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January 26, 2022


Charter School Board
The Bloomington Project School
349 S. Walnut Street
Bloomington, IN 47401

We have reviewed the audit report of The Bloomington Project School, which was opined upon by CliftonLarsonAllen LLP, Independent Public Accountants, for the period July 1, 2020 to June 30, 2021. Per the *Independent Auditors' Report* the financial statements included in the report present fairly the financial condition of The Bloomington Project School as of June 30, 2021 and the results of its operations for the period then ended, on the basis of accounting described in the report.

In our opinion, CliftonLarsonAllen LLP prepared the audit report in accordance with guidelines established by the State Board of Accounts.

In addition to the report presented herein, a Supplemental Audit Report for The Bloomington Project School was prepared in accordance with the guidelines established by the State Board of Accounts.

The report is filed with this letter in our office as a matter of public record.


Paul D. Joyce, CPA
State Examiner

**THE BLOOMINGTON PROJECT SCHOOL
FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2021 AND 2020**



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**THE BLOOMINGTON PROJECT SCHOOL
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INDEPENDENT AUDITORS' REPORT

Board of Directors
The Bloomington Project School
Anderson, Indiana

We have audited the accompanying financial statements of The Bloomington Project School, which comprise the statements of financial position as of June 30, 2021 and 2020, and the related statements of activities and change in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Board of Directors
The Bloomington Project School

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Bloomington Project School as of June 30, 2021 and 2020, and the changes in its net assets, its functional expenses, and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Indianapolis, Indiana
November 3, 2021

**THE BLOOMINGTON PROJECT SCHOOL
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2021 AND 2020**

	2021	2020
ASSETS		
CURRENT ASSETS		
Cash	\$ 878,161	\$ 723,149
Grants Receivable	113,438	39,963
Prepaid Expenses	9,000	12,023
Total Current Assets	1,000,599	775,135
PROPERTY AND EQUIPMENT		
Construction in Progress	30,882	101,632
Buildings and Improvements	2,445,838	2,241,129
Furniture and Equipment	503,959	480,380
Textbooks	77,304	77,316
Less: Accumulated Depreciation	(1,444,606)	(1,344,250)
Property and Equipment, Net	1,613,377	1,556,207
OTHER ASSETS		
Security Deposits	12,500	12,500
Total Assets	\$ 2,626,476	\$ 2,343,842
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable	\$ 33,741	\$ 8,892
Accrued Expenses	202,038	296,583
Current Portion of Line of Credit	26,367	-
Current Portion of Notes Payable	131,650	129,744
Current Portion of Capital Lease Obligations	3,474	3,243
Deferred Rent	57,457	21,018
Refundable Advances	-	44,166
Total Current Liabilities	454,727	503,646
LONG-TERM LIABILITIES		
Line of Credit, Net of Current Portion	116,638	-
Notes Payable, Net of Current Portion	1,176,319	1,293,133
Loan Payable Under Paycheck Protection Program	-	335,100
Capital Lease Obligations, Net of Current Portion	11,981	15,455
Total Long-Term Liabilities	1,304,938	1,643,688
Total Liabilities	1,759,665	2,147,334
NET ASSETS, WITHOUT DONOR RESTRICTIONS		
Total Liabilities and Net Assets	\$ 2,626,476	\$ 2,343,842

See accompanying Notes to Financial Statements.

**THE BLOOMINGTON PROJECT SCHOOL
STATEMENTS OF ACTIVITIES AND CHANGE IN NET ASSETS
YEARS ENDED JUNE 30, 2021 AND 2020**

	2021	2020
REVENUE AND SUPPORT		
State Education Support	\$ 2,141,521	\$ 1,914,639
Grant Revenue	839,203	568,820
Student Fees	25,260	30,791
Contributions	138,664	46,848
Other Income	46,970	48,711
Gain on Extinguishment of Payroll Protection Program Loan	335,100	-
Total Revenue and Support	3,526,718	2,609,809
EXPENSES		
Program Services	2,021,722	1,680,811
Management and General	834,693	804,816
Total Expenses	2,856,415	2,485,627
CHANGE IN NET ASSETS	670,303	124,182
Net Assets Without Donor Restrictions - Beginning of Year	196,508	72,326
NET ASSETS WITHOUT DONOR RESTRICTIONS - END OF YEAR	\$ 866,811	\$ 196,508

See accompanying Notes to Financial Statements.

**THE BLOOMINGTON PROJECT SCHOOL
STATEMENTS OF FUNCTIONAL EXPENSES
YEARS ENDED JUNE 30, 2021 AND 2020**

	2021			2020		
	Program Services	Management and General	Total	Program Services	Management and General	Total
Salaries and Wages	\$ 1,477,110	\$ 122,512	\$ 1,599,622	\$ 1,220,012	\$ 187,496	\$ 1,407,508
Employee Benefits	323,910	37,178	361,088	286,124	48,751	334,875
Staff Development	-	-	-	693	-	693
Professional Services	64,234	144,356	208,590	44,807	124,341	169,148
Repairs and Maintenance	-	-	-	-	680	680
Authorizer Oversight Fees	36,639	-	36,639	48,737	-	48,737
Food Costs	1,152	51,972	53,124	126	38,010	38,136
Transportation	-	-	-	70	-	70
Equipment	-	35,645	35,645	-	22,975	22,975
Classroom, Kitchen, and Office Supplies	64,332	31,164	95,496	26,818	15,038	41,856
Occupancy	-	179,720	179,720	-	165,065	165,065
Depreciation	-	100,356	100,356	-	74,439	74,439
Interest	-	91,663	91,663	-	93,465	93,465
Insurance	-	25,278	25,278	-	16,773	16,773
Other	54,345	14,849	69,194	53,424	17,783	71,207
Total Functional Expenses	\$ 2,021,722	\$ 834,693	\$ 2,856,415	\$ 1,680,811	\$ 804,816	\$ 2,485,627

See accompanying Notes to Financial Statements.

**THE BLOOMINGTON PROJECT SCHOOL
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2021 AND 2020**

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 670,303	\$ 124,182
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	100,356	74,439
Gain on Payroll Protection Program Loan Extinguishment	(335,100)	-
Changes in Operating Assets and Liabilities:		
Grants Receivable	(73,475)	2,930
Prepaid Expenses	3,023	(10,946)
Accounts Payable	24,849	(9,659)
Accrued Expenses	(94,545)	126,829
Refundable Advances	(44,166)	(16,594)
Deferred Rent Payable	36,439	21,018
Net Cash Provided by Operating Activities	287,684	312,199
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property and Equipment	(157,526)	(120,331)
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal Repayments of Notes Payable, Net	(114,908)	(101,740)
Proceeds from Line of Credit, Net	143,005	-
Proceeds from (Payments on) Capital Lease Activities	(3,243)	18,698
Proceeds from Issuance of Payroll Protection Program Loan	-	335,100
Net Cash Provided by Financing Activities	24,854	252,058
NET CHANGE IN CASH	155,012	443,926
Cash - Beginning of Year	723,149	279,223
CASH - END OF YEAR	\$ 878,161	\$ 723,149
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash Paid for Interest	\$ 86,510	\$ 93,465

See accompanying Notes to Financial Statements.

**THE BLOOMINGTON PROJECT SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General

The Bloomington Project School (the School) is a public benefit nonprofit organization incorporated under the laws of the state of Indiana. The School operates as a public charter school established under Indiana Code 20-24 serving approximately 307 students in grades kindergarten through eighth and is sponsored by Ball State University.

Accounting Estimates

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

Revenue Recognition

Revenues primarily come from resources provided under the Indiana Charter Schools Act. Under the Act, the School receives an amount per student in relation to the funding received by other public schools in the same geographic area. Funding from the state of Indiana is based on enrollment and paid in monthly installments in July through June coinciding with the academic school year. Revenue is recognized in the year in which the educational services are rendered.

A portion of the School's revenue is the product of cost reimbursement grants. Therefore, the School recognizes revenue under these grants in the amounts of costs and expenses at the time they are incurred. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position. As of June 30, 2021 and 2020, the School had \$-0- and \$32,011, respectively, of conditional grants that had not been recognized as revenue in the statements of activities because conditions had not been met.

Revenue from student fees and other income is recognized when the control of the promised good or service is transferred to the student, in an amount that reflects the consideration expected to be entitled in exchange for those goods or services. Amounts received prior to the service is performed are reported as deferred revenue in the statement of financial position. As of June 30, 2021 and 2020, the School did not have any such deferred revenue.

Contributions

The School receives income from contributions and grants that support certain school activities. Such revenue received and unconditional promises to give are measured at their fair value and are reported as an increase in net assets. The School reports gifts of cash and other assets and grants as restricted support if they are received with donor stipulations that limit the use of the donated assets, or if they are designated as support for future periods. When a donor restriction expires, that is, when a stipulated time restriction ends or purposes restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities and change in net assets as net assets released from restriction. The School did not have any net assets with donor restrictions as of June 30, 2021 and 2020.

**THE BLOOMINGTON PROJECT SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

Cash consists of cash held in bank accounts and cash equivalents consists of short-term, highly liquid investments with original maturities of three months or less. There were no cash equivalents at June 30, 2021 and 2020.

Grants Receivable

Grants receivable relate primarily to activities funded under federal programs and legislation enacted by the state of Indiana. The School believes it is operating in compliance with regulatory requirements and as such no allowance for doubtful accounts is deemed necessary.

Property and Equipment

Purchases of assets and expenditures that materially increase value or extend useful lives are capitalized and are included in the accounts at cost. Routine maintenance and repairs, minor replacement costs, and equipment purchases with a unit cost of less than \$1,000 are charged to expense as incurred.

Depreciation is provided over the estimated useful lives of the respective assets using the straight-line method. The estimated useful lives generally are as follows:

Buildings and Improvements	Lesser of 30 Years or life of lease
Furniture and Equipment	3 to 5 Years
Textbooks	4 Years

Taxes on Income

The Bloomington Project School, Inc. has received a determination from the U.S. Department of Treasury stating that it qualifies under the provisions of Section 501(c)(3) of the Internal Revenue Code as a tax-exempt organization; however, the School would be subject to tax on income unrelated to its tax-exempt purpose. For the years ended June 30, 2021 and 2020, no accounting for federal and state income taxes was required to be included in the accompanying financial statements.

Professional accounting standards require the School to recognize a tax liability only if it is more likely than not the tax position would be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized is the largest amount of tax liability that is greater than 50% likely of being realized on examination. For tax positions not meeting the more-likely-than-not test, no tax liability is recorded. The School has examined this issue and has determined that there are no material contingent tax liabilities or questionable tax positions. Tax years ending after 2016 are open to audit for both federal and state purposes.

Reclassifications

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

**THE BLOOMINGTON PROJECT SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subsequent Events

The School evaluated subsequent events through November 3, 2021, the date these financial statements were available to be issued. Events occurring through that date have been evaluated to determine whether a change in the financial statements or related disclosures would be required.

NOTE 2 REFUNDABLE ADVANCES

The School was awarded grants from the Lilly Foundation, Inc. of \$83,576 during the year ended June 30, 2020. The grants are for the purpose of establishing comprehensive counseling services for students and must be utilized for their intended purpose no later than June 30, 2022, after which any remaining unused portion of each grant is subject to reversion to the grantor organization. As of June 30, 2021, the funds had been fully utilized for their intended purpose.

NOTE 3 LINE OF CREDIT

On February 28, 2020, the School entered into a credit agreement with a bank for a line of credit which permits borrowing up to \$168,000. Principal and interest payments of \$2,628 are due monthly beginning in March of 2021 with an interest rate of 3.95% with final payment due in February of 2027. The line of credit is secured by any and all existing and subsequent security documents, including mortgages, security agreements, and collateral assignments by any Borrower or Guarantor. As of June 30, 2021, the line of credit balance was \$143,005.

Principal maturities of the line of credit are as follows for the years ending June 30:

<u>Year Ending June 30,</u>	<u>Amount</u>
2022	\$ 26,367
2023	27,428
2024	28,531
2025	29,679
2026	30,872
Thereafter	128
Total	<u><u>\$ 143,005</u></u>

**THE BLOOMINGTON PROJECT SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 4 NOTES PAYABLE

Notes payable consisted of the following as of June 30:

<u>Description</u>	<u>2021</u>	<u>2020</u>
Note Payable to Indiana Finance Authority	\$ 286,241	\$ 338,265
Note Payable to IFF	985,869	1,040,566
Note Payable to Bloomington Urban Enterprise Association	-	1,666
Common School Fund Loan	<u>35,859</u>	<u>42,380</u>
Total	1,307,969	1,422,877
Less: Current Portion	<u>(131,650)</u>	<u>(129,744)</u>
Long-Term Portion	<u>\$ 1,176,319</u>	<u>\$ 1,293,133</u>

Indiana Finance Authority Note Payable

The note payable to Indiana Finance Authority is payable in quarterly installments of \$17,798, including interest at 5.5% per annum. The loan was funded through the sale of Qualified School Construction Bonds, which provide for the interest to be subsidized by the U.S. federal government. The loan is subordinate to the IFF note payable.

IFF Note Payable

The note payable to IFF is payable in monthly installments of \$10,028, including interest at 6.875% per annum, with the unpaid balance due on August 1, 2033. The note is secured by a leasehold mortgage, and furniture and equipment. The promissory note with IFF contains several financial and nonfinancial covenants with which the School is required comply annually. The School was in compliance with all covenants as of June 30, 2021 and 2020.

Bloomington Urban Enterprise Association Note Payable

The note payable to Bloomington Urban Enterprise Association is payable in monthly installments of \$208, with the unpaid balance due on August 1, 2019. The note is unsecured and noninterest bearing. Bloomington Urban Enterprise Association is a related party to the School through common management. The loan was paid off as of June 30, 2021.

Common School Fund Loan

The note payable to the Indiana Common School Fund is payable in semi-annual principal installments of \$3,260 from January 2017 to July 2026, with interest at 1% per annum.

**THE BLOOMINGTON PROJECT SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 4 NOTES PAYABLE (CONTINUED)

Principal maturities of all notes payable are as follows for the years ending June 30:

<u>Year Ending June 30,</u>	<u>Amount</u>
2022	\$ 131,650
2023	135,478
2024	139,577
2025	145,440
2026	77,476
Thereafter	678,348
Total	<u>\$ 1,307,969</u>

NOTE 5 LEASES

The School entered into a capital lease financing agreement during the year ended June 30, 2020 for a piece of equipment. The original cost related to this asset was \$18,698. At June 30, 2021 and 2020, the cost and accumulated depreciation related to this asset was \$15,455 and \$18,698, respectively.

Minimum future lease payments as of June 30, 2021 under the capital lease and the present value of the net minimum lease payments are as follows for the years ending June 30:

<u>Year Ending June 30,</u>	<u>Amount</u>
2022	\$ 4,459
2023	4,459
2024	4,459
2025	4,459
Total	17,836
Less: Amount Representing Interest	(2,381)
Total	<u>\$ 15,455</u>

The School leases its school facility under an operating lease, which was renewed effective June 30, 2019. The lease requires monthly rental payments in the first year of \$7,467, which increase annually over the term of the lease by the lesser of 2% or the consumer price index for the preceding 12 months. The lease expires June 30, 2024 and is renewable for three additional five-year periods which are included in the below lease schedule. The lease requires the School to pay for certain repairs and maintenance, utilities, and other ongoing expenses required to maintain the facilities.

The School entered a second school facility operating lease, effective January 23, 2020. The lease requires monthly rental payments in the first two years of \$3,000, which increases every two years over the term of the lease by \$1,000. The lease expires June 30, 2030 with renewal discussions occurring after year seven. The lease requires the School to pay for certain repairs and maintenance, utilities, and other ongoing expenses required to maintain the facilities.

**THE BLOOMINGTON PROJECT SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 5 LEASES (CONTINUED)

Expense under operating leases was \$188,914 and \$148,731 for the years ended June 30, 2021 and 2020, respectively. Future minimum lease obligations for noncancelable operating leases with initial lease terms in excess of one year are as follows for the years ending June 30:

<u>Year Ending June 30,</u>	<u>Amount</u>
2022	\$ 142,333
2023	146,822
2024	154,352
2025	161,476
2026	165,148
Thereafter	<u>2,453,439</u>
Total	<u><u>\$ 3,223,570</u></u>

The School also rents certain items of office equipment under operating leases.

NOTE 6 DEBT EXTINGUISHMENT

On May 1, 2020, the School received proceeds in the amount of \$335,100 to fund payroll, rent, and utilities through the Paycheck Protection Program (the "PPP Loan"). The PPP loan was formally forgiven by the U.S. Small Business Administration (SBA) on May 12, 2021. Accordingly, the School recognized a gain on the extinguishment of debt of \$335,100 during the year ended June 30, 2021. This amount is included in the 2021 statement of activities as gain on extinguishment of payroll protection program loan.

The SBA may review funding eligibility and usage of funds in compliance with the program based on dollar thresholds and other factors. The amount of liability, if any, from potential noncompliance cannot be determined with certainty; however, management is of the opinion that any review will not have a material adverse impact on the School's financial position.

NOTE 7 RETIREMENT PLANS

The School provides retirement benefits covering substantially all full-time employees. Retirement benefits are provided by the Indiana State Teachers' Retirement Fund (TRF) and the Indiana Public Employees' Retirement Fund (PERF), both of which are cost-sharing multiple-employer defined benefit retirement plans governed by the state of Indiana and administered by the Indiana Public Retirement System (INPRS) Board. Contribution requirements of plan members are determined annually by the INPRS Board. For the years ended June 30, 2021 and 2020, the School contributed 5.5%, respectively, of compensation for eligible teaching personnel to TRF and 11.2%, respectively, for other employees to PERF. Should the School elect to withdraw from TRF or PERF, it could be subject to a withdrawal fee. The School's contributions represent an insignificant percentage of the total contributions received by TRF and PERF. As of June 30, 2020 (the latest year reported), TRF and PERF were approximately 90% and 102% funded, respectively.

**THE BLOOMINGTON PROJECT SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 7 RETIREMENT PLANS (CONTINUED)

In lieu of TRF, teaching faculty can elect benefits under a 403(b) plan, where the School contributes 7.5% of compensation.

Retirement plan expense was \$103,312 and \$109,464 for the years ended June 30, 2021 and 2020, respectively.

NOTE 8 COMMITMENTS

The School operates under a charter granted by Ball State University. As the sponsoring organization, Ball State University exercises certain oversight responsibilities. Under this charter, the School has agreed to pay to Ball State University an annual administrative fee equal to 3% of state tuition support. Payments under this charter agreement were \$36,639 and \$48,737 for the years ended June 30, 2021 and 2020, respectively. The charter remains in effect until June 30, 2026 and is renewable thereafter by mutual consent.

The School has contracted with Charter School Management Corporation (CSMC) to provide finance, business consulting, compliance, payroll, human resources, and other services. This contract remains in effect until June 30, 2024 and is automatically renewed on a year-to-year basis commencing on the last day of the expiring contract unless written notice of intent to terminate or renegotiate is given by either party at least 60 days prior to expiration of the agreement.

Under the terms of the agreement, the School has agreed to pay CSMC the following amounts for the years ending June 30:

<u>Year Ending June 30,</u>	<u>Amount</u>
2022	\$ 60,000
2023	60,000
2024	60,000

Expenses under the agreement were \$60,000 and \$55,770 for the years ended June 30, 2021 and 2020, respectively.

NOTE 9 RISKS AND UNCERTAINTIES

The School provides education instruction services to families residing in Monroe and surrounding counties in Indiana and is subject to the risks of economic and competitive forces at work within this geographic area.

The majority of revenues relate to legislation enacted by the state of Indiana and grants awarded under federal programs. Changes in state or federal legislation could significantly affect the School. Additionally, the School is subject to monitoring and audit by state and federal agencies. Those examinations may result in additional liability to be imposed on the School.

**THE BLOOMINGTON PROJECT SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 9 RISKS AND UNCERTAINTIES (CONTINUED)

Financial instruments that potentially subject the School to concentrations of credit risk consist principally of receivables from the state of Indiana. At June 30, 2021, substantially all of the receivable balance was due from the state of Indiana. In addition, deposits maintained at Old National Bank are insured up to the FDIC insurance limit of \$250,000. Funds held at this financial institution exceed the FDIC insurance limit. To date, the School has not experienced losses in any of these accounts.

During the year ended June 30, 2020, the World Health Organization declared the spread of the Coronavirus Disease (COVID-19) a worldwide pandemic. The COVID-19 pandemic is having significant effects on global markets, supply chains, business, and communities. Specific to the School, COVID-19 has impacted various parts of its 2021 and 2020 operations and financial results, including an increased demand for virtual learning options. Management believes the School is taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as these events are ongoing and are still developing.

NOTE 10 LIQUIDITY

Under ASU 2016-14, the School is required to disclose the assets it has available at June 30, 2021 and 2020 to meet its cash needs for general expenditures within one year of the date of the statements of financial position. The School's financial assets include cash and grants receivable as noted below at June 30:

	2021	2020
Financial Assets	\$ 991,599	\$ 763,112
Less: Those Unavailable for General Expenditures Within One Year: Extracurricular Account	(183,606)	(166,874)
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	\$ 807,993	\$ 596,238

From time to time, the School receives donor restricted contributions. Because donor restrictions require resources to be used in a particular manner or in a future period, the School must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. As part of the School's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

**THE BLOOMINGTON PROJECT SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 11 FUNCTIONAL EXPENSE REPORTING

The costs of providing the educational activities have been summarized on a functional basis in the statements of activities and change in net assets. Management of the School has categorized expenses as program services or management and general according to the underlying nature of the expense. As such, no allocation of specific transactions between these categories was required.

**THE BLOOMINGTON PROJECT SCHOOL
OTHER REPORT
YEAR ENDED JUNE 30, 2021**

The reports presented herein were prepared in addition to another official report prepared for The Bloomington Project School as listed below:

Supplemental Audit Report of The Bloomington Project School

The Supplemental Audit Report contains the results of compliance testing required by the Indiana State Board of Accounts under its *Guidelines for the Audits of Charter Schools Performed by Private Examiners* pertaining to matters addressed in its *Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools*.

Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor. CLA is an independent member of Nexia International, a leading, global network of independent accounting and consulting firms. See [nexia.com/member-firm-disclaimer](https://www.nexia.com/member-firm-disclaimer) for details. **CliftonLarsonAllen LLP**

