	1,150,926	625,169
Total current assets	6,742,242	2,749,902
NON-CURRENT ASSETS		
Property and equipment	5,953,282	4,046,111
Less: accumulated depreciation	1,852,634	1,746,500
Total property and equipment, net	4,100,648	2,299,611
Contributions receivable, net of current portions and discounts	393,834	494,497
Investments	324,695	284,746
Total non-current assets	4,819,177	3,078,854
TOTAL ASSETS	$ 11,561,419	$ 5,828,756
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	$ 55,275	$ 10,008
Accrued expenses	65,386	51,037
Deferred grant revenue	458,608	-
Total current liabilities	579,269	61,045
NET ASSETS		
Without donor restrictions	7,625,167	4,357,190
With donor restrictions	3,356,983	1,410,521
Total net assets	10,982,150	5,767,711
TOTAL LIABILITIES AND NET ASSETS	$ 11,561,419	$ 5,828,756

The accompanying notes are an integral part of these statements.

BOYS & GIRLS CLUBS OF LANIER, INC.
STATEMENTS OF ACTIVITIES

	For the Year Ended December 31, 2021		
	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES, GAINS AND OTHER SUPPORT			
Support, other than special events:			
Contributions and pledges	$ 1,550,036	$ 3,464,523	$ 5,014,559
Grants, contracts and foundations	4,248,449	3,250	4,251,699
Contributions discounts amortized	-	13,469	13,469
Total support other than special events	5,798,485	3,481,242	9,279,727
Special events:			
Special event revenue	311,266	-	311,266
Direct benefits to donors	(15,921)	-	(15,921)
Net support from special events	295,345	-	295,345
Membership dues and league program fees	394,478	-	394,478
Interest income, non-investment	735	-	735
Net investment income	34,922	-	34,922
Net gain (loss) on dispositions of fixed assets	-	-	-
Other income	31,706	-	31,706
Donations in kind	628,346	-	628,346
Total revenues, gains and other support	7,184,017	3,481,242	10,665,259
Net assets released from restrictions:			
Satisfaction of Donor Restrictions	1,534,780	(1,534,780)	-
Total revenues, gains and other support	8,718,797	1,946,462	10,665,259
EXPENSES			
Program services	4,382,095	-	4,382,095
Management and general	600,005	-	600,005
Fundraising	468,720	-	468,720
Total expenses	5,450,820	-	5,450,820
INCREASE (DECREASE) NET ASSETS	3,267,977	1,946,462	5,214,439
NET ASSETS, beginning of year	4,357,190	1,410,521	5,767,711
NET ASSETS, end of year	$ 7,625,167	$ 3,356,983	$ 10,982,150

The accompanying notes are an integral part of these statements.

For the Year Ended December 31, 2020		
Without Donor Restrictions	With Donor Restrictions	Total
$ 454,778	$ 519,695	$ 974,473
2,983,624	3,825	2,987,449
-	17,626	17,626
3,438,402	541,146	3,979,548
229,673	-	229,673
(15,586)	-	(15,586)
214,087	-	214,087
251,413	-	251,413
849	-	849
43,211	-	43,211
(12,744)	-	(12,744)
5,342	-	5,342
629,850	-	629,850
4,570,410	541,146	5,111,556
404,740	(404,740)	-
4,975,150	136,406	5,111,556
3,530,715	-	3,530,715
471,960	-	471,960
323,048	-	323,048
4,325,723	-	4,325,723
649,427	136,406	785,833
3,707,763	1,274,115	4,981,878
$ 4,357,190	$ 1,410,521	$ 5,767,711

BOYS & GIRLS CLUBS OF LANIER, INC.
STATEMENTS OF CASH FLOWS

	For The Year Ended December 31, 2021	For The Year Ended December 31, 2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ 5,214,439	$ 785,833
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Change in discounts applied to contributions receivable	(7,627)	(13,054)
Depreciation	106,134	109,576
Net unrealized and realized (increase) decrease in investments	(34,922)	(43,716)
(Gain) loss on disposition of fixed assets	-	12,744
Change in assets and liabilities:		
(Increase) / decrease in:		
Contributions receivable	(1,114,295)	317,238
Grants receivable	(527,014)	33,605
Other assets	5,576	(810)
Increase / (decrease) in:		
Accounts payable	45,267	(59,493)
Accrued expenses	14,349	(35,518)
Deferred grant revenue	458,608	-
Net cash provided by operating activities	4,160,515	1,106,405
CASH FLOWS FROM INVESTING ACTIVITIES		
Net purchase of property and equipment	(1,907,171)	(90,062)
Purchase of equities from stock donations	(5,027)	-
Net cash used in investing activities	(1,912,198)	(90,062)
Net increase (decrease) in cash and cash equivalents	2,248,317	1,016,343
CASH AND CASH EQUIVALENTS, beginning of year	2,028,271	1,011,928
CASH AND CASH EQUIVALENTS, end of year	$ 4,276,588	$ 2,028,271
Cash, without donor restrictions	$ 3,125,662	$ 1,403,102
Cash, with donor restrictions	1,150,926	625,169
	$ 4,276,588	$ 2,028,271

The accompanying notes are an integral part of these statements.

BOYS & GIRLS CLUBS OF LANIER, INC.
STATEMENTS OF FUNCTIONAL EXPENSES

	For the Year Ended December 31, 2021			
	Program	Management & General	Fundraising	Totals
Bad debts and write offs	$ -	$ 2,425	$ -	$ 2,425
Conferences and training	7,367	19,674	-	27,041
Dues and subscriptions	9,770	50,611	-	60,381
Employee expense	110,780	47,864	33,363	192,007
Event expense	43,500	25,582	105,600	174,682
Insurance	28,218	35,191	20,868	84,277
League sports	5,136	13,375	-	18,511
Maintenance	97,734	10,127	494	108,355
Miscellaneous expense	1,235	1,041	-	2,276
Office supplies	14,349	53,136	3,389	70,874
Payroll taxes	174,771	17,349	13,856	205,976
Postage	55	1,487	7,061	8,603
Printing and publication	-	-	78,215	78,215
Professional fees	262,642	71,670	22,986	357,298
Program supplies	455,464	6,719	775	462,958
Retirement	19,004	2,845	2,151	24,000
Salaries and wages	2,141,512	229,364	172,692	2,543,568
Telephone	37,986	5,570	-	43,556
Travel expense	164,809	5,975	2,141	172,925
Utilities	94,333	-	-	94,333
Depreciation	106,134	-	-	106,134
Donations in kind	607,296	-	21,050	628,346
TOTAL EXPENSES	$ 4,382,095	$ 600,005	$ 484,641	$ 5,466,741
Direct benefits to donors			(15,921)	(15,921)
			$ 468,720	$ 5,450,820

The accompanying notes are an integral part of these statements.

BOYS & GIRLS CLUBS OF LANIER, INC.
STATEMENTS OF FUNCTIONAL EXPENSES

For the Year Ended December 31, 2020			
Program	Management & General	Fundraising	Totals
$ -	$ 7,981	$ -	$ 7,981
3,354	11,218	-	14,572
-	43,083	-	43,083
102,075	45,752	30,996	178,823
-	-	86,157	86,157
24,912	26,885	12,417	64,214
1,158	-	-	1,158
59,065	1,930	-	60,995
-	19,451	-	19,451
24,842	21,403	77	46,322
153,039	13,492	10,201	176,732
164	1,714	5,987	7,865
280	369	30,892	31,541
217,205	63,104	8,154	288,463
118,859	3,364	25	122,248
37,910	4,014	2,676	44,600
1,888,661	199,778	151,052	2,239,491
20,537	3,786	-	24,323
69,850	4,636	-	74,486
69,378	-	-	69,378
109,576	-	-	109,576
629,850	-	-	629,850
$ 3,530,715	$ 471,960	$ 338,634	$ 4,341,309
		(15,586)	(15,586)
		$ 323,048	$ 4,325,723

NOTE 1 – NATURE OF THE ORGANIZATION AND OPERATIONS

The Boys & Girls Clubs of Lanier, Inc. (the "Organization"), was originally founded in 1954 with humble beginnings, but has become a tremendous resource for area youth over the years. Early leaders saw the need for a fun and safe place for children and quickly began laying the foundations to meet that need. In the 67 years of operation, the Organization has grown from a single Boys Club to 24 sites of the Boys & Girls Clubs in Hall County and surrounding areas, successfully serving nearly 2000 children ages 5-18 daily. In addition, the Boys & Girls Clubs of Lanier, Inc., has recently been recognized as one of the top three Boys & Girls Clubs within the State of Georgia. The Organization operates as a community based, not-for-profit tax exempt 501(c)(3) organization.

The Organization serves children by fulfilling its mission: to inspire and enable all young people, especially those that need us most, to realize their full potential as productive, responsible and caring citizens. The Organization believes that every child, no matter how challenging their life circumstances may be, deserves a chance to be great. In addition, the Organization strives to provide a world class club experience that assures success is within reach of every young person who enters the doors, with all members on track to graduate from high school with a plan for the future, demonstrating good character and citizenship, and living a healthy lifestyle. The five key elements the Boys & Girls Clubs of Lanier, Inc., uses to accomplish this are:

A safe, positive environment: The Club is a safe haven where members feel physically and emotionally secure at all times;

Fun: The Club facility, staff and program offerings create a welcoming, positive environment that allows members to engage in play, enjoy their play time and be happy and eager to come to the club;

Supportive relationships: The club ensures that every young person feels connected to one or more adults and has friendships with peers;

Opportunities and expectations: Club staff and programs consistently communicate the expectation that every child has the potential to excel, be productive and succeed at the Club and in life;

Recognition: The Club takes every opportunity to recognize and validate club members' achievements and accomplishments.

The Boys and Girls Clubs of Lanier, Inc., are primarily funded by charitable donations, federal, state and local grants, and membership fees.

NOTE 2 – SUMMARY OF ACCOUNTING POLICIES

Basis of Accounting

The financial statements are prepared on the accrual basis of accounting in conformity with principles generally accepted in the United States of America. The accrual basis of accounting accordingly reflects all significant receivables, payables and other liabilities. The significant accounting policies are described below to enhance the usefulness of the financial statements to the reader.

Financial Statement Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) ASC 958, *Financial Statements for Not-for-Profit Organizations,* as updated by Accounting Standards Update 2016-14, *Presentation of Financial Statements for Not-for-Profit Entities.* This standard requires classification of net assets as revenue, expenses, gains and losses based on the existence or absence of donor-imposed restrictions and without donor restrictions, be displayed in the statement of activities and changes in net assets. The accounting standards provide that if a governing body of an organization has the ability to remove a donor restriction, the contributions should be classified as net assets without donor restrictions.

NOTE 2 – SUMMARY OF ACCOUNTING POLICIES (CONT'D)

Cash and Cash Equivalents

We consider cash and highly liquid financial instruments with original maturities of three months or less, which are neither held for non-restricted by donors for long-term purposes, to be cash and cash equivalents. Restricted cash consists of funds from donors or grants in separate accounts to be used for capital expenditures, improvements or to fund various programs of the Organization as specified by certain grants and contracts.

Contributions Receivable and Revenues

The Organization recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received.

Contributions that are restricted by the donor are reported as increases in net assets without 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 net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Contributions that are due in more than one year are reflected as long-term contributions receivable and are recorded at the present value of their estimated future cash flows, using treasury yield interest rates applicable to the years in which the promises are received to discount the amounts. Those due in one year or less are reflected as short-term contributions receivable.

Membership dues and league fees are comprised of an exchange element based on the value of benefits provided, and a contribution element for the difference between the total dues paid and the exchange element. The Organization recognizes the exchange portion of membership dues over the membership period, and the contribution portion immediately. Generally, the membership dues are paid on either a monthly to month or week to week basis.

The Organization records special events revenue less the value of direct benefits to donors at the time the event takes place.

Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met. As of December 31, 2021, and 2020, there are no conditions noted on contributions and all contributions have been recognized on the statements of activities.

The Organization receives grant revenue primarily from federal and state agencies as well as other local grantors. Grant revenue is recorded when awarded or available by meeting certain requirements, as stated in the terms of the grant contract. Recognition is determined on a grant by grant basis.

Donation of assets, property and equipment, are recorded as contributions at estimated fair market value at the date of donation. These donations are reported as increases in net assets without donor restrictions, unless donor-imposed restrictions apply. If donor-imposed restrictions apply, donated assets, property and equipment are reported as increases in net assets with donor restrictions. Donated assets are released from restriction on the statement of activities as net assets released from restriction, with either the passage of time or satisfaction of the donor-imposed conditions. There were no donations of property and equipment were received during the fiscal years 2021 or 2020.

Donated services are recognized as contributions in accordance with ASC 958, *Financial Statements for Not-for-Profit Organizations,* if the services (1) increase or enhance long-lived assets, or (2) require specialized skills, are provided by individuals possessing those skills, and would otherwise be purchased by the Organization.

NOTE 2 – SUMMARY OF ACCOUNTING POLICIES (CONT'D)

Investments

We record investment purchases at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the statement of financial position (all Level 1 measurements). Net investment return/(loss) is reported in the statement of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses.

Property and Equipment

Property and equipment are carried at cost, or if donated, at the approximate fair value at the date of donation. The general capitalization policy for the Organization is to capitalize assets with a useful life that is greater than three years and the cost at the date of acquisition is greater than $ 2,000. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life is expensed in the period incurred and therefore is not capitalized. Depreciation is computed using the straight-line method over the following estimated useful lives of the assets:

Buildings and Improvements	15 - 40	years
Equipment	3 - 40	years
Furniture and Fixtures	5 - 10	years
Vehicles	5 - 10	years

Net Assets

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

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor (or certain grantor) restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Advertising Expense

Advertising costs are expensed as incurred.

Functional Allocation of Expenses

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include certain salaries and related employee expenses for accounting and other certain staff, depreciation and some occupancy costs. These are allocated based on actual and some estimated time and effort to certain functions. Management and general expenses include expenses that are not directly identifiable to a specific program, fundraising, or development activity. Fundraising expenses are those expenses directly associated with an activity as well as some personnel and other direct costs to carry out the activities.

NOTE 2 – SUMMARY OF ACCOUNTING POLICIES (CONT'D)

Reclassifications

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

Estimates

To prepare the financial statements in conformity with U.S. generally accepted accounting principles, the Organization is required to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimated. Significant estimates and assumptions include the depreciation of fixed assets, the allowance for uncollectible contributions receivable, discount for contributions receivable, and the fair market value of non-cash donations.

Income Taxes

The Boys & Girls Clubs of Lanier, Inc., is organized as a Georgia nonprofit corporation and has been recognized by the IRS as exempt from federal income taxes under IRC Section 501(a) as an organization described in IRC Section 501(c)(3) of the Internal Revenue Code, qualifying as a tax-exempt entity and, therefore, has no provision for income taxes. The Organization has determined that there was no unrelated business income for the years ending December 31, 2021 or 2020. Management has considered uncertain tax positions and believes there are no unrecognized tax benefits or obligations in the open tax years. The Organization is required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS annually.

New Accounting Pronouncements

The Financial Accounting Standards Board ("FASB") issued Accounting Standards Update (ASU) 2014-09, Revenue Recognition (Topic 606). This ASU provides a single, comprehensive revenue recognition model for all contracts with customers to improve comparability within industries, across industries, and across capital markets. The core principle of this ASU is that an entity recognizes revenues 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 entitle in exchange for those goods or services. This ASU is effective for annual periods beginning after December 15, 2019 and has been implemented within the Organization to all periods presented and did not have a significant impact on the financial statements or disclosures.

The FASB issued ASU 2018-08, Not-for-Profit Entities (Topic 958). This ASU is intended to clarify and improve the scope and accounting guidance for contributions received and made, primarily by not-for-profit organizations. The amendments in this ASU provide a more robust framework for determining whether a transaction should be accounted for as a contribution or as an exchange transaction. ASU 2018-18 is effective for annual periods beginning after December 15, 2019 and has been implemented within the Organization and applied to all periods presented and did not have a significant impact on the financial statements or disclosures.

The FASB issued ASU 2018-13, Fair Value Measurement (Topic 820). This ASU is intended to remove certain disclosure requirements and clarify certain fair value considerations related directly to the entity rather than disclosure that is broad in scope and not applicable. ASU 2018-13 is effective for annual periods beginning after December 15, 2020, and had been implemented to all periods presented. The application did not have a significant impact on the financial statements, but did clarify the disclosures related to investments and the Board Designated Endowment.

NOTE 3 – CASH FLOW INFORMATION

In-kind donations received for supplies, club locations and services totaled $ 628,346 and $ 629,850 for the years ending December 31, 2021 and 2020, respectively. To reflect the cost associated with the in-kind donations, in-kind expenses are included in program service expense on the statement of functional expenses. The Organization incurred no interest payments or non-cash financing transactions for the year.

As of December 31, 2021, and 2020, respectively, there was $ 1,150,926 and $ 625,159 restricted by donors to fund programs for subsequent years or special projects.

NOTE 4 – AVAILBILITY AND LIQUIDITY

The following represents Boys & Girls Clubs of Lanier's financial assets at December 31:

	2021	2020
Financial assets at year end:		
Cash and cash equivalents	$ 4,276,588	$ 2,028,271
Contributions receivable, net (current)	1,698,266	475,681
Grants receivable	748,141	221,127
Other assets	7,512	15,509
Investments	324,695	284,746
Total financial assets	7,055,202	3,025,334
Less amounts not available to be used within one year:		
Board designated net assets	319,668	284,746
Net assets with donor restrictions (current)	2,849,192	1,021,280
	3,168,860	1,306,026
Financial assets available to meet general expenditures over the next twelve months	$ 3,886,342	$ 1,719,308

As of December 31, 2021, and 2020, certain portions of the Organization's total financial assets are not available to be used within one year due to either 1) designations by the board of directors, or 2) restrictions placed on the financial assets by the donor at the time of contribution. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Organization must maintain sufficient resources to meet those responsibilities to its donors. As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In the event of an unanticipated liquidity need, the board could draw upon the assets in which they have designated for specific purposes. In addition, during the current year, the Organization opened a line of credit with a local bank in the amount of $ 250,000. As of December 31, 2021, no funds have been drawn from the line of credit. Thus, they are fully available for the Organization's use at the board's discretion.

As part of the Organization's current liquidity management plan, the Organization has a goal to maintain financial assets to meet one year of normal operating expenses, which are on average, approximately $ 415,445 per month during the year ending December 31, 2021.

NOTE 5 –GRANTS AND CONTRIBUTIONS RECEIVABLE

Grants receivable consist of the following:

	2021	2020
21st Century Community Learning Centers	$ 234,160	$ 162,434
Georgia Alliance of Boys & Girls Clubs	118,687	42,123
OJP Mentoring	43,439	9,853
CACFP	6,291	6,717
GEER	345,564	-
Total	$ 748,141	$ 221,127

All grants receivable are expected to be collected within several months after year-end.

Unconditional promises to give ("contributions receivable") are estimated to be collected as follows at December 31:

	2021	2020
Amounts due within one year:		
United Way	$ -	$ 23,879
Capital and annual campaign	112,047	463,231
Other	1,598,833	2,540
Allowance for uncollectible	(915)	(915)
	1,709,965	488,735
Less discount on contributions, current portion	(11,699)	(13,054)
Net contributions receivable, current portion	1,698,266	475,681
Amounts due in one to five years:		
Capital and annual campaign, long-term	401,710	508,645
Less discount on pledges, non-current portion	(7,876)	(14,148)
Net contributions receivable, long-term	393,834	494,497
Total contributions receivable	$ 2,092,100	$ 970,178

Unconditional promises to give due in more than one year at the time of donation are recognized at the present value of their estimated future cash flows using rates between .97% and 2.83%, dependent upon the date the donor made the promise to give.

As of December 31, 2021, one donor accounted for approximately 59% of the total promises to give. The Organization believes this contribution to be collectible in its entirety within the year and therefore has not provided an allowance for uncollectible on the receivable.

NOTE 6 – BOARD DESIGNATED ENDOWMENT

In 2011, a board designated endowment fund resolution was completed with the North Georgia Community Foundation. The Community Foundation's purpose is intended to provide an additional level of care and skill which assists in the appreciation of the funds that they manage. In addition, the Community Foundation provides accountability toward the use of any assets disbursed from the endowment investment.

NOTE 6 – BOARD DESIGNATED ENDOWMENT INVESTMENT (CONT'D)

Distributions from the endowment fund shall be spent only for the following purposes: general operations, program expenses, capital expenditures, or any other projects deemed appropriate by the Boys & Girls Clubs of Lanier, Inc., as set out in its articles of incorporation.

All requests for distributions from the endowment fund shall be requested by both the Chief Executive Officer and the President of the Boys & Girls Clubs of Lanier, only after prior approval of the board of directors. Distributions in excess of the determined spending amount that will invade the fund's corpus must be approved by a majority vote of a quorum of the board of directors of the Boys & Girls Clubs of Lanier, Inc. In addition, the Boys & Girls Clubs of Lanier interprets and follows the applicable laws and regulations that accompany endowment funds.

The finance committee of the Boys & Girls Clubs of Lanier, Inc., shall monitor the performance of the endowment fund on a quarterly basis, and the chairperson of the finance committee shall present a report at least annually to the Boys & Girls Clubs of Lanier's board. These guidelines may be ratified or amended at any time by a 70% vote of a quorum of the board of directors.

The Organization did not authorize any disbursements from, receive any contributions or transfer any funds toward the endowment investment during the years ending December 31, 2021 or 2020. Changes in the unrestricted endowment investment consisted of net investment income during the 2021 and 2020 fiscal years.

NOTE 7 – INVESTMENTS

The Organization applies Accounting Standards Codification (ASC) Number 820, *Fair Value Measurements and Disclosures,* for fair value measurements of financial assets. ASC No. 820, estimates the fair value of the financial assets based on three levels of valuation. The investment assets are all measured at Level I of the fair value measurement framework. Level I valuations are based on unadjusted market prices for identical assets or liabilities in accessible and active markets. As of December 31, 2021, and 2020, the Level I investments on the statement of financial position consisted of marketable securities with a fair value of $ 324,695 and $ 284,746, respectively. The investments are held at the North Georgia Community Foundation as the Board Designated Endowment with the exception of $ 5,027 that is located at Merrill Lynch as a stock donation account as of December 31, 2021. There were no existing donations in the prior year for this account. The stock donation account consists of equities that are also level I investments resulting from a donation of stock at year-end. Due to the timing of the transaction, there were no earnings on the account. The balance of the account will be converted to cash subsequent to year-end.

The investments are Board Designated and therefore considered without donor restriction. The components of investment income included in the statement of activities were as follows:

	2021	2020
Interest income	$ 2	$ 3
Dividend income	16,891	4,949
Unrealized gain/(loss)	12,898	27,379
Realized gain/(loss)	8,328	13,519
Investment fees	(3,197)	(2,639)
Net investment income (loss)	$ 34,922	$ 43,211

NOTE 8 – PROPERTY AND EQUIPMENT

The following is a summary of property and equipment as of December 31:

	2021	2020
Non-depreciable assets:		
Land	$ 793,775	$ 151,336
Construction in process	1,181,177	-
Total non-depreciable assets	1,974,952	151,336
Depreciable assets:		
Buildings and improvements	3,440,342	3,422,126
Equipment	312,288	307,162
Furniture and fixtures	72,859	72,859
Vehicles	152,841	92,628
Total depreciable assets	3,978,330	3,894,775
Accumulated depreciation	(1,852,634)	(1,746,500)
Total property and equipment	$ 4,100,648	$ 2,299,611

Depreciation expense was $ 106,134 for 2021 and $ 109,576 for 2020**.**

NOTE 9 – SIGNIFICANT CONCENTRATION OF CREDIT RISK

The Organization maintains its cash and cash equivalents in several financial institutions. The Federal Deposit Insurance Corporation (FDIC) insures the balances in interest-bearing accounts up to $ 250,000 per institution. As of December 31, 2021, and 2020, the Organization's uninsured cash balances accounts totaled $ 1,992,408 and $ 620,899 respectively.

NOTE 10 – COMPENSATED ABSENCES

Full-time employees accumulate sick leave at the rate of ½ day per month and vacation time based on length of service. Employees may accrue 160 hours of sick time and 32 hours of vacation time to the next year, but must have prior approval from the Chief Executive Officer for vacation time carried forward. Compensated absences payable totaled $ 42,154 and $ 37,205, as of December 31, 2021 and 2020, respectively.

NOTE 11 – SPECIAL EVENTS

The following special events were held and earned the respective revenues for the years ending December 31:

	2021	2020
Duck Derby	$ 261,290	$ 170,567
Holiday Golf Event	49,977	59,106
Total special event revenue	311,266	229,673

NOTE 12 – GRANTS, CONTRACTS AND FOUNDATIONS

Grants and contracts received for the current year are included in net assets without donor restrictions.

Below is a schedule of revenue earned from grants, contracts, and foundations for the years ending December 31:

	2021	2020
21st Century Grant	$ 1,844,461	$ 1,651,440
General Grants - Employee Retention Credits	664,030	-
General Grants - Paycheck Protection Program	566,352	566,500
Georgia Alliance - Boys & Girls Clubs of America	524,492	396,579
GA Governor's Office of Emergency Relief Funds (GEER	389,002	-
Falcons Fitness Zone	100,000	172,045
Boys & Girls Clubs of America - Various Grants	-	20,000
CACFP	100,015	93,143
OJP Mentoring	60,098	44,052
Other Grants	3,250	43,690
	$ 4,251,700	$ 2,987,449

In response to the COVID-19 Pandemic, the Organization received funds under the Paycheck Protection Program for both years ending December 31, 2021 and 2020. The funds were initially received in the form of a loan payable with the possibility that if qualifying, all or a portion of the loan would be forgiven. The loans under the program were fully forgiven within the fiscal years and therefore are considered general grants.

As an additional response to the COVID-19 Pandemic, the Organization applied for the Employee Retention Credits offered by the U.S. Government to retain personnel and continue operations. The Organization applied for and was credited and refunded for payroll during the second quarter of 2021 in the amount of $ 664,030. The receipt of funds are treated as a general grant in accordance with revenue recognition principles under ASC 2018-08. In addition, during the year, the Organization provided and completed the process to request payroll tax credits and refundable credits from applicable payroll quarters in 2020 in the amount of $ 526,373. Because these credits are subject to approval before being provided, they are considered conditional until final indication of Internal Revenue Service approval or receipt and are therefore not recoded in the financial statements. Subsequent to year end, the Organization received $ 308,674 of the amounts requested for 2020 payroll quarters.

NOTE 13 – DEFERRED REVENUE

At times, the Organization is awarded and is in receipt of grants or funds in advance of earning the income through applicable expenses or time restrictions. The receipt of funds that are unearned are considered deferred revenue liabilities. For the year ending December 31, 2021, the Organization had deferred revenue liabilities of $ 29,167 of funds received in advance from United Way and $ 429,440 of unearned grant revenue from the GEER grant. There were no deferred revenues for the year-ending December 31, 2020.

NOTE 14 – EMPLOYEE RETIREMENT PLAN

The Organization is a participant in the retirement plan of the Boys & Girls Clubs of America. The plan is employer funded. The Boys & Girls Clubs of Lanier, Inc., contributes 4% of each eligible employee’s salary for the prior year to the plan. Employer contributions for 2021 and 2020 were $ 24,000 and $ 44,600, respectively.

NOTE 15 – CONCENTRATIONS

At December 31, 2021, 49% of the Organization's revenue came from general or restricted contributions and 33% of the Organization's revenue came from five agencies (21st Century, United Way, Atlanta Falcons, GEER and Georgia Alliance), as well as additions for the PPP funds and Employee Retention Credits. At December 31, 2020, 57% of the Organization's revenue came from four agencies (21st Century, United Way, Atlanta Falcons, and Georgia Alliance) and 31 % of revenues came from general or restricted contributions.

NOTE 16 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through April 26, 2022, the date the financial statements were available to be issued.

Subsequent to year-end, the Organization received several new grants and significant unrestricted contributions which will cover over nearly 60% of annual budgeted expenses.

Subsequent to year-end, the United States and global markets experienced significant declines in value resulting from uncertainty caused by the world-wide coronavirus pandemic and turmoil in Eastern Europe. The investment portfolios of the Organization and strategic plans are closely monitored to minimize any impact of the declines and market volatility. The extent of the impact the pandemic and turmoil may have is dependent on circumstances that cannot be estimated or predicted. Therefore, the extent to which the pandemic and turmoil may impact the Boys & Girls Clubs of Lanier, Inc.'s, financial position and changes in net assets and cash flows is uncertain. The accompanying financial statements include no adjustments related to the effect of the volatility.

SINGLE AUDIT REPORTING PACKAGE

of

BOYS & GIRLS CLUBS OF LANIER, INC.

P.O. Box 691

Gainesville, GA 30503

FEIN 58-0656890

FOR THE YEAR ENDED

December 31, 2021

BOYS & GIRLS CLUBS OF LANIER, INC.
GAINESVILLE, GEORGIA

CONTENTS

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
Boys & Girls Clubs of Lanier, Inc.
Gainesville, Georgia

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 the Boys & Girls Clubs of Lanier, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2021 and the related statement of activities, cash flows, and functional expenses for the year then ended and the related notes to the financial statements, and have issued our report thereon dated April 26, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Boys & Girls Clubs of Lanier, Inc.'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 Boys & Girls Clubs of Lanier, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization'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 or significant deficiencies may exist that were not identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Boys & Girls Clubs of Lanier, Inc.'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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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Members of: The Georgia Society of Certified Public Accountants • The American Institute of Certified Public Accountants

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 Boys & Girls Clubs of Lanier, Inc.'s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Alexander, Almand and Bangs, LLP
Gainesville, Georgia
April 26, 2022

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 Lanier, Inc.
Gainesville, Georgia

Report on Compliance for Each Major Federal Program

Opinion on Each Major Program

We have audited the Boys & Girls Clubs of Lanier, Inc.'s compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Boys & Girls Clubs of Lanier, Inc.'s major federal programs for the year ended December 31, 2021. The Boys & Girls Clubs of Lanier, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Boys & Girls Clubs of Lanier, Inc. 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 programs for the year ended December 31, 2021.

Basis for Opinion on Each Major Program

We conducted our audit of compliance in accordance with the 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Boys & Girls Clubs of Lanier, Inc., and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Boys & Girls Clubs of Lanier, Inc.'s, compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Boys & Girls Clubs of Lanier, Inc.'s, federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Boys & Girls Clubs of Lanier, Inc.'s compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the

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override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Boys & Girls Clubs of Lanier, Inc.'s, compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Boys & Girls Clubs of Lanier, Inc.'s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Boys & Girls Clubs of Lanier, Inc.'s, internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the Boys & Girls Clubs of Lanier, Inc.'s, internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

Alexander, Almand & Bangs LLP

Alexander, Almand and Bangs, LLP
Gainesville, Georgia
April 26, 2022

BOYS & GIRLS CLUBS OF LANIER, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2021

Federal Grantor/Pass-Through Grantor/Program Title	Grantors and Pass-Through Grants' Number	CFDA Number	Federal Amount Expended	
U.S. Department of Education				
Passed through the GA Department of Education:				
21st Century Community Learning Centers Program	PP1 21st CCLC Grant S287C200010	84.287C	$ 169,261	
21st Century Community Learning Centers Program	Fair St. 21st CCLC Grant S287C200010	84.287C	159,264	
21st Century Community Learning Centers Program	PP2 21st CCLC Grant S287C200010	84.287C	207,427	
21st Century Community Learning Centers Program	Teen 21st CCLC Grant S287C200010	84.287C	194,202	
21st Century Community Learning Centers Program	Walters 21st CCLC Grant S287C200010	84.287C	220,647	
21st Century Community Learning Centers Program	Tadmore 21st CCLC Grant S287C200010	84.287C	154,133	
21st Century Community Learning Centers Program	PP1 21st CCLC Grant S287C210010	84.287C	111,404	
21st Century Community Learning Centers Program	Fair St. 21st CCLC Grant S287C210010	84.287C	109,581	
21st Century Community Learning Centers Program	PP2 21st CCLC Grant S287C210010	84.287C	133,851	
21st Century Community Learning Centers Program	Teen 21st CCLC Grant S287C210010	84.287C	130,790	
21st Century Community Learning Centers Program	Walters 21st CCLC Grant S287C210010	84.287C	156,797	
21st Century Community Learning Centers Program	Tadmore 21st CCLC Grant S287C210010	84.287C	97,104	
			1,844,461	(1)
Passed through Georgia Alliance of Boys & Girls Club, Inc.				
Georgia Governor's Office of Emergency Education Relief Fund	GEER 2021-2022	84.425	389,002	(3)
Total U.S. Department of Education			**2,233,463**	
U.S. Department of Health & Human Services				
Passed through Georgia Alliance of Boys & Girls Club, Inc.				
Dept. of Human Services, State of GA Grant 2020-2021	42700-040-0000097741	93.558	405,805	
Dept. of Human Services, State of GA Grant 2021-2022	42700-040-0000104600	93.558	118,687	
Total U.S. Department of Health & Human Services			**524,492**	
				(2)
U.S. Department of Agriculture				
Child and Adult Care Food Program	Unavailable	10.558	100,015	(3)
U.S. Department of Justice				
Passed through Boys and Girls Clubs of America				
Mentoring in Underserved Communities	OJP 2020-48176	16.726	10,662	
Mentoring in Underserved Communities	OJP 2020-48177	16.726	9,515	
Mentoring in Underserved Communities	OJP 2020-48178	16.726	26,357	
Mentoring in Underserved Communities	OJP 2020-47179	16.726	13,563	
Total U.S. Department of Justice			**60,097**	(4)
Total expenditures of federal awards			$ 2,918,067	

(1) This amount represents the amount of expenditures submitted and approved by the United States Department of Education.

(2) This amount represents the grant payment requests submitted and approved by the Georgia Alliance of Boys & Girls Club, Inc.

(3) This amount represents the grant payment requests submitted and approved by the United States Department of Agriculture.

(4) This amount represents the amount of expenditures submitted and approved by the Boys & Girls Clubs of America.

See accompanying notes to the schedule of expenditures of federal awards.

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of the Boys & Girls Clubs of Lanier, Inc., (the "Organization") under programs of the federal government for the year ended December 31, 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 Administration Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected position of the operations of the Organization, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Boys & Girls Clubs of Lanier, Inc.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards,* wherein certain types of expenditures are allowable or are limited as to reimbursement.

NOTE 3 – INDIRECT COST

Boys & Girls Clubs of Lanier, Inc. has elected not to use the 10-percent *de minimis* indirect cost rate allowed under the Uniform Guidance.

BOYS & GIRLS CLUBS OF LANIER, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2021

SECTION I – SUMMARY OF AUDIT RESULTS:

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting: Material weakness identified?	_____ Yes __X__ No
Significant deficiencies identified not considered to be material weaknesses?	_____ Yes __X__ None Reported
Noncompliance material to financial statements noted?	_____ Yes __X__ No

Federal Awards

Internal control over major federal programs: Material weaknesses identified?	_____ Yes __X__ No
Significant deficiencies identified not considered To be material weaknesses?	_____ Yes __X__ None Reported
Type of auditor's report issued on compliance for major federal programs	Unmodified
Any audit findings disclosed that are required to be Reported in accordance with 2 CFR 200.516(a)?	_____ Yes __X__ No

Identification of major programs:

CFDA Number	Name of Federal Program or Cluster
84.287	21st Century Community Learning Centers
84.425	Department of Education, Governor's Office of Emergency Education Relief Fund

Dollar threshold used to distinguish between Type A Type B programs:	$ 750,000
Auditee qualified as low-risk auditee?	_____ Yes ___X__ No

SECTION II – FINDINGS – FINANCIAL STATEMENT AUDIT (GAGAS):

There were no findings related to the financial statement audit.

SECTION III – FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL PROGRAMS AUDIT:

There were no findings related to the major federal programs audit.

SECTION IV – SUMMARY OF SCHEDULE OF PRIOR AUDIT FINDINGS:

None noted.