

# Draft 11/12/21

Financial Statements

June 30, 2021

## American Indian Model Schools

American Indian Public Charter School (AIPCS)

(Charter Number 0106)

American Indian Public Charter School II (AIPCS II)

(Charter Number 0882)

American Indian Public High School (AIPHS)

(Charter Number 0765)

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## **Independent Auditor's Report**

Governing Board  
American Indian Model Schools  
Oakland, California

### **Report on the Financial Statements**

We have audited the accompanying financial statements of American Indian Model Schools (the Organization) (a California Nonprofit Public Benefit Corporation), which comprise the statement of financial position as of June 30, 2021, and the related statement of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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 respective financial position of the Organization, as of June 30, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Other Matters**

#### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information such as the 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* (Uniform Guidance) and other supplementary information on pages 17-26 are presented for purposes of additional analysis and are not a required part of the financial statements.

The schedule of expenditures of federal awards and the other supplementary information on pages 17-26 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. Such 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 schedule of expenditures of federal awards and the other accompanying supplementary 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 \_\_\_\_\_, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

Rancho Cucamonga, California

\_\_\_\_\_, 2021

American Indian Model Schools  
Statement of Financial Position  
June 30, 2021

Assets		
Current assets		
Cash		\$ 3,619,261
Accounts receivable		4,828,391
Prepaid expenses		<u>131,235</u>
Total current assets		<u>8,578,887</u>
Noncurrent assets		
Security deposit		36,792
Property and equipment, net		<u>8,347,589</u>
Total noncurrent assets		<u>8,384,381</u>
Total assets		<u><u>\$ 16,963,268</u></u>
Liabilities		
Current liabilities		
Accounts payable		\$ 557,763
Accrued liabilities		124,301
Accrued compensated absences		174,954
Refundable advance		748,025
Current portion of notes payable		210,504
Current portion of capital leases		<u>20,891</u>
Total current liabilities		<u>1,836,438</u>
Long-term liabilities		
Notes payable, less current portion		8,762,832
Capital leases, less current portion		<u>41,206</u>
Total long-term liabilities		<u>8,804,038</u>
Total liabilities		<u>10,640,476</u>
Net Assets		
Without donor restrictions		5,878,162
With donor restrictions		<u>444,630</u>
Total net assets		<u>6,322,792</u>
Total liabilities and net assets		<u><u>\$ 16,963,268</u></u>

American Indian Model Schools

Statement of Activities  
Year Ended June 30, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenues			
Local Control Funding Formula	\$ 13,868,723	\$ -	\$ 13,868,723
Federal revenue	2,372,296	-	2,372,296
Other state revenue	489,366	354,623	843,989
PPP loan forgiveness revenue	1,922,400	-	1,922,400
Local revenues	342,190	90,007	432,197
Interest income	373	-	373
Rental income	29,402	-	29,402
Fundraising revenue	3,508	-	3,508
	<u>19,028,258</u>	<u>444,630</u>	<u>19,472,888</u>
Total support and revenues			
Expenses			
Program services	15,787,117	-	15,787,117
Management and general	1,763,541	-	1,763,541
Fundraising and development	24,477	-	24,477
	<u>17,575,135</u>	<u>-</u>	<u>17,575,135</u>
Total expenses			
Change in Net Assets	1,453,123	444,630	1,897,753
Net Assets, Beginning of Year	<u>4,425,039</u>	<u>-</u>	<u>4,425,039</u>
Net Assets, End of Year	<u>\$ 5,878,162</u>	<u>\$ 444,630</u>	<u>\$ 6,322,792</u>

## American Indian Model Schools

### Statement of Functional Expenses

Year Ended June 30, 2021

	Program Services	Management and General	Fundraising and Development	Total Expenses
Salaries	\$ 6,012,737	\$ 850,705	\$ -	\$ 6,863,442
Employee benefits	749,017	109,045	-	858,062
Payroll taxes	525,723	74,709	-	600,432
Fees for services	3,261,362	409,264	-	3,670,626
Advertising and promotions	10,992	1,523	-	12,515
Office expenses	368,705	52,679	-	421,384
Information technology	138,523	2,757	-	141,280
Occupancy	350,688	55,745	-	406,433
Conferences and meeting	49,830	7,750	-	57,580
Interest	407,239	44,625	-	451,864
Depreciation	271,776	28,052	-	299,828
Insurance	112,721	15,717	-	128,438
Other expenses	22,932	888	24,477	48,297
Capital outlay	48,788	6,306	-	55,094
Special education	1,915,485	-	-	1,915,485
Instructional materials	1,265,054	86,725	-	1,351,779
Nutrition	156,014	-	-	156,014
District oversight fees	119,531	17,051	-	136,582
	<u>\$ 15,787,117</u>	<u>\$ 1,763,541</u>	<u>\$ 24,477</u>	<u>\$ 17,575,135</u>

American Indian Model Schools  
Statement of Cash Flows  
Year Ended June 30, 2021

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Operating Activities	
Change in net assets	\$ 1,897,753
Adjustments to reconcile change in net assets to net cash from (used for) operating activities	
Depreciation expense	299,828
PPP loan forgiveness	(1,922,400)
Changes in operating assets and liabilities	
Accounts receivable	(790,512)
Prepaid expenses	(66,540)
Accounts payable	84,933
Accrued liabilities	62,016
Refundable advance	701,988
	<hr/>
Net Cash from (used for) Operating Activities	267,066
	<hr/>
Financing Activities	
Principal payments on notes	(197,976)
Principal payments on capital leases	(19,416)
	<hr/>
Net Cash from (used for) Investing Activities	(217,392)
	<hr/>
Net Change in Cash	49,674
Cash, Beginning of Year	3,569,587
	<hr/>
Cash, End of Year	\$ 3,619,261
	<hr/> <hr/>
Supplemental Cash Flow Disclosure	
Cash paid during the year in interest	\$ 451,864
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## **Note 1 - Principal Activity and Significant Accounting Policies**

### **Organization**

American Indian Model Schools (the Organization) was incorporated in the State of California in 1996 as a nonprofit public benefit corporation that is organized under the Nonprofit Public Benefit Corporation Law exclusively for charitable and educational purposes within the meaning of 501(c)(3) of the Internal Revenue Code of 1954. The Organization operates three non-profit charter schools, under a charter granted by the Oakland Unified School District (OUSD). The following authorized charters are operated by the Organization:

#### **American Indian Public Charter School (AIPCS)**

Charter school number authorized by the State: 0106  
Currently serves 239 students in grades sixth through eight  
Charter school was renewed by OUSD through June 30, 2026

#### **American Indian Public Charter School II (AIPCS II)**

Charter school number authorized by the State: 0882  
Currently serves 652 students in grades kindergarten through eight  
Charter school was renewed by OUSD through June 30, 2022

#### **American Indian Public High School (AIPHS)**

Charter school number authorized by the State: 0765  
Currently serves 443 students in grades ninth through twelfth  
Charter school was renewed by OUSD through June 30, 2026

### **About AIMS**

“Our mission at AIMS is to cultivate a community of diverse learners who achieve academic excellence. Our commitment to high expectations is attendance, academic achievement, and character development results in our students being prepared for lifelong success.”

### **Basis of Accounting**

The accompanying financial statements were prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America as applicable to nonprofit organizations. Revenues are recognized as discussed below, and expenditures are recognized in the accounting period in which the liability is incurred.

### **Net Assets**

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor 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 restrictions.

*Net Assets with Donor Restrictions* – Net assets subject to donor (or certain grantor) restrictions. Some donor imposed (or grantor) 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 restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

### **Receivables and Credit Policies**

Accounts receivable consist primarily of noninterest-bearing amounts due for educational programs. Management determines the allowance for uncollectable accounts receivable based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Accounts receivable are written off when deemed uncollectable. No allowance for doubtful accounts has been established, as the Organization deems all amounts to be fully collectible. Substantially all outstanding accounts receivable as of June 30, 2021 are due from state and/or federal sources related to grant contributions and are expected to be collected within a period of less than one year.

### **Property and Equipment**

Property and equipment additions over \$5,000 are recorded at cost, or if donated, at fair value on the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets ranging from 3 to 30 years, or in the case of capitalized leased assets or leasehold improvements, the lesser of the useful life of the asset or the lease term. When assets are sold or otherwise disposed of, the cost and related depreciation is removed from the accounts, and any remaining gain or loss is included in the statement of activities. Cost of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

The Organization reviews the carrying values of property and equipment for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. There were no indicators of asset impairment during the year ended June 30, 2021.

### **Revenue and Revenue Recognition**

Operating funds for the Organization are derived principally from state and federal sources. The Organization receives state funding based on each of the enrolled student's average daily attendance (ADA) in its school. Contributions are recognized when cash or notification of an entitlement is received.

A portion of the Organization's revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position. The Organization received cost-reimbursable grants of \$962,413 that have not been recognized at June 30, 2021 because qualifying expenditures have not yet been incurred, with an advance payment of \$748,025 recognized in the statement of financial position as a refundable advance.

Contributions of goods are recorded at fair value. Contributions of services are recorded at fair value as revenue at the time the service is rendered when specialized skills are required and when the Organization would otherwise purchase the services. No amounts have been reflected in the accompanying financial statements for contributed goods or services during the year being reported because items did not meet the definition above. Contributions with donor restrictions received are recorded as increases in net assets with donor restrictions. Net assets with donor restrictions received are recognized as revenue without donor restrictions when the terms of the restrictions are met, which may be in the same period if the revenue is received and the restriction satisfied during the same period. All contributions are considered to be available for use without donor restrictions unless specifically restricted by the donor.

The Organization was granted a \$1,942,400 loan under the PPP administered by a Small Business Administration (SBA) approved partner. The loan is uncollateralized and is fully guaranteed by the Federal government. The Organization has elected to account for the funding as a conditional contribution by applying ASC 958-605, *Not-for-Profit – Revenue Recognition*. The Organization initially recorded the loan as a refundable advance and subsequently recognized grant revenue in accordance with guidance for conditional contributions, that is, once the measurable performance or other barrier and right of return of the PPP loan no longer existed. The Organization has recognized \$1,922,400 as PPP loan forgiveness revenue for the year ended June 30, 2021.

#### **Functional Allocation of Expenses**

The financial statements report categories of expenses that are attributed to program service activities or supporting services activities such as management and general activities and fundraising and development activities. The costs of program and supporting services activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on management's estimates. The expenses that are allocated include occupancy and depreciation, which are allocated on a square footage basis, as well as salaries and wages, benefits, payroll taxes, professional services, office expenses, information technology, interest, insurance, and other, which are allocated on the basis of estimates of time and effort.

#### **Income Taxes**

The Organization is organized as a California nonprofit corporation and has been recognized by the Internal Revenue Service (IRS) as exempt from federal income taxes under Section 501(a) of the Internal Revenue Code as an organization described in Section 501(c)(3), and qualifies for the charitable contribution deduction. It is also exempt from State franchise and income taxes under Section 23701(d) of the California Revenue and Taxation Code. The Organization is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, the Organization is subject to income tax on net income that is derived from business activities that are unrelated to its exempt purpose. The Organization determined that it is not subject to unrelated business income tax and has not filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS.

Management believes that the Organization has appropriate support for any tax positions taken affecting its annual filing requirements, and as such, does not have any uncertain tax positions that are material to the financial statements. The Organization would recognize future accrued interest and penalties related to unrecognized tax benefits and liabilities in income tax expense if such interest and penalties are incurred.

**Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

**Financial Instruments and Credit Risk**

Deposit concentration risk is managed by placing cash, money market accounts, and certificates of deposit with financial institutions believed by management to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. To date, no losses have been experienced in any of these accounts. Credit risk associated with accounts receivable is considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from governmental agencies supportive of the Organization's mission.

**Recent Accounting Pronouncements**

In February 2016, FASB issued Accounting Standards Update (ASU) 2016-02, *Leases*. ASU 2016-02 requires a lessee to recognize a lease asset representing its right to use the underlying asset for the lease term, and a lease liability for the payments to be made to lessor, on its statement of financial position for all operating leases greater than 12 months. Although the full impact of this update on the Organization's financial statements has not yet been determined, the future adoption of this guidance will require the Organization to record assets and liabilities on its statement of financial position relating to facility and other leases currently being accounted for as operating leases.

The ASU is effective for the Organization for the year ended June 30, 2023. Management is evaluating the impact of the adoption of this standard.

In September 2020, FASB issued ASU 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities Contributed Nonfinancial Assets*, which requires a nonprofit entity to present contributed nonfinancial assets in the statement of activities as a line item that is separate from contributions of cash or other financial assets. ASU 2020-07 also requires additional qualitative and quantitative disclosures about contributed nonfinancial assets received, disaggregated by category. The ASU is effective for the Organization for the year ended June 30, 2022. Management is evaluating the impact of the adoption of this standard.

**Change in Accounting Principle**

As of July 1, 2020, the Organization adopted the provisions of FASB Accounting Standards Codification Topic 606, *Revenue from Contracts with Customers*, which provides a comprehensive revenue recognition model for all contracts with customers. The new model requires revenue recognition to depict the transfer of promised goods or services to customers at an amount that reflects the consideration expected to be received in exchange for those goods or services. Management has determined that the adoption of this standard did not have a significant impact on the Organization's financial statements.

In August 2018, the FASB issued ASU 2018-13, *Fair Value Measurement (Topic 820): Disclosure Framework – Changes to the Disclosure Requirements for Fair Value Measurement*, which modifies the disclosure requirements for fair value measurements by removing, modifying, or adding certain disclosures. ASU 2018-13 is effective for all entities for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019. The Organization has adopted this ASU as of July 1, 2020. Management has determined that the adoption of this standard did not have a significant impact on the Organization’s financial statements.

**Note 2 - Liquidity and Availability**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

Cash	\$ 3,555,096
Accounts receivable	<u>4,447,926</u>
Total	<u><u>\$ 8,003,022</u></u>

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 become due.

**Note 3 - Property and Equipment**

Property and equipment consist of the following at June 30, 2021:

Land	\$ 2,451,271
Building improvements	2,741,619
Building	5,719,632
Computer and equipment	178,675
Work in progress	<u>1,675</u>
	11,092,872
Less accumulated depreciation	<u>(2,745,283)</u>
Total	<u><u>\$ 8,347,589</u></u>

**Note 4 - Notes Payable**

Notes payable consist of the following at June 30, 2021:

Note payable, due in variable monthly installments principal and interest at 5.250%, collateralized by (a) a deed of trust for the real property located in Alameda County, CA; (b) an assignment of all rents to lender on real property located in Alameda County, CA; and (c) all financial contracts and all proceeds thereof, including all accounts and general intangibles, described in the Commercial Security Agreement, with a carrying value of \$9,300,000; maturing in 2029.

\$ 8,973,336

Future maturities of notes payable are as follows:

Year Ending June 30,	Principal
2022	\$ 210,504
2023	222,692
2024	233,000
2025	244,268
2026	256,556
Thereafter	7,806,316
Total	\$ 8,973,336

**Note 5 - Capital Leases**

The Organization leases vehicles under a lease expiring through 2024.

Future minimum lease payments are as follows:

Year Ending June 30,	
2022	\$ 24,699
2023	24,699
2024	19,282
Total minimum lease payments	68,680
Less amount representing interest	(6,583)
Total	\$ 62,097

Leased property under capital leases includes the following at June 30, 2021:

Vehicles	\$ 103,857
Less accumulated amortization	(62,313)
Total	\$ 41,544

**Note 6 - Operating Lease**

On April 7, 2020, the Organization entered into a Single-Year Co-Location Use Agreement (Agreement) with Oakland Unified School District (OUSD) for the property located at 746 Grand Avenue, Oakland, California 94610. The single-year term of the Agreement expires June 30, 2021. Per the agreement, American Indian Charter School agrees to pay OUSD an annual fee for use of the District premises consistent with California Code of Regulations, Title 5, Section 11969.7 (the "Pro Rata Share Charge"). Total annual Pro Rata Share charge due at June 30, 2021, was \$151,100.

The Organization receives no sublease rental revenues nor pays any contingent rentals associated with these leases.

**Note 7 - Net Assets**

Net assets consist of the following at June 30, 2021:

Net Assets Without Donor Restrictions	
Designated for Scholarship Funds	\$ 299,003
Designated for San Francisco 49ers Grant	5,000
Designated for State Programs	14,254
Undesignated	5,559,905
Total net assets without donor restrictions	\$ 5,878,162
Net Assets with Donor Restrictions	
Subject to expenditure for specified purpose	
Measure G1	\$ 90,007
Education Protection Act	265,162
After School Education and Safety	25,296
Lottery - Instructional Materials	64,034
SB 117 COVID-19 LEA Response Funds	131
	\$ 444,630

**Note 8 - Employee Retirement Systems**

Qualified employees are covered under multiple-employer defined benefit pension plans maintained by agencies of the State of California. Academic employees are members of the California Public Employees' Retirement System (CalPERS).

**California Public Employees Retirement System (CalPERS)****Plan Description**

Qualified employees are eligible to participate in the School Employer Pool (SEP) under the California Public Employees' Retirement System (CalPERS), a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalPERS. Benefit provisions are established by State statutes, as legislatively amended, within the Public Employees' Retirement Law.

A full description of the pension plan regarding benefit provisions, assumptions (for funding, but not accounting purposes), and membership information is listed in the June 30, 2019, annual actuarial valuation report, Schools Pool Actuarial Valuation. This report and CalPERS audited financial information are publicly available reports that can be found on the CalPERS website under Forms and Publications at: <https://www.calpers.ca.gov/page/forms-publications>.

**Benefits Provided**

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of service credit, a benefit factor and the member's final compensation. Members hired on or before December 31, 2012, with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. Members hired on or after January 1, 2013, with five years of total service are eligible to retire at age 52 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after five years of service. The Basic Death Benefit is paid to any member's beneficiary if the member dies while actively employed. An employee's eligible survivor may receive the 1957 Survivor Benefit if the member dies while actively employed, is at least age 50 (or 52 for members hired on or after January 1, 2013), and has at least five years of credited service. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.



The CalPERS provisions and benefits in effect at June 30, 2021, are summarized as follows:

	School Employer Pool (CalPERS)	
	On or before December 31, 2012	On or after January 1, 2013
Hire date	2% at 55	2% at 62
Benefit formula	5 years of service	5 years of service
Benefit vesting schedule	Monthly for life	Monthly for life
Benefit payments	55	62
Retirement age	1.1% - 2.5%	1.0% - 2.5%
Monthly benefits as a percentage of eligible compensation	7.00%	7.00%
Required employee contribution rate	20.700%	20.700%
Required employer contribution rate		

### Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Total plan contributions are calculated through the CalPERS annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The Organization is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. The contributions rates are expressed as percentage of annual payroll. The contribution rates for each plan for the year ended June 30, 2021, are presented above and the total Organization's contributions were \$611,135.

### Note 9 - Contingencies, Risks, and Uncertainties

The Organization has received State and Federal funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate disallowances under terms of the grants, it is believed that any reimbursement, if required, would not be material.

The Organization has been negatively impacted by the effects of the world-wide coronavirus pandemic. The Organization is closely monitoring its operations, liquidity, and capital resources and is actively working to minimize the current and future impact of this unprecedented situation. As of the issuance date of these financial statements, the full impact to the Organization's financial position is not known beyond increased cash flow monitoring due to state apportionment deferrals.

**Note 10 - Subsequent Events**

The Organization's management has evaluated events or transactions that may occur for potential recognition or disclosure in the financial statements through \_\_\_\_\_, 2021, which is the date the financial statements were available to be issued. Management has determined that there were no subsequent events or transactions that would have a material impact on the current year financial statements.

Assembly Bill 130 approved on July 9, 2021 extends the terms of all charter schools whose terms expire on or between January 1, 2022 and June 30, 2025, inclusive, by two years. No action is required of charter authorizers or charter schools for this extension.

Supplementary Information

June 30, 2021

## American Indian Model Schools

American Indian Model Schools  
Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2021

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Education			
Passed through California Department of Education (CDE)			
COVID-19 Elementary and Secondary School Emergency Relief (ESSER) Fund	84.425D	15536	\$ 405,023
COVID-19 Governor's Emergency Education Relief (GEER) Fund	84.425C	15517	<u>19,780</u>
Subtotal			<u>424,803</u>
Title I, Part A, Basic Grants Low-Income and Neglected	84.010	14329	440,448
Title II, Part A, Supporting Effective Instruction	84.367	14341	36,629
Title III, English Learner Student Program	84.365	14346	30,451
Title IV, Part A, Student Support and Academic Enrichment	84.424	15396	37,151
State Charter School Facilities Incentive Grant Program	84.282D	[1]	<u>328,653</u>
Total U.S. Department of Education			<u>1,298,135</u>
U.S. Department of Treasury			
Passed through CDE			
COVID-19 Coronavirus Relief Fund	21.019	25516	<u>951,229</u>
U.S. Department of Agriculture			
Passed through CDE			
Child Nutrition Cluster			
Summer Food Service Program	10.559	13004	<u>122,932</u>
Total Federal Financial Assistance			<u>\$ 2,372,296</u>

[1] Pass-Through Entity Identifying Number not available.

**ORGANIZATION**

American Indian Model Schools operate three nonprofit charter schools: American Indian Public Charter School (Charter Number 0106), American Indian Public Charter School II (Charter Number 0882), and American Indian Public High School (Charter Number 0765). The Schools are operating under a charter granted by the Oakland Unified School District and offer classroom-based instruction for grades K - 12.

**GOVERNING BOARD**

MEMBER	OFFICE	TERM EXPIRES
Toni Cook	President	June 2021
Christopher Edington	Director	June 2021
Adrien Abuyen	Director	June 2021
Dana Lang	Director	June 2021
Steven Leung	Director	June 2021

**ADMINISTRATION**

Maya Woods-Cadiz	Superintendent
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American Indian Model Schools  
Schedule of Instructional Time  
Year Ended June 30, 2021

**AIPCS**

Grade Level	Number of Actual Days		Number of Days Credited Form J-13A	Total Days Offered	Status
	Traditional Calendar	Multitrack Calendar			
Grades 6 - 8					
Grade 6	187	N/A	-	187	Complied
Grade 7	187	N/A	-	187	Complied
Grade 8	187	N/A	-	187	Complied

**AIPCS II**

Grade Level	Number of Actual Days		Number of Days Credited Form J-13A	Total Days Offered	Status
	Traditional Calendar	Multitrack Calendar			
Kindergarten	187	N/A	-	187	Complied
Grades 1 - 3					
Grade 1	187	N/A	-	187	Complied
Grade 2	187	N/A	-	187	Complied
Grade 3	187	N/A	-	187	Complied
Grades 4 - 8					
Grade 4					
Grade 5	187	N/A	-	187	Complied
Grade 6	187	N/A	-	187	Complied
Grade 7	187	N/A	-	187	Complied
Grade 8	187	N/A	-	187	Complied

**AIPHS**

Grade Level	Number of Actual Days		Number of Days Credited Form J-13A	Total Days Offered	Status
	Traditional Calendar	Multitrack Calendar			
Grades 9 - 12					
Grade 9	187	N/A	-	187	Complied
Grade 10	187	N/A	-	187	Complied
Grade 11	187	N/A	-	187	Complied
Grade 12	187	N/A	-	187	Complied

American Indian Model Schools  
 Reconciliation of Annual Financial and Budget Report with Audited Financial Statements  
 Year Ended June 30, 2021

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Summarized below are the net asset reconciliations between the Unaudited Actual Financial Report and the audited financial statements.

	<u>AIPCS</u>	<u>AIPCS II</u>	<u>AIHS</u>
Net Assets			
Balance, June 30, 2021, Unaudited Actuals	\$ 1,611,975	\$ 2,979,823	\$ 1,707,869
Increase in			
Accounts receivable	<u>4,564</u>	<u>12,464</u>	<u>5,825</u>
Balance, June 30, 2021, Audited Financial Statements	<u>\$ 1,616,539</u>	<u>\$ 2,992,287</u>	<u>\$ 1,713,694</u>

American Indian Model Schools  
Combining Statement of Financial Position  
June 30, 2021

	Central Office	AIPCS	AIPCS II
<b>Assets</b>			
Current assets			
Cash	\$ -	\$ 299,003	\$ 3,320,258
Accounts receivable	27,571	865,139	2,162,708
Intra-entity receivable	479,096	463,772	-
Prepaid expenses	55,268	5,805	8,981
Total current assets	<u>561,935</u>	<u>1,633,719</u>	<u>5,491,947</u>
Noncurrent assets			
Security deposit	-	2,500	27,250
Property and equipment, net	-	162,769	8,170,973
Total noncurrent assets	<u>-</u>	<u>165,269</u>	<u>8,198,223</u>
Total assets	<u>\$ 561,935</u>	<u>\$ 1,798,988</u>	<u>\$ 13,690,170</u>
<b>Liabilities</b>			
Current liabilities			
Accounts payable	\$ 437,362	\$ 800	\$ 118,001
Accrued liabilities	124,301	-	-
Accrued compensated absences	-	28,172	82,352
Refundable advance	-	132,778	367,407
Intra-entity payable	-	-	1,136,088
Current portion of notes payable	-	-	210,504
Current portion of capital leases	-	6,964	6,964
Total current liabilities	<u>561,663</u>	<u>168,714</u>	<u>1,921,316</u>
Long-term liabilities			
Notes payable, less current portion	-	-	8,762,832
Capital leases, less current portion	-	13,735	13,735
Total long-term liabilities	<u>-</u>	<u>13,735</u>	<u>8,776,567</u>
Total liabilities	<u>561,663</u>	<u>182,449</u>	<u>10,697,883</u>
<b>Net Assets</b>			
Without donor restrictions	272	1,471,098	2,894,492
With donor restrictions	-	145,441	97,795
Total net assets	<u>272</u>	<u>1,616,539</u>	<u>2,992,287</u>
Total liabilities and net assets	<u>\$ 561,935</u>	<u>\$ 1,798,988</u>	<u>\$ 13,690,170</u>

See Note to Supplementary Information



American Indian Model Schools  
Combining Statement of Financial Position  
June 30, 2021

	AIPHS	Elimination	Total
<b>Assets</b>			
Current assets			
Cash	\$ -	\$ -	\$ 3,619,261
Accounts receivable	1,772,973	-	4,828,391
Intra-entity receivable	193,220	(1,136,088)	-
Prepaid expenses	61,181	-	131,235
Total current assets	<u>2,027,374</u>	<u>(1,136,088)</u>	<u>8,578,887</u>
Noncurrent assets			
Security deposit	7,042	-	36,792
Property and equipment, net	13,847	-	8,347,589
Total noncurrent assets	<u>20,889</u>	<u>-</u>	<u>8,384,381</u>
Total assets	<u>\$ 2,048,263</u>	<u>\$ (1,136,088)</u>	<u>\$ 16,963,268</u>
<b>Liabilities</b>			
Current liabilities			
Accounts payable	\$ 1,600	\$ -	\$ 557,763
Accrued liabilities	-	-	124,301
Accrued compensated absences	64,430	-	174,954
Refundable advance	247,840	-	748,025
Intra-entity payable	-	(1,136,088)	-
Current portion of notes payable	-	-	210,504
Current portion of capital leases	6,963	-	20,891
Total current liabilities	<u>320,833</u>	<u>(1,136,088)</u>	<u>1,836,438</u>
Long-term liabilities			
Notes payable, less current portion	-	-	8,762,832
Capital leases, less current portion	13,736	-	41,206
Total long-term liabilities	<u>13,736</u>	<u>-</u>	<u>8,804,038</u>
Total liabilities	<u>334,569</u>	<u>(1,136,088)</u>	<u>10,640,476</u>
<b>Net Assets</b>			
Without donor restrictions	1,512,300	-	5,878,162
With donor restrictions	201,394	-	444,630
Total net assets	<u>1,713,694</u>	<u>-</u>	<u>6,322,792</u>
Total liabilities and net assets	<u>\$ 2,048,263</u>	<u>\$ (1,136,088)</u>	<u>\$ 16,963,268</u>

See Note to Supplementary Information

American Indian Model Schools  
Combining Statement of Activities  
Year Ended June 30, 2021

	Central Office	AIPCS	AIPCS II
Support and Revenues			
Local Control Funding Formula	\$ -	\$ 2,303,329	\$ 6,536,698
Federal revenue	-	412,819	1,148,374
Other state revenue	-	261,126	413,562
PPP loan forgiveness revenue	-	346,032	941,976
Local revenues	2,871,570	142,788	216,853
Interest income	-	43	254
Rental income	-	4,413	24,989
Fundraising revenue	-	3,508	-
	<u>2,871,570</u>	<u>3,474,058</u>	<u>9,282,706</u>
Expenses			
Program services	2,518,158	2,719,373	7,736,565
Management and general	353,412	317,575	608,443
Fundraising and development	-	-	-
	<u>2,871,570</u>	<u>3,036,948</u>	<u>8,345,008</u>
Change in Net Assets	-	437,110	937,698
Net Assets, Beginning of Year	<u>272</u>	<u>1,179,429</u>	<u>2,054,589</u>
Net Assets, End of Year	<u>\$ 272</u>	<u>\$ 1,616,539</u>	<u>\$ 2,992,287</u>

American Indian Model Schools  
Combining Statement of Activities  
Year Ended June 30, 2021

	AIPHS	Elimination	Total
Support and Revenues			
Local Control Funding Formula	\$ 5,028,696	\$ -	\$ 13,868,723
Federal revenue	811,103	-	2,372,296
Other state revenue	169,301	-	843,989
PPP loan forgiveness revenue	634,392	-	1,922,400
Local revenues	72,556	(2,871,570)	432,197
Interest income	76	-	373
Rental income	-	-	29,402
Fundraising revenue	-	-	3,508
	<u>6,716,124</u>	<u>(2,871,570)</u>	<u>19,472,888</u>
Expenses			
Program services	5,331,179	(2,518,158)	15,787,117
Management and general	837,523	(353,412)	1,763,541
Fundraising and development	24,477	-	24,477
	<u>6,193,179</u>	<u>(2,871,570)</u>	<u>17,575,135</u>
Change in Net Assets	522,945	-	1,897,753
Net Assets, Beginning of Year	<u>1,190,749</u>	<u>-</u>	<u>4,425,039</u>
Net Assets, End of Year	<u>\$ 1,713,694</u>	<u>\$ -</u>	<u>\$ 6,322,792</u>

## **Note 1 - Purpose of Supplementary Schedules**

### **Schedule of Expenditures of Federal Awards**

#### Basis of Presentation

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

#### Summary of Significant Accounting Policies

Expenditures reported in the schedule are reported on the accrual basis of accounting. When applicable, 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. No federal financial assistance has been provided to a subrecipient.

#### Indirect Cost Rate

The Organization does not draw for indirect administrative expenses and has not elected to use the ten percent de minimus cost rate.

#### Food Donation

Nonmonetary assistance is reported in this schedule at the fair market value of the commodities received and disbursed. At June 30, 2021, the Organization had no food commodities in inventory.

### **Local Education Agency Organization Structure**

This schedule provides information about the Organization's operations, members of the governing board, and members of the administration.

### **Schedule of Instructional Time**

This schedule presents information on the number of instructional days offered on the traditional calendar and on any multitrack calendars by the Organization and whether the Organization complied with the provisions of *Education Code* section 47612.

### **Reconciliation of Annual Financial Report with Audited Financial Statements**

This schedule provides the information necessary to reconcile the net assets reported on the unaudited actual financial report to the audited financial statements.

**Combining Statement of Financial Position and Combining Statement of Activities**

The combining statement of financial position and combining statement of activities are included to provide information regarding the individual programs of the charter schools within the Organization and are presented on the accrual basis of accounting. Eliminating entries in the combining statement of financial position and combining statement of activities are for activities between each charter school.

Independent Auditor's Reports

June 30, 2021

**American Indian Model Schools**

**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***

Governing Board  
American Indian Model Schools  
Oakland, California

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 American Indian Model Schools (the Organization), which comprise the statement of financial position as of June 30, 2021, and the related statement of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated \_\_\_\_\_, 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) 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 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. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

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

**Purpose of this Report**

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

Rancho Cucamonga, California  
\_\_\_\_\_, 2021



## **Independent Auditor's Report on Compliance for the Major Program and on Internal Control over Compliance Required by the Uniform Guidance**

Governing Board  
American Indian Model Schools  
Oakland, California

### **Report on Compliance for the Major Federal Program**

We have audited American Indian Model Schools' (the Organization) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the Organization's major federal program for the year ended June 30, 2021. The Organization's major federal program is 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 the 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 the Organization's major federal program 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 the major Federal program. However, our audit does not provide a legal determination of the Organization's compliance.

### **Opinion on the 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 its major federal program for the year ended June 30, 2021.

## **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 the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the 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 a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

Rancho Cucamonga, California  
\_\_\_\_\_, 2021

## Independent Auditor's Report on State Compliance

Governing Board  
American Indian Model Schools  
Oakland, California

### Report on State Compliance

We have audited American Indian Model Schools' (the Organization) compliance with the types of compliance requirements described in the *2020-2021 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* applicable to the state laws and regulations listed in the table below for the year ended June 30, 2021.

### Management's Responsibility

Management is responsible for compliance with the state laws and regulations as identified in the table below.

### Auditor's Responsibility

Our responsibility is to express an opinion on the Organization's compliance with state laws and regulations based on our audit of the types of compliance requirements referred to below. We conducted our audit 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 the *2020-2021 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements listed below has 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 state compliance. However, our audit does not provide a legal determination of the Organization's compliance.

**Compliance Requirements Tested**

In connection with the audit referred to above, we selected and tested transactions and records to determine the Organization’s compliance with laws and regulations applicable to the following items:

	Procedures Performed
<b>LOCAL EDUCATION AGENCIES OTHER THAN CHARTER SCHOOLS (EXCEPT AS STATED IN ATTENDANCE AND DISTANCE LEARNING AND INSTRUCTIONAL TIME)</b>	
Attendance and Distance Learning	Yes
Teacher Certification and Misassignments	No, see below
Kindergarten Continuance	No, see below
Instructional Time	Yes
Instructional Materials	No, see below
Ratio of Administrative Employees to Teachers	No, see below
Classroom Teacher Salaries	No, see below
Early Retirement Incentive	No, see below
Gann Limit Calculation	No, see below
School Accountability Report Card	No, see below
K-3 Grade Span Adjustment	No, see below
Apprenticeship: Related and Supplemental Instruction	No, see below
Comprehensive School Safety Plan	No, see below
District of Choice	No, see below
<b>SCHOOL DISTRICTS, COUNTY OFFICES OF EDUCATION, AND CHARTER SCHOOLS</b>	
California Clean Energy Jobs Act	No, see below
Proper Expenditure of Education Protection Account Funds	Yes
Unduplicated Local Control Funding Formula Pupil Counts	Yes
Independent Study - Course Based	No, see below
<b>CHARTER SCHOOLS</b>	
Attendance	Yes
Mode of Instruction	Yes
Nonclassroom-Based Instruction/Independent Study	No, see below
Determination of Funding for Nonclassroom-Based Instruction	No, see below
Charter School Facility Grant Program	No, see below

Programs listed above for “Local Education Agencies Other Than Charter Schools except as stated in Attendance and Distance Learning and Instructional Time” are not applicable to charter schools; therefore, we did not perform any related procedures.

We did not perform California Clean Energy Jobs Act procedures because the related procedures were performed in a previous year.

The Organization does not offer an Independent Study - Course Based program; therefore, we did not perform any procedures related to the Independent Study - Course Based Program.

We did not perform procedures for the Nonclassroom-Based Instruction/Independent Study nor for Determination of Funding for Nonclassroom-Based Instruction because the Organization was not classified as nonclassroom-based.

We did not perform procedures for the Charter School Facility Grant Program because the Organization did not receive funding for this program.

***Unmodified Opinion***

In our opinion, the Organization complied, in all material respects, with the laws and regulations of the state programs referred to above for the year ended June 30, 2021.

The purpose of this report on state compliance is solely to describe the results of our testing based on the requirements of the *2020-2021 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Accordingly, this report is not suitable for any other purpose.

Rancho Cucamonga, California  
\_\_\_\_\_, 2021

Schedule of Findings and Questioned Costs  
June 30, 2021

## American Indian Model Schools

**Financial Statements**

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

**Federal Awards**

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

**Identification of major programs**

Name of Federal Program or Cluster	Assistance Listing Number (ALN)
COVID-19 Coronavirus Relief Fund	21.019
Dollar threshold used to distinguish between type A and type B programs	\$750,000
Auditee qualified as low-risk auditee?	No

**State Compliance**

Type of auditor's report issued on compliance for programs:	Unmodified
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None reported.



None reported.

None reported.

There were no audit findings reported in the prior year's Schedule of Findings and Questioned Costs.