



BOYS & GIRLS CLUBS OF TAMPA BAY, INC.

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

(WITH COMPARATIVE TOTALS FOR 2019)

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(WITH COMPARATIVE TOTALS FOR 2019)

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors of
Boys & Girls Clubs of Tampa Bay, Inc.
Tampa, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of Boys & Girls Clubs of Tampa Bay, Inc. (the Organization), which comprise the statement of financial position as of December 31, 2020, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Organization'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 Organization'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 the Boys & Girls Clubs of Tampa Bay, Inc. as of December 31, 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the Organization's 2019 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated April 20, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2019, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of state financial assistance on page 30 is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying schedule of expenditures of federal awards on page 22, as required by Title 2 U.S. Code of Federal Regulations 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 5, 2021 on our consideration of the Organization'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 the Organization's internal control over financial reporting and compliance.

Reeder & Associates, PA

Certified Public Accountants
April 5, 2021

BOYS & GIRLS CLUBS OF TAMPA BAY, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2020
(WITH COMPARATIVE TOTALS FOR 2019)

	2020		2019	
	Without Donor Restrictions	With Donor Restrictions	Total	Totals
ASSETS				
Current Assets				
Cash and cash equivalents	\$ 2,135,477	\$ 414,714	\$ 2,550,191	\$ 4,061,381
Certificates of deposit	252,489	-	252,489	250,000
Accounts and grants receivable	302,771	-	302,771	330,570
Pledge receivable - net of allowance for uncollectibles	180,149	-	180,149	146,244
Prepaid expenses	118,864	-	118,864	85,944
Total Current Assets	2,989,750	414,714	3,404,464	4,874,139
Investments	-	735,385	735,385	679,368
Investments held at foundation	-	3,514,812	3,514,812	2,863,671
Construction in progress	-	-	-	306,524
Property and equipment, less accumulated depreciation of \$3,470,966 and \$4,183,711, respectively	8,613,901	-	8,613,901	9,122,939
Prepaid expenses - non-current	-	-	-	7,500
Cash surrender value of life insurance	-	70,308	70,308	67,839
TOTAL ASSETS	\$ 11,603,651	\$ 4,735,219	\$ 16,338,870	\$ 17,921,980
LIABILITIES AND NET ASSETS				
Current Liabilities				
Accounts payable	\$ 129,379	\$ -	\$ 129,379	\$ 193,838
Accrued expenses	192,067	-	192,067	229,347
Due to foundation	277,820	-	277,820	259,791
Deferred revenue	235,502	-	235,502	327,755
TOTAL LIABILITIES	834,768	-	834,768	1,010,731
Net Assets				
Without donor restrictions:				
Undesignated	2,154,982	-	\$ 2,154,982	\$ 1,887,423
Invested in property and equipment	8,613,901	-	8,613,901	9,429,463
Total net assets without donor restrictions	10,768,883	-	10,768,883	11,316,886
With donor restrictions:				
Purpose restrictions	-	3,987,421	3,987,421	4,891,412
Restricted in perpetuity - endowment	-	747,798	747,798	702,951
Total net assets with donor restrictions	-	4,735,219	4,735,219	5,594,363
Total Net Assets	10,768,883	4,735,219	15,504,102	16,911,249
TOTAL LIABILITIES AND NET ASSETS	\$ 11,603,651	\$ 4,735,219	\$ 16,338,870	\$ 17,921,980

Read Report of Independent Certified Public Accountants.
The accompanying notes are an integral part
of these financial statements.

BOYS & GIRLS CLUBS OF TAMPA BAY, INC.
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2020
(WITH COMPARATIVE TOTALS FOR 2019)

	2020		2019	
	Without Donor Restrictions	With Donor Restrictions	Total	Totals
REVENUES				
Special Events	\$ 331,000	\$ -	\$ 331,000	\$ 948,576
Less direct cost of Special Events	(71,673)	-	(71,673)	(217,221)
	259,327	-	259,327	731,355
Federal grants	802,472	-	802,472	687,105
State grants	494,076	-	494,076	727,595
Paycheck Protection Program	826,200	-	826,200	-
Other grants and contracts	928,214	20,000	948,214	1,282,815
United Way	82,422	-	82,422	554,808
Contributions	2,070,478	493,455	2,563,933	2,540,122
In-kind contributions	1,166,041	-	1,166,041	1,205,459
Program revenue	125,379	-	125,379	325,463
Rental income	126,238	-	126,238	66,263
	6,880,847	513,455	7,394,302	8,120,985
Net assets released from restriction	1,861,230	(1,861,230)	-	-
Total Revenue	8,742,077	(1,347,775)	7,394,302	8,120,985
Expenses				
<i>Program Services</i>				
Youth Development	5,994,940	-	5,994,940	6,736,153
<i>Support Services</i>				
General and Administrative	898,099	-	898,099	850,426
Fundraising	605,183	-	605,183	855,281
Total support services	1,503,282	-	1,503,282	1,705,707
Total Expenses	7,498,222	-	7,498,222	8,441,860
Change in Net Assets Before Other Changes	1,243,855	(1,347,775)	(103,920)	(320,875)
Other Changes				
Investment return	5,003	488,631	493,634	380,456
Impairment of long-lived assets	(1,796,861)	-	(1,796,861)	-
Change in Net Assets	(548,003)	(859,144)	(1,407,147)	59,581
Net Assets, beginning of year	11,316,886	5,594,363	16,911,249	16,851,668
Net Assets, end of year	\$ 10,768,883	\$ 4,735,219	\$ 15,504,102	\$ 16,911,249

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of these financial statements.

BOYS & GIRLS CLUBS OF TAMPA BAY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2020
(WITH COMPARATIVE TOTALS FOR 2019)

	<u>Program Services</u>	<u>Support Services</u>		<u>Total Support Services</u>	<u>Total Expenses</u>	<u>2019 Comparative Totals</u>
	<u>Youth Development</u>	<u>General and Administrative</u>	<u>Fundraising</u>			
Salaries	\$ 2,364,602	\$ 560,359	\$ 313,595	\$ 873,954	\$ 3,238,556	\$ 3,671,023
Employee benefits	245,162	67,944	53,464	121,408	366,570	400,915
Payroll taxes	215,884	29,032	32,687	61,719	277,603	250,646
Other personnel costs	10,716	16,722	50	16,772	27,488	59,128
Total salaries and related expenses	2,836,364	674,057	399,796	1,073,853	3,910,217	4,381,712
Direct youth assistance	115,495	-	985	985	116,480	277,105
Professional fees	97,902	44,023	21,828	65,851	163,753	191,531
Contract services	4,916	6,416	50,301	56,717	61,633	93,193
Supplies	290,520	2,859	6,951	9,810	300,330	357,440
In-kind supplies	356,566	-	-	-	356,566	473,214
Information technology	187,372	53,676	25,976	79,652	267,024	252,227
Printing, postage and subscriptions	1,964	1,219	26,471	27,690	29,654	25,103
In-kind rent expense	809,475	-	-	-	809,475	691,560
Property and liability insurance	170,815	-	-	-	170,815	148,227
Other occupancy costs	338,090	41,810	99	41,909	379,999	518,940
Equipment rental and maintenance	57,965	15,081	2,424	17,505	75,470	59,793
Vehicle and transportation expenses	152,533	1,457	2,484	3,941	156,474	235,651
Training, travel and meetings	9,486	1,985	11,033	13,018	22,504	54,475
Miscellaneous expense	913	1,455	11,525	12,980	13,893	12,610
Bad debt	-	-	8,660	8,660	8,660	20,533
Bank and merchant services fees	4,056	8,659	10,990	19,649	23,705	30,685
National and state dues	17,951	19,742	-	19,742	37,693	39,204
Total expenses before depreciation	5,452,383	872,439	579,523	1,451,962	6,904,345	7,863,203
Depreciation	542,557	25,660	25,660	51,320	593,877	578,657
Total expenses	<u>\$ 5,994,940</u>	<u>\$ 898,099</u>	<u>\$ 605,183</u>	<u>\$ 1,503,282</u>	<u>\$ 7,498,222</u>	<u>\$ 8,441,860</u>

Read Report of Independent Certified Public Accountants.
The accompanying notes are an integral part
of these financial statements.

BOYS & GIRLS CLUBS OF TAMPA BAY, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020
(WITH COMPARATIVE TOTALS FOR 2019)

	2020		2019
	Without Donor Restrictions	With Donor Restrictions	Total
Cash Flows from Operating Activities			
Change in Net Assets	\$ (548,003)	\$ (859,144)	\$ (1,407,147)
<i>Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:</i>			
Depreciation	593,877	-	593,877
Bad debt	8,660	-	8,660
Unrealized (gain) loss on investments	-	(476,042)	(476,042)
Impairment of long-lived assets	1,796,861	-	1,796,861
(Increase) decrease in cash surrender value of life insurance	-	(2,469)	(2,469)
(Increase) decrease in accounts and grants receivable	27,799	-	27,799
(Increase) decrease in prepaid expenses	(25,420)	-	(25,420)
(Increase) decrease in pledges receivable	(42,565)	-	(42,565)
Increase (decrease) in accounts payable	(64,459)	-	(64,459)
Increase (decrease) in accrued expenses	(37,280)	-	(37,280)
Increase (decrease) in due to/from Foundation	18,029	-	18,029
Increase (decrease) in deferred revenue	(92,253)	-	(92,253)
Total Adjustments	2,183,249	(478,511)	1,704,738
Net Cash Provided by (Used in) Operating Activities	1,635,246	(1,337,655)	297,591
Cash Flows from Investing Activities			
Cash payments for the purchase of property and equipment	(40,144)	-	(40,144)
Cash payments for construction in process	(1,535,032)	-	(1,535,032)
Cash proceeds from redemption of certificates of deposit	-	-	513,392
Cash payments for purchase of certificate of deposit	-	-	(250,000)
Reinvestment of interest earned on certificate of deposit	(2,489)	-	(2,489)
Cash payments for purchase of investments held at foundation	-	(250,000)	(250,000)
Cash proceeds from sale of investments	-	18,884	18,884
Net Cash Provided by (Used in) Investing Activities	(1,577,665)	(231,116)	(1,808,781)
Net Increase (decrease) in Cash and Cash Equivalents	57,581	(1,568,771)	(1,511,190)
Cash and Cash Equivalents, beginning of year	2,077,896	1,983,485	4,061,381
Cash and Cash Equivalents, end of year	\$ 2,135,477	\$ 414,714	\$ 2,550,191
Non-cash and supplemental disclosure of cash flow information:			
Disposal of fully depreciated property	\$ 1,306,622	\$ -	\$ 1,306,622
Construction in progress transferred to property and equipment	\$ 1,841,556	\$ -	\$ 1,841,556

Read Report of Independent Certified Public Accountants.
The accompanying notes are an integral part
of these financial statements.

BOYS & GIRLS CLUBS OF TAMPA BAY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020
(WITH COMPARATIVE TOTALS FOR 2019)

NOTE A - DESCRIPTION OF ORGANIZATION

The Boys & Girls Clubs of Tampa Bay, Inc. (the Organization) was incorporated in August 1945 and operates as a Florida non-profit corporation. The mission of the Organization is to enable all young people, especially those who need us the most, to realize their full potential as productive, caring, responsible citizens. The Organization believes every child has the potential to be great. In support of this strong conviction, Clubs strive to build driven and independent adults. The Organization's family – a community of staff, volunteers, parents, youth and supporters – work together to create a positive place, full of hope and opportunity, for every club member. The Organization is supported primarily through private donor contributions and grants and contracts from government agencies.

From early literacy to community involvement, the Organization's programs tackle the inequalities Tampa Bay's youth encounter. Grouped into three areas, the Organization's outcomes driven programs use best-practices, innovative solutions and highly-trained staff to ensure that our club members become responsible, caring adults. Carefully designed for impact, our outcomes focus on: improving educational skills and academic achievement; strengthening decision making and resiliency skills leading to healthier lifestyles; and increasing civic engagement to build character and leadership. Through consistent interactions with caring adults in a structured environment with age-appropriate developmental opportunities and positive social norms, the Organization impacts the lives of its club members by helping them to develop the values, skills, attitudes, character and behavior that enable them to succeed in life. By focusing on academic achievement, healthy lifestyles and civic engagement, the Organization's programs ensure that when youth leave the Club, they are equipped with the knowledge and ability to make positive choices to live as self-sufficient, productive, caring citizens.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

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

Net assets without donor restrictions - Net assets that are not subject to donor-imposed stipulations, including restricted contributions whose restrictions are met in the same reporting period.

Net assets with donor restrictions - Net assets subject to donor-imposed stipulations that:

- may or will be met, either by actions of the Organization and/or the passage of time. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.
- are maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all or part of the income earned on any related investments for general or specific purposes.

Read Report of Independent Certified Public Accountants

BOYS & GIRLS CLUBS OF TAMPA BAY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020
(WITH COMPARATIVE TOTALS FOR 2019)

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Estimates

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

Cash and Cash Equivalents

For purposes of the statement of cash flows, cash and cash equivalents are defined as cash on hand and amounts in depository and money market accounts at the bank.

Accounts and Grants Receivable

Accounts receivable result from services which have been provided pursuant to various State and Federal grants and contracts, but for which reimbursement has not yet been received at December 31, 2020. The Organization does not maintain an allowance for estimated uncollectible accounts as any amounts determined unallowable by the grantor are deducted from revenue upon notification of the disallowance. No material amounts were subsequently disallowed with respect to the amounts recorded at December 31, 2020.

Deferred Revenue

Revenues from grants and contracts are recorded based upon terms of the grantor allotment which generally provide that revenues are earned when the allowable costs of the specific grant provisions have been incurred. For the years ended December 31, 2020 and 2019 deferred grant revenue in the amount of \$105,000 and \$72,570, respectively, are reflected in the statement of financial position for amounts received but not earned. For the years ended December 31, 2020 and 2019, deferred revenue also includes \$130,502 and \$255,185, respectively, related to special events yet to be held.

Property and Equipment

Property and equipment are stated at historical cost, or if acquired by gift, at the estimated fair value at the date received, and depreciated using the straight-line method over the estimated useful lives of each asset ranging from 3-50 years. Acquisitions of property and equipment in excess of \$2,500 are capitalized.

Donated Services, Materials and Facilities

The Organization records various types of in-kind contributions. Contributed services are recognized at fair value if the services received (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributions of goods and property are recognized at fair value when received. The amounts reflected in the accompanying financial statements as in-kind contributions are offset by like amounts included in expenses or additions to property.

A substantial number of unpaid volunteers have made significant contributions of their time to develop and maintain the Organization's programs. No amounts have been reported in the financial statements for voluntary donation of services because no objective basis is available to measure the value of such donations.

BOYS & GIRLS CLUBS OF TAMPA BAY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020
(WITH COMPARATIVE TOTALS FOR 2019)

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Instruments

The following methods and assumptions were used to estimate the fair value of each class of financial instrument:

Cash and Cash Equivalents - the carrying amount approximates fair value due to the short-term maturity of these instruments.

Investments - the fair value is based on quoted market value with unrealized gains and losses included in the Statement of Activities and Changes in Net Assets.

Concentration of Credit Risk

Financial instruments, which potentially subject the Organization to concentrations of credit risk, consist principally of cash and cash equivalents and pledges receivable. The Organization places its cash with creditworthy, high quality financial institutions. Accounts are maintained at institutions that are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. The Organization has not experienced any losses from its deposits. The amount in excess of the FDIC limit totaled \$2,131,863 and \$3,807,365 for the years ended December 31, 2020 and 2019, respectively.

Financial instruments which potentially subject the Organization to concentrations of credit risk consist principally of grants receivable from Federal, State, and Local agencies. Concentration of credit risk with respect to grants receivable is minimized due to the amounts being backed by the government. The Organization has not experienced any material losses with respect to its grants receivables. At December 31, 2020, 64% of accounts and grants receivable were from two grantors (38% and 26%).

Income Tax Status

The Organization is exempt from federal income taxes under Section 501 (c)(3) of the Internal Revenue Code and similar state provisions. The Organization is treated as a public supported organization, and not as a private foundation. Accordingly, no provision for income taxes has been reflected in the accompanying financial statements. The Organization accounts for uncertain tax positions, if any, in accordance with ASC Section 740.

Management is not aware of any activities that would jeopardize the organization's tax-exempt status. The Organization is not aware of any tax positions that it has taken that are subject to a significant degree of uncertainty. The Organization believes it is no longer subject to income tax examinations for fiscal years ending prior to December 31, 2017.

Functional Allocation of Expenses

Expenses are shown by natural expense classification and function in the accompanying statement of functional expenses for each year presented. Expenses that are attributable to more than one program or supporting function are allocated on a reasonable basis that is consistently applied. Allocations are based on direct usage or management's estimate of the benefit derived by each activity. Management's estimates may be based on factors such as time and effort, square footage, clients served, or any other reasonable basis. The expenses that are allocated on the basis of estimates of time and effort are salaries, employee benefits and payroll taxes. Occupancy, maintenance, insurance and depreciation are allocated on a square footage basis. Client assistance and program supplies are allocated on the basis of clients served.

Read Report of Independent Certified Public Accountants

BOYS & GIRLS CLUBS OF TAMPA BAY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020
(WITH COMPARATIVE TOTALS FOR 2019)

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Comparative Data

The amounts shown for the year ended December 31, 2019 in the accompanying financial statements are included to provide a basis for comparison with 2020 and present summarized totals only. Accordingly, the 2019 totals are not intended to present all information necessary for a fair presentation in conformity with accounting principles generally accepted in the United States of America. Such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2019, from which the summarized information was derived.

NOTE C – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Organization's financial assets as of the statement of financial position date. These financial assets are required to be reduced by those not available for general use within one year of the statement of financial position date.

	2020	2019
Financial assets:		
Cash and cash equivalents	\$ 2,550,191	\$ 4,061,381
Certificates of deposit	252,489	250,000
Accounts and grants receivable	302,771	330,570
Pledge receivable, net of allowance	180,149	146,244
Investments	735,385	679,368
Investments held at foundation	3,514,812	2,863,671
Cash surrender value of life insurance	70,308	67,839
	7,606,105	8,399,073
Less those unavailable for general expenditure within one year due to:		
Donor imposed restrictions	(3,455,409)	(4,613,314)
Time restrictions	(307,809)	(67,839)
Donor restricted for endowment – in perpetuity	(747,798)	(702,951)
	(4,511,016)	(5,384,104)
Financial assets available to meet cash needs for general expenditures within one year	\$ 3,095,089	\$ 3,014,969

The Organization structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due and strives to operate within a prudent range of financial soundness and stability, maintain adequate liquid assets to fund near-term operating needs, and maintain sufficient reserves to provide reasonable assurance that any long-term obligations will be discharged. Financial assets in excess of daily cash requirements may be invested in certificates of deposit, money market funds or other short-term investments.

Read Report of Independent Certified Public Accountants

BOYS & GIRLS CLUBS OF TAMPA BAY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020
(WITH COMPARATIVE TOTALS FOR 2019)

NOTE C – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS (continued)

The Organization receives significant grants and contributions restricted by funders and donors. The Organization considers grants and contributions restricted for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. For the years ended December 31, 2020 and 2019, contributions restricted for operating reserves for specific clubs of \$111,704 and \$110,259, respectively, are considered to be available to meet cash needs for general expenditures within one year.

NOTE D – PLEDGES RECEIVABLE

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. 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 donor-imposed restriction is met, net assets with donor restrictions are reclassified to net assets without donor restrictions.

The Organization’s pledges receivable at December 31 are as follows:

	2020	2019
Collectible in one year	\$ 188,542	\$ 166,777
Less allowance for doubtful accounts	(8,393)	(20,533)
	\$ 180,149	\$ 146,244

NOTE E – INVESTMENTS

Fair value, cost, and unrealized gains and losses of investments as of December 31, 2020 are as follows:

	Cost	Fair Value	Accumulated Unrealized Gain (Loss)
Equity mutual funds	\$ 325,512	\$ 522,330	\$ 196,818
Fixed income mutual funds	202,255	213,055	10,800
Investments held at foundation	2,870,560	3,514,812	644,252
Cash surrender value of life insurance	70,308	70,308	-
Total investments	\$ 3,468,635	\$ 4,320,505	\$ 851,870

Read Report of Independent Certified Public Accountants

BOYS & GIRLS CLUBS OF TAMPA BAY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020
(WITH COMPARATIVE TOTALS FOR 2019)

NOTE E – INVESTMENTS (continued)

Fair value, cost, and unrealized gains and losses of investments as of December 31, 2019 are as follows:

	Cost	Fair Value	Accumulated Unrealized Gain (Loss)
Equity mutual funds	\$ 348,647	\$ 476,028	\$ 127,381
Fixed income mutual funds	202,255	203,340	1,085
Investments held at foundation	2,620,560	2,863,671	243,111
Cash surrender value of life insurance	67,839	67,839	-
Total investments	\$ 3,239,301	\$ 3,610,878	\$ 371,577

The following schedule reconciles investment return as reported in the statement of changes in net assets with investment earnings:

	2020	2019
Investment income	\$ 17,592	\$ 16,861
Net unrealized gains (losses)	476,042	363,595
Total investment return	\$ 493,634	\$ 380,456

At December 31, 2020 and 2019, the Organization had no investment or group of investments which represented a significant concentration of market risk.

Cash surrender value of life insurance has been reported at the amount that could be realized under the insurance contract at December 31, 2020 in accordance with FASB ASC 325-30 Investments in Insurance Contracts. The face amount of those donated life insurance policies is \$200,000 at December 31, 2020 and 2019.

The Organization invests in a variety of investment funds and equities. Investments in general are exposed to various risks, such as interest rate, credit, and overall volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the statement of financial position.

NOTE F – FAIR VALUE MEASUREMENTS

In accordance with Professional Standards, *Fair Value Measurements* establishes a framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under Professional Standards are described below:

Read Report of Independent Certified Public Accountants

BOYS & GIRLS CLUBS OF TAMPA BAY, INC.
NOTES TO FINANCIAL STATEMENTS
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NOTE F – FAIR VALUE MEASUREMENTS (continued)

Level 1

Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2

Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3

Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable input and minimize the use of unobservable inputs.

Cash surrender value of life insurance - fair value is based on inputs other than quoted prices that are observable for the asset.

Investments in stock equities, exchange traded funds and mutual funds - fair value is the closing price reported on the active market which the individual securities are traded.

Investments held at foundation - fair value of the investments underlying the pooled account held at the foundation. The fair value of these investments typically can be determined by reference to the markets on which the underlying investments are traded, and are considered a Level 2 because these investments are held by a related party foundation.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

All assets have been valued using a market approach. There have been no changes in valuation techniques and related inputs.

BOYS & GIRLS CLUBS OF TAMPA BAY, INC.
NOTES TO FINANCIAL STATEMENTS
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NOTE F – FAIR VALUE MEASUREMENTS (continued)

The following table sets forth by level, within the fair value hierarchy, the Organization's assets at fair value at December 31, 2020:

	Fair Value	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
Cash surrender value of life insurance	\$ 70,308	\$ -	\$ 70,308	\$ -
Investments:				
Investments held at foundation	3,514,812	-	3,514,812	-
Mutual funds:				
Large cap	323,577	323,577	-	-
Mid cap	46,110	46,110	-	-
Small cap	47,544	47,544	-	-
International	105,099	105,099	-	-
Fixed Income	213,055	213,055	-	-
Total	\$ 4,320,505	\$ 735,385	\$ 3,585,120	\$ -

The following table sets forth by level, within the fair value hierarchy, the Organization's assets at fair value at December 31, 2019:

	Fair Value	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
Cash surrender value of life insurance	\$ 67,839	\$ -	\$ 67,839	\$ -
Investments:				
Investments held at foundation	2,863,671	-	2,863,671	-
Mutual funds:				
Large cap	285,968	285,968	-	-
Mid cap	39,734	39,734	-	-
Small cap	39,948	39,948	-	-
International	110,378	110,378	-	-
Fixed Income	203,340	203,340	-	-
Total	\$ 3,610,878	\$ 679,368	\$ 2,931,510	\$ -

BOYS & GIRLS CLUBS OF TAMPA BAY, INC.
NOTES TO FINANCIAL STATEMENTS
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NOTE G – PREPAID EXPENSES

The Organization has entered into one long term land lease. The Organization records a long term prepaid expense for the lease when paid and expenses a proportion of the lease each year over the life of the lease.

During the year ended December 31, 2002 the Organization entered into a lease for land to erect a building for operations. The Organization paid \$150,000 in the year ended December 31, 2002 for the lease that expires during the year ended December 31, 2021. During the years ended December 31, 2020 and 2019, the Organization expensed \$7,500 as occupancy expense on the Statement of Functional Expenses. As of December 31, 2020, \$7,500 is included in current prepaid expenses on the Statement of Financial Position. As of December 31, 2019, \$7,500 is included in current prepaid expenses and \$7,500 is included in prepaid expenses-non-current on the Statement of Financial Position.

NOTE H – PROPERTY AND EQUIPMENT

	2020	2019
Land	\$ 76,000	\$ 76,000
Buildings	10,791,226	11,816,738
Furniture and equipment	965,259	1,161,530
Vehicles	252,382	252,382
 Total property	 12,084,867	 13,306,650
 Less accumulated depreciation	 (3,470,966)	 (4,183,711)
	 \$ 8,613,901	 \$ 9,122,939

During the year ended December 31, 2020 the Organization ceased operations at two of its facilities which were no longer fully utilized due to gentrification of the surrounding areas, difficulty in getting the support required for transporting children to the facilities, and the expense to renovate the facilities for existing or future purposes. The buildings and related land are owned by the City of Tampa, however, the Organization has leasehold improvements recorded in its books and records which have now been impaired. In accordance with ASC 360 *Accounting for the Impairment or Disposal of Long-Lived Assets* the Organization has recorded an impairment loss in the statement of activities in the amount of \$1,796,861 representing the net book value of the related improvements.

BOYS & GIRLS CLUBS OF TAMPA BAY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020
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NOTE I – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions of the Organization are comprised of cash, short term investments, and pledge receivables available for the following purposes at December 31,:

	<u>2020</u>	<u>2019</u>
Purpose restricted - capital projects:		
Bethune Park	\$ -	\$ 1,284,538
Temple Park	-	166,574
Other	<u>114,637</u>	<u>221,532</u>
	<u>114,637</u>	<u>1,672,644</u>
Endowment funds to benefit specific clubs:		
Winston Park	1,128,028	989,441
Town N Country Park	<u>1,130,100</u>	<u>991,258</u>
	<u>2,258,128</u>	<u>1,980,699</u>
Purpose restricted - programs	1,082,643	959,970
Purpose restricted - operating reserves	111,704	110,260
Time restricted	420,309	167,839
Restricted in perpetuity - endowment	<u>747,798</u>	<u>702,951</u>
Total	<u>\$ 4,735,219</u>	<u>\$ 5,594,363</u>

Net assets with donor restrictions of \$1,831,230 and \$1,330,778 were released in satisfaction of restrictions during the years ended December 31, 2020 and 2019, respectively.

NOTE J – INVESTMENT IN ENDOWMENT – RESTRICTED IN PERPETUITY

The Organization's investment in endowment consists of an endowment fund trust (the Trust) established in 1950 operated solely for the benefit of, and in connection with, the Organization.

In accordance with professional standards, the Organization provides the composition of the endowment by net asset class and the endowment related activities for the year ended December 31, 2020 and 2019. No change in the net asset classification of the endowment fund is required.

Endowment Net Asset Composition by Type of Fund as of December 31, 2020:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Boys and Girls Clubs of Tampa Bay Endowment Fund	<u>\$ -</u>	<u>\$ 747,798</u>	<u>\$ 747,798</u>

BOYS & GIRLS CLUBS OF TAMPA BAY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020
(WITH COMPARATIVE TOTALS FOR 2019)

NOTE J – INVESTMENT IN ENDOWMENT – RESTRICTED IN PERPETUITY (continued)

Endowment Net Asset Composition by Type of Fund as of December 31, 2019:

	Without Donor Restrictions	With Donor Restrictions	Total
Boys and Girls Clubs of Tampa Bay Endowment Fund	\$ -	\$ 702,951	\$ 702,951

Changes in Endowment Net Assets for the Fiscal Year Ended December 31, 2020:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ -	\$ 702,951	\$ 702,951
Contributions	-	-	-
Investment Income	-	12,590	12,590
Net gain (realized and unrealized)	-	74,900	74,900
Amounts appropriated for expenditure	-	(42,643)	(42,643)
Endowment net assets, end of year	\$ -	\$ 747,798	\$ 747,798

Changes in Endowment Net Assets for the Fiscal Year Ended December 31, 2019:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ -	\$ 605,557	\$ 605,557
Contributions	-	-	-
Investment Income	-	14,938	14,938
Net gain (realized and unrealized)	-	120,484	120,484
Amounts appropriated for expenditure	-	(38,028)	(38,028)
Endowment net assets, end of year	\$ -	\$ 702,951	\$ 702,951

BOYS & GIRLS CLUBS OF TAMPA BAY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020
(WITH COMPARATIVE TOTALS FOR 2019)

NOTE J – INVESTMENT IN ENDOWMENT – RESTRICTED IN PERPETUITY (continued)

Interpretation of Relevant Law

The Board of Directors has interpreted the law as requiring donor restricted net assets in an endowment fund to remain restricted until appropriated for expenditure by the Organization for the donor’s intended purpose. In accordance with the Florida Uniform Prudent Management of Institutional Funds Act (FUPMIFA), the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- 1) The purposes of the Organization and the donor-restricted endowment fund
- 2) General economic conditions
- 3) The possible effect of inflation and deflation
- 4) The expected total return from income and the appreciation of investments
- 5) Other resources of the Organization
- 6) The investment policies of the Organization.

Return Objectives and Risk Parameters

The Organization has adopted investment and spending policies for the endowment assets that attempt to provide funding for the future programs and activities. Under this policy, as approved by the Board of Directors, the Trust assets are invested in a manner to achieve the long-term rate-of-return objectives, fixed income and cash, minimize risk and maximize return within acceptable guidelines and achieve a competent rate of return.

Spending Policy

The Trust is operated, supervised and controlled by the Organization together with the authorized trustee and fund manager and, accordingly, the operations of the Trust are presented as an integral part of the basic financial statements of the Organization. The net earnings from the Trust are reserved for use by the Organization in support of the Organization’s programs and activities. During the years ended December 31, 2020 and 2019, the trust net investment return was \$87,490 and \$135,422, respectively. During the years ended December 31, 2020 and 2019, the trust released \$42,643 and \$38,028, respectively, to the Organization for programs and fees.

NOTE K – DONATED SERVICES, MATERIALS AND FACILITIES

During the years ended December 31, 2020 and 2019, the Organization received for use in youth development programs the following in-kind contributions:

	<u>2020</u>	<u>2019</u>
Facilities	\$ 809,475	\$ 691,560
Afterschool snack and supper program supplies	356,566	473,214
Other occupancy costs	-	40,685
	<u>\$ 1,166,041</u>	<u>\$ 1,205,459</u>

BOYS & GIRLS CLUBS OF TAMPA BAY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020
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NOTE L – PAYCHECK PROTECTION PROGRAM

During the year ended December 31, 2020, the Organization obtained a Paycheck Protection Program loan under the CARES Act in the amount of \$826,200 to help keep the workforce employed during the COVID-19 crisis. Management believes that it has fully complied with the conditions for forgiveness. In accordance with ASC 958-605-25 Not-For-Profit Entities Revenue Recognition, the Organization accounts for the funds as a conditional grant for which it believes all conditions have been met. For the year ended December 31, 2020, the Organization recognized \$826,200 in grant revenue. Subsequent to December 31, 2020, the entire amount of the loan was forgiven.

NOTE M - EMPLOYEE BENEFIT PLAN

The Organization sponsors a 401(k) Profit-Sharing Plan (the Plan). Employees who are 21 years of age or older with at least six months of service are eligible to make salary reduction contributions and to receive the Organization's match. To qualify for the Organization's base contribution, employees must complete at least one year of service. Matching contributions are made on behalf of eligible employees equal to 100% of the salary reduction amount contributed up to 3% of compensation. Each Plan year, the Organization also makes a base contribution equal to 3% of compensation on behalf of eligible employees. Participants are fully vested after three years of service. Forfeitures are used to pay Plan expenses and to reduce the Organization's future contributions to the Plan. The Organization's contribution for the years ended December 31, 2020 and 2019 was \$96,064 and \$111,770, respectively.

NOTE N - MATCHING REQUIREMENTS OF FEDERAL AND STATE GRANTS

The Organization has complied with all matching requirements provided for by its Federal and State grants. Accordingly, no match liability exists at December 31, 2020 and 2019.

NOTE O - BOYS & GIRLS CLUBS OF TAMPA BAY FOUNDATION, INC.

The Boys & Girls Clubs of Tampa Bay Foundation, Inc. (the Foundation) is a separate not-for-profit corporation (exempt from federal and state income taxes under section 501(c)(3) of the Internal Revenue Code and similar state provisions) created in 1990 for the purpose of obtaining, holding, and managing funds which are used for the continuing financial support of the Organization. The Foundation is managed by a Board of Trustees which is independent of the Organization's Board of Directors. The Organization and Foundation engage in joint fundraising activities. The Organization also provides management, accounting, fundraising and administrative services to the Foundation. The in-kind value of these services totaled \$76,782 and \$74,677 for the years ended December 31, 2020 and 2019, respectively.

Pursuant to the Foundation's investment and spending policies, up to 5% of the 3-year average of prior fiscal year-end market values may be withdrawn for the benefit of the Organization upon request. During the years ended December 31, 2020 and 2019, the Organization received \$242,000 and \$237,000, respectively, which are reflected as contributions in the financial statements. Amounts due to foundation were \$277,820 and \$259,791 for the years ended December 31, 2020 and 2019, respectively.

BOYS & GIRLS CLUBS OF TAMPA BAY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020
(WITH COMPARATIVE TOTALS FOR 2019)

NOTE P - RELATED PARTY

During the years ended December 31, 2020 and 2019, the Organization had a Board Member that is on the Board of an agency that provided in-kind meals valued at \$356,566 and \$473,214, respectively, for one of its programs.

NOTE Q - COMMITMENTS AND CONTINGENCIES

The Organization is the recipient of grants and other third party reimbursement funds that are subject to special compliance audits by the granting agency and other third party agencies that provide these reimbursements. The results of these audits may result in disallowed expense amounts. Disallowed amounts, if any, would constitute a contingent liability of the Organization. Accordingly, such liabilities are not reflected in the financial statements. The Organization does not believe any contingent liabilities, if any, to be material.

Lines of credit

The Organization has revolving credit card accounts with a total credit limit of \$150,000 at December 31, 2020 with an annual interest rate of 9.15%. At December 31, 2019, the Organization had revolving credit card accounts with a total credit limit of \$150,000 with an annual interest rate of 10.65%. Total borrowings were \$35,811 and \$36,448 at December 31, 2020 and 2019, respectively, and are included in accounts payable on the statement of financial position. Management's policy is to pay off the credit card balances monthly so that no interest is incurred.

Construction Contracts

In 2019, the Organization entered into a contract to renovate the Bethune Park club. The contract sum, including change orders, was \$1,330,796. At December 31, 2020, this contract was completed and has been paid in full.

NOTE R – SUBSEQUENT EVENTS

As a result of the spread of the COVID-19 Coronavirus, economic uncertainties have arisen which are likely to negatively impact revenue and support. As the Organization continues to evaluate its response and the community's response to COVID-19, there could be additional impact which is unknown at this time.

Subsequent to December 31, 2020, the Organization obtained a second Paycheck Protection Program loan under the CARES Act of approximately \$305,795 to help keep their workforce employed during the COVID-19 crisis. The loan has a maturity of 2 years, an interest rate of 1% and initial loan payments are deferred for six months. The loan can be fully forgiven if the funds are used for payroll costs, interest on mortgages, rent, and utilities. At least 60% of the forgiven amount must have been used for payroll. Management intends to comply with the forgiveness provisions and thoroughly evaluate its expenditures to meet the Paycheck Protection Program loan requirements.

Management has evaluated subsequent events through April 5, 2021, the date the financial statements were available to be issued.

**SUPPLEMENTARY INFORMATION
AND
OTHER REPORTS**

BOYS & GIRLS CLUBS OF TAMPA BAY, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2020

Description	Federal CFDA #	Contract #	Federal Expenditures
<u>GRANTOR/PASS-THROUGH GRANTOR/ PROGRAM TITLE</u>			
FEDERAL ASSISTANCE:			
U.S. Department of Education:			
<i>Passed Through Florida Department of Education</i>			
21st Century Community Learning Centers	84.287	92B-2440B/92B-2441B	\$ 448,679
Total U.S. Department of Education			<u>448,679</u>
U.S. Department of Housing and Urban Development:			
<i>Passed Through City of Plant City</i>			
CDBG Entitlement Grants Cluster			
Community Development Block Grant	14.218		<u>20,955</u>
Total CDBG Entitlement Grants Cluster			<u>20,955</u>
Total U.S. Department of Housing and Urban Development			<u>20,955</u>
U.S. Department of Justice:			
<i>Passed Through Boys & Girls Clubs of America, Inc.</i>			
Juvenile Mentoring Program	16.726	2019-MU-FX-0003	<u>78,080</u>
Total U.S. Department of Justice			<u>78,080</u>
U.S. Department of the Treasury:			
<i>Passed Through Hillsborough County</i>			
Coronavirus Relief Fund	21.019	CARES Salaries	150,000
Coronavirus Relief Fund	21.019	CARES PPE	91,818
<i>Passed Through Pasco County</i>			
Coronavirus Relief Fund	21.019	CARES Act Funding	<u>12,207</u>
Total U.S. Department of the Treasury			<u>254,025</u>
U.S. Department of Agriculture:			
<i>Passed Through Florida Department of Health Bureau of Child Nutrition</i>			
Afterschool Snack Program	10.558	A-1081 2018-2019	<u>733</u>
Total U.S. Department of Agriculture			<u>733</u>
Total Federal Programs			<u>\$ 802,472</u>

Read Report of Independent Certified Public Accountants.
See Accompanying Notes to Schedule of Expenditures of Federal Awards

BOYS & GIRLS CLUBS OF TAMPA BAY, INC.
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
DECEMBER 31, 2020

NOTE 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Boys & Girls Clubs of Tampa Bay, Inc. (the Organization) under programs of the federal government for the year ended December 31, 2020. The information in this schedule is presented in accordance with 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). Because the Schedule presents only a selected portion 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 Organization.

Pursuant to the Uniform Guidance, the Organization, as a sub-recipient of federal awards, has provided the name of the pass-through entity and the identifying description and number assigned by the pass-through entity when available from the pass-through entity. The Organization has provided the total federal awards expended for each individual federal program and the CFDA number or other identifying information when the CFDA information is not available. The Uniform Guidance does not require the Organization to provide this information, nor a breakdown of amounts awarded by CFDA number if that information is not available from the awarding agency.

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 Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The Organization has elected to use the 10-percent de minimus indirect cost rate as allowed under the Uniform Guidance.



**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS
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 Boys & Girls Clubs of Tampa Bay, Inc.
Tampa, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Boys & Girls Clubs of Tampa Bay, Inc. (the Organization), which comprise the statement of financial position as of December 31, 2020, and the related statements of activities and change in net assets, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated April 5, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization'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 Organization'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 or significant deficiencies. However, material weaknesses or significant deficiencies may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Organization's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Reeder & Associates, PA

Certified Public Accountants
April 5, 2021



**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS ON COMPLIANCE
FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To Boys & Girls Clubs of Tampa Bay, Inc.
Tampa, Florida

Report on Compliance for Each Major Federal Program

We have audited Boys & Girls Clubs of Tampa Bay, Inc.'s (the Organization) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the year ended December 31, 2020. The Organization's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2020.

Report on Internal Control Over Compliance

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

A *deficiency* in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness* in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Reeder & Associates, PA

Certified Public Accountants
April 5, 2021

**BOYS & GIRLS CLUBS OF TAMPA BAY, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2020**

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unmodified opinion on whether the financial statements of Boys & Girls Clubs of Tampa Bay, Inc. (the Organization) were prepared in accordance with accounting principles generally accepted in the U.S.
2. No significant deficiencies were disclosed during the audit of the basic financial statements and no material weaknesses are reported.
3. No instances of noncompliance material to the basic financial statements of the Organization were disclosed during the audit.
4. No significant deficiencies disclosed during the audit of the major federal award programs and no material weaknesses are reported.
5. The auditor's report on compliance for the major federal award programs for the Organization expresses an unmodified opinion on the major federal programs.
6. Audit findings that are required to be reported in accordance with 2CFR 200.516(a) are reported in this schedule.
7. The federal programs tested as major programs included:

US Department of Education		
84.287	21st Century Community Learning Centers	\$448,679

The threshold for distinguishing Type A and Type B programs was \$750,000 for major federal award programs.

8. The Organization was not determined to be a low-risk auditee pursuant to Uniform Guidance.

B. FINDINGS – FINANCIAL STATEMENTS AUDIT

NONE

C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS

NONE

D. OTHER ISSUES

NONE

E. PRIOR YEAR FINDINGS

N/A

ADDITIONAL SUPPLEMENTARY INFORMATION

BOYS & GIRLS CLUBS OF TAMPA BAY, INC.
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2020

Description	State CFSA #	Contract #	State Expenditures
<hr/>			
GRANTOR/PASS-THROUGH GRANTOR/ PROGRAM TITLE			
<hr/>			
STATE ASSISTANCE:			
State of Florida Department of Juvenile Justice:			
<i>Passed Through Florida Alliance of Boys and Girls Clubs</i> SMART Family of Programs	80.029		\$ 127,350
			<u>127,350</u>
<i>Passed Through University Area Community Development Corporation</i> Prodigy Cultural Arts Program	80.029		116,514
			<u>116,514</u>
Total State of Florida Department of Juvenile Justice			<u>243,864</u>
State of Florida Department of Education:			
<i>Passed Through Florida Alliance of Boys and Girls Clubs</i> Mentoring/Student Assistance Initiatives	48.068		250,212
			<u>250,212</u>
Total State of Florida Department of Education			<u>250,212</u>
Total State Projects			<u><u>\$ 494,076</u></u>

Note to Schedule:

The Organization has not expended more than \$750,000 in state projects, therefore, this schedule is not required by *Chapter 10.650 Rules of the Auditor General*, State of Florida but is presented as other supplementary information.