



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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June 14, 2023

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, 2021 to June 30, 2022. 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, 2022 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.

A handwritten signature in cursive script that reads "Tammy R. White".

Tammy R. White, CPA
Deputy State Examiner

**THE BLOOMINGTON PROJECT SCHOOL
FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021**



CPAs | CONSULTANTS | WEALTH ADVISORS

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**THE BLOOMINGTON PROJECT SCHOOL
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INDEPENDENT AUDITORS' REPORT

Board of Directors
The Bloomington Project School
Bloomington, Indiana

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of The Bloomington Project School, which comprise the statements of financial position as of June 30, 2022 and 2021, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Bloomington Project School as of June 30, 2022 and 2021, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The Bloomington Project School and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about The Bloomington Project School's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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



CliftonLarsonAllen LLP

Indianapolis, Indiana
February 2, 2023

**THE BLOOMINGTON PROJECT SCHOOL
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2022 AND 2021**

	2022	2021
ASSETS		
CURRENT ASSETS		
Cash	\$ 769,385	\$ 878,161
Grants Receivable	103,632	113,438
Prepaid Expenses	9,000	9,000
Total Current Assets	882,017	1,000,599
PROPERTY AND EQUIPMENT		
Construction in Progress	-	30,882
Buildings and Improvements	2,678,008	2,445,838
Furniture and Equipment	505,402	503,959
Textbooks	10,295	77,304
Less: Accumulated Depreciation	(1,497,709)	(1,444,606)
Property and Equipment, Net	1,695,996	1,613,377
OTHER ASSETS		
Security Deposits	12,500	12,500
Total Assets	\$ 2,590,513	\$ 2,626,476
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable	\$ 17,058	\$ 33,741
Accrued Expenses	207,685	202,038
Current Portion of Line of Credit	27,366	26,367
Current Portion of Notes Payable	135,478	131,650
Current Portion of Capital Lease Obligations	3,722	3,474
Deferred Rent	95,976	57,457
Refundable Advances	13,815	-
Total Current Liabilities	501,100	454,727
LONG-TERM LIABILITIES		
Line of Credit, Net of Current Portion	89,346	116,638
Notes Payable, Net of Current Portion	1,038,820	1,176,319
Loan Payable Under Paycheck Protection Program	-	-
Capital Lease Obligations, Net of Current Portion	8,259	11,981
Total Long-Term Liabilities	1,136,425	1,304,938
Total Liabilities	1,637,525	1,759,665
NET ASSETS WITHOUT DONOR RESTRICTIONS		
Total Liabilities and Net Assets	\$ 2,590,513	\$ 2,626,476

See accompanying Notes to Financial Statements.

**THE BLOOMINGTON PROJECT SCHOOL
STATEMENTS OF ACTIVITIES AND CHANGE IN NET ASSETS
YEARS ENDED JUNE 30, 2022 AND 2021**

	2022	2021
REVENUE AND SUPPORT		
State Education Support	\$ 2,363,211	\$ 2,141,521
Grant Revenue	890,190	839,203
Student Fees	45,867	25,260
Contributions	77,589	138,664
Other Income	47,357	46,970
Gain on Extinguishment of Paycheck Protection Program Loan	-	335,100
Total Revenue and Support	3,424,214	3,526,718
EXPENSES		
Program Services	2,387,211	2,021,722
Management and General	950,826	834,693
Total Expenses	3,338,037	2,856,415
CHANGE IN NET ASSETS	86,177	670,303
Net Assets Without Donor Restrictions - Beginning of Year	866,811	196,508
NET ASSETS WITHOUT DONOR RESTRICTIONS - END OF YEAR	\$ 952,988	\$ 866,811

See accompanying Notes to Financial Statements.

**THE BLOOMINGTON PROJECT SCHOOL
STATEMENTS OF FUNCTIONAL EXPENSES
YEARS ENDED JUNE 30, 2022 AND 2021**

	2022			2021		
	Program Services	Management and General	Total	Program Services	Management and General	Total
Salaries and Wages	\$ 1,712,849	\$ 135,437	\$ 1,848,286	\$ 1,477,110	\$ 122,512	\$ 1,599,622
Employee Benefits	351,145	39,064	390,209	323,910	37,178	361,088
Staff Development	340	-	340	-	-	-
Professional Services	60,212	161,227	221,439	64,234	144,356	208,590
Repairs and Maintenance	-	2,887	2,887	-	-	-
Authorizer Oversight Fees	44,517	-	44,517	36,639	-	36,639
Food Costs	-	86,104	86,104	1,152	51,972	53,124
Equipment	3,814	13,161	16,975	-	35,645	35,645
Classroom, Kitchen, and Office Supplies	146,251	20,390	166,641	64,332	31,164	95,496
Occupancy	-	221,714	221,714	-	179,720	179,720
Depreciation	-	122,114	122,114	-	100,356	100,356
Interest	-	88,753	88,753	-	91,663	91,663
Insurance	-	24,897	24,897	-	25,278	25,278
Other	68,083	35,078	103,161	54,345	14,849	69,194
Total Functional Expenses	<u>\$ 2,387,211</u>	<u>\$ 950,826</u>	<u>\$ 3,338,037</u>	<u>\$ 2,021,722</u>	<u>\$ 834,693</u>	<u>\$ 2,856,415</u>

See accompanying Notes to Financial Statements.

**THE BLOOMINGTON PROJECT SCHOOL
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2022 AND 2021**

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 86,177	\$ 670,303
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	122,114	100,356
Gain on Paycheck Protection Program Loan Extinguishment	-	(335,100)
Changes in Operating Assets and Liabilities:		
Grants Receivable	9,806	(73,475)
Prepaid Expenses	-	3,023
Accounts Payable	(16,683)	24,849
Accrued Expenses	5,647	(94,545)
Refundable Advances	13,815	(44,166)
Deferred Rent Payable	38,519	36,439
Net Cash Provided by Operating Activities	259,395	287,684
 CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property and Equipment	(204,733)	(157,526)
 CASH FLOWS FROM FINANCING ACTIVITIES		
Principal Repayments of Notes Payable, Net	(133,671)	(114,908)
Proceeds from Line of Credit, Net	(26,293)	143,005
Proceeds from (Payments on) Capital Lease Activities	(3,474)	(3,243)
Net Cash Provided (Used) by Financing Activities	(163,438)	24,854
 NET CHANGE IN CASH	(108,776)	155,012
 Cash - Beginning of Year	878,161	723,149
 CASH - END OF YEAR	\$ 769,385	\$ 878,161
 SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash Paid for Interest	\$ 88,753	\$ 91,663

See accompanying Notes to Financial Statements.

**THE BLOOMINGTON PROJECT SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021**

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, 2022 and 2021, the School had \$13,815 and \$-0-, 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 being performed are reported as deferred revenue in the statement of financial position. As of June 30, 2022 and 2021, 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, 2022 and 2021.

**THE BLOOMINGTON PROJECT SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

Cash consists of cash held in bank accounts and cash equivalents consist of short-term, highly liquid investments with original maturities of three months or less. There were no cash equivalents at June 30, 2022 and 2021.

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, 2022 and 2021, 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 2017 are open to audit for both federal and state purposes.

**THE BLOOMINGTON PROJECT SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounting Pronouncements and Future Changes in Accounting Principle

In February 2016, Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-02, *Leases (Topic 842)*. This update increases the transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements. ASU 2016-02 is effective for fiscal years beginning after December 15, 2021. Management is evaluating the impact of this standard on the School.

Subsequent Events

The School evaluated subsequent events through February 2, 2023, 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 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, 2022, the line of credit balance was \$116,712.

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>
2023	\$ 27,366
2024	28,474
2025	29,643
2026	30,853
2027	376
Total	<u>\$ 116,712</u>

**THE BLOOMINGTON PROJECT SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021**

NOTE 3 NOTES PAYABLE

Notes payable consisted of the following as of June 30:

<u>Description</u>	<u>2022</u>	<u>2021</u>
Note Payable to Indiana Finance Authority	\$ 213,337	\$ 286,241
Note Payable to IFF	931,621	985,869
Common School Fund Loan	29,340	35,859
Total	<u>1,174,298</u>	<u>1,307,969</u>
Less: Current Portion	<u>(135,478)</u>	<u>(131,650)</u>
Long-Term Portion	<u>\$ 1,038,820</u>	<u>\$ 1,176,319</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 to comply annually. The School was in compliance with all covenants as of June 30, 2022 and 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.

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

<u>Year Ending June 30,</u>	<u>Amount</u>
2023	\$ 135,478
2024	139,577
2025	143,728
2026	77,476
2027	79,251
Thereafter	598,788
Total	<u>\$ 1,174,298</u>

**THE BLOOMINGTON PROJECT SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021**

NOTE 4 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, 2022 and 2021, the cost and accumulated depreciation related to this asset was \$11,981 and \$15,455, respectively.

Minimum future lease payments as of June 30, 2022 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>
2023	\$ 4,459
2024	4,459
2025	4,459
Total	<u>13,377</u>
Less: Amount Representing Interest	<u>(1,396)</u>
Total	<u>\$ 11,981</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.

Expense under operating leases was \$197,770 and \$188,914 for the years ended June 30, 2022 and 2021, 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>
2023	\$ 148,082
2024	155,612
2025	162,736
2026	166,408
2027	173,131
Thereafter	<u>2,280,308</u>
Total	<u>\$ 3,086,277</u>

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

**THE BLOOMINGTON PROJECT SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021**

NOTE 5 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 and change in net assets 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 6 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 both years ended June 30, 2022 and 2021, the School contributed 5.5% of compensation for eligible teaching personnel to TRF and 11.2% 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, 2021 (the latest year reported), TRF and PERF were approximately 95% and 83% funded, respectively.

Employees can elect benefits under a 403(b) plan, where the School contributes 7.5% of compensation.

Retirement plan expense was \$100,965 and \$103,312 for the years ended June 30, 2022 and 2021, respectively.

**THE BLOOMINGTON PROJECT SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021**

NOTE 7 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 \$44,517 and \$36,639 for the years ended June 30, 2022 and 2021, 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>
2023	\$ 60,000
2024	60,000

Expenses under the agreement were \$60,000 and \$60,000 for the years ended June 30, 2022 and 2021, respectively.

**THE BLOOMINGTON PROJECT SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021**

NOTE 8 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.

Financial instruments that potentially subject the School to concentrations of credit risk consist principally of receivables from the state of Indiana. At June 30, 2022, 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 9 LIQUIDITY

Under ASU 2016-14, the School is required to disclose the assets it has available at June 30, 2022 and 2021 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:

	<u>2022</u>	<u>2021</u>
Financial Assets	\$ 873,017	\$ 991,599
Less: Those Unavailable for General Expenditures		
Within One Year: Extracurricular Account	<u>(185,620)</u>	<u>(183,606)</u>
Financial Assets Available to Meet Cash		
Needs for General Expenditures Within One Year	<u>\$ 687,397</u>	<u>\$ 807,993</u>

**THE BLOOMINGTON PROJECT SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021**

NOTE 9 LIQUIDITY (CONTINUED)

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.

NOTE 10 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, 2022**

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*.



CLA (CliftonLarsonAllen LLP) is a network member of CLA Global. See CLAGlobal.com/disclaimer. Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.