

COMMUNITIES IN SCHOOLS OF NORTH TEXAS. INC.

FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITORS' REPORT

FOR THE FISCAL YEAR ENDED
AUGUST 31, 2021

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Communities in Schools of North Texas, Inc.
Lewisville, Texas

We have audited the accompanying financial statements of Communities in Schools of North Texas, Inc. (a nonprofit organization), which comprise the statement of financial position as of August 31, 2021, and the related statements of activities, functional expenses, and cash flows for the fiscal 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. 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 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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Communities in Schools of North Texas, Inc. as of August 31, 2021, and the changes in its net assets and its cash flows for the fiscal 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 schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 11, 2022, on our consideration of Communities in Schools of North Texas, Inc.'s internal control over financial reporting. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and the results of that testing, and not to provide an opinion on internal control over financial reporting. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Communities in Schools of North Texas, Inc.'s internal control over financial reporting and compliance.

Hankins, Eastup, Deaton, Tonn & Seay

Hankins, Eastup, Deaton, Tonn & Seay, PC
Denton, Texas

February 11, 2022

COMMUNITIES IN SCHOOLS OF NORTH TEXAS, INC.

STATEMENT OF FINANCIAL POSITION
AUGUST 31, 2021

ASSETS

Current assets:

Cash and cash equivalents	\$ 1,852,707
Due from state	426,613
Other receivables	<u>7,850</u>
Total current assets	2,287,170
TOTAL ASSETS	<u>\$ 2,287,170</u>

LIABILITIES AND NET ASSETS

Current liabilities:

Accounts payable	\$ 10,714
Deferred revenue	<u>42,000</u>
Total current liabilities	<u>52,714</u>

Net assets:

Without donor restriction	2,234,456
With donor restriction	<u>-</u>
	2,234,456
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 2,287,170</u>

The accompanying notes are an integral part of these financial statements

COMMUNITIES IN SCHOOLS OF NORTH TEXAS, INC.

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED AUGUST 31, 2021

Changes in net assets without donor restriction	
Revenues:	
Federal grants	\$ 2,010,350
State grants	1,261,843
School district program service revenue	1,642,994
Local support	1,003,060
In-kind contributions	311,633
Net assets released from restriction	
Total	<u>6,229,880</u>
Expenses:	
Program services	4,980,530
Management and general	811,853
Resource development	<u>245,446</u>
Total	<u>6,037,829</u>
Increase in net assets without donor restriction	<u>192,051</u>
Changes in net assets with donor restriction	<u>-</u>
Increase in net assets	192,051
Net assets, beginning of period	<u>2,042,405</u>
Net assets, end of period	<u><u>\$ 2,234,456</u></u>

The accompanying notes are an integral part of these financial statements

COMMUNITIES IN SCHOOLS OF NORTH TEXAS, INC.

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE FISCAL YEAR ENDED AUGUST 31, 2021

	<u>Program Services</u>			<u>Support Services</u>		
	Afterschool Enrichment Services	Case Management Services	Total Program Services	Mgmt. and General	Resource Development	Total
Salaries and related expenses	\$ 1,277,024	\$ 2,872,748	\$ 4,149,772	\$ 556,750	\$ 141,163	\$ 4,847,685
Professional services	21,436	60,863	82,299	123,028	-	205,327
Student support services	50,049	113,176	163,225	-	-	163,225
Student transportation	109,803	734	110,537	-	-	110,537
Supplies	6,483	1,315	7,798	1,595	-	9,393
In-kind supplies	115	245,257	245,372	-	66,261	311,633
Insurance	-	12,090	12,090	19,950	-	32,040
Occupancy	-	55,016	55,016	51,713	4,994	111,723
Miscellaneous expenses	4,036	12,728	16,764	5,652	3,025	25,441
Travel	678	21,437	22,115	945	704	23,764
Office expense	11,135	104,407	115,542	52,220	2,872	170,634
Fundraising expense	-	-	-	-	26,427	26,427
Total expenses	<u>\$ 1,480,759</u>	<u>\$ 3,499,771</u>	<u>\$ 4,980,530</u>	<u>\$ 811,853</u>	<u>\$ 245,446</u>	<u>\$ 6,037,829</u>

The accompanying notes are an integral part of these financial statements

COMMUNITIES IN SCHOOLS OF NORTH TEXAS, INC.

STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED AUGUST 31, 2021

Cash flows from operating activities:

Change in net assets	\$ 192,051
Adjustments to reconcile change in net assets to cash from operating activities:	
Increase in due from state	(288,691)
Decrease in prepaid expenses	8,548
Increase in other receivables	(7,850)
Increase in accounts payable	3,416
Increase in deferred revenue	25,500
Net adjustments	<u>(259,077)</u>
Net cash flows from operating activities	<u>(67,026)</u>

Cash flows from investing activities:

-

Cash flows from financing activities:

-

Net decrease in cash and cash equivalents	(67,026)
Cash and cash equivalents, beginning of period	<u>1,919,733</u>
Cash and cash equivalents, end of period	<u>\$ 1,852,707</u>

Supplemental Disclosures of Cash Flow
Information:

In-kind contributions	\$ <u>311,633</u>
Cash paid during the year for:	
Interest	\$ <u>-</u>
Taxes	\$ <u>-</u>

The accompanying notes are an integral part of these financial statements

COMMUNITIES IN SCHOOLS OF NORTH TEXAS, INC.

NOTES TO FINANCIAL STATEMENTS AUGUST 31, 2021

NOTE 1 - SUMMARY OF ACCOUNTING POLICIES

Nature of Activities

Established in 1993, Communities In Schools of North Texas, Inc. ("CISNT") is a school-based dropout prevention program offered to socio-economically disadvantaged and students living in situations that put them at-risk for academic failure. The mission of CISNT is to surround students with a community of support, empowering them to stay in school and achieve in life. CISNT uses an in-school multi-disciplinary approach to decrease the dropout rate in Bridgeport ISD, Denton ISD, Lake Dallas ISD, Lewisville ISD, Little Elm ISD and Northwest ISD across Denton and Wise counties. This is accomplished through CISNT staff addressing the needs of the total child, determine what a student may require to stay and succeed in school, and deliver those services and/or resources.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires us 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. Actual results could differ from those estimates, and those differences could be material.

Property and Equipment

CISNT capitalizes property and equipment over \$5,000. Lesser amounts are expensed. Purchased property and equipment is capitalized at cost. Donations of property and equipment are recorded at their estimated fair value. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose.

Income Taxes

CISNT is organized as a Texas nonprofit corporation and has been recognized by the IRS as exempt from federal income taxes under IRC Section 501(a) as organizations described in IRC Section 501(c)(3), qualifies for the charitable contribution deduction under IRC Sections 170(b)(1)(A)(vi) and (viii), and has been determined not to be a private foundation under IRC Sections 509(a)(1) and (3), respectively. CISNT is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, CISNT is subject to income tax on net income that is derived from business activities that are unrelated to their exempt purposes. We have determined that CISNT 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.

Cash and Cash Equivalents

For purposes of the statements of cash flows, CISNT considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

COMMUNITIES IN SCHOOLS OF NORTH TEXAS. INC.

NOTES TO FINANCIAL STATEMENTS AUGUST 31, 2021

NOTE 1 - SUMMARY OF ACCOUNTING POLICIES - CONTINUED

Donated Services and In-Kind Contributions

Volunteers contribute significant amounts of time to our program services, administration, and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. Contributed goods are recorded at fair value at the date of donation.

Functional Allocation of Expense

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.

Subsequent Events

Management has evaluated subsequent events through February 11, 2022, the date on which the financial statements were available to be issued.

Net Assets

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

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

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

We report contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized.

Fair Value of Financial Instruments

CISNT values cash, cash equivalents, receivables and current liabilities at their carrying amounts reported in the financial statements due to the short maturities of those instruments.

COMMUNITIES IN SCHOOLS OF NORTH TEXAS. INC.

NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2021

NOTE 1 - SUMMARY OF ACCOUNTING POLICIES - CONTINUED

Fiscal Agent

CISNT uses Lewisville Independent School District ("LISD") as its fiscal agent. As fiscal agent, LISD maintains CISNT's funds within LISD bank accounts and accounts for CISNT's income and expenses. CISNT's employees are considered employees of LISD and eligible for Teacher Retirement benefits (see Note 4).

NOTE 2 – DUE FROM STATE

Due from State represents amounts due under reimbursable Federal and State grants administered through the Texas Education Agency and consist of the following at August 31, 2021:

21 st Century Learning Centers	\$ 296,136
Case Management Dropout & Delinquency Prevention	23,827
Americorps	15,785
VOCA	24,371
HHSC	48,948
TANF	<u>17,546</u>
Total	\$ <u>426,613</u>

NOTE 3 – LEASE

CISNT has a lease agreement for office space. The lease expires in May 2024. The future minimum lease payments under this lease agreement at August 31, 2021 are as follows:

2022	\$ 103,593
2023	103,933
2024	78,714
2025	-
2026	-
Thereafter	-
Total	\$ <u>389,069</u>

Office rent expense totaled \$103,993 for the fiscal year ended August 31, 2021.

COMMUNITIES IN SCHOOLS OF NORTH TEXAS. INC.

NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2021

NOTE 4 – PENSION PLAN

Plan Description – CISNT’s fiscal agent, LISD, contributes to the Teacher Retirement System of Texas (the System), a public employee retirement system. It is a cost-sharing, multiple-employer defined benefit pension plan with one exception; all risks and costs are not shared by LISD, but are the liability of the State of Texas. The System provides service retirement and disability retirement benefits, and death benefits to plan members and beneficiaries. The System operates under the authority of provisions contained primarily in Texas Government Code, Title 8, Public Retirement Systems, Subtitle C, Teacher Retirement System of Texas, which is subject to amendment by the Texas Legislature. The System’s annual financial report and other required disclosure information are available by writing the Teacher Retirement System of Texas, 1000 Red River, Austin, Texas 78701-2698 or by calling (800) 233-8778.

Funding Policy - Under provisions in State law, plan members are required to contribute 7.7% of their annual covered salary and the State of Texas contributes an amount equal to 7.5% of CISNT’s covered payroll. In certain instances, CISNT is required to make all or a portion of the State’s 7.5% contribution. Contribution requirements are not actuarially determined but are legally established each biennium pursuant to the following state funding policy: (1) The state constitution requires the legislature to establish a member contribution rate of not less than 6.0% of the member’s annual compensation and a state contribution of not less than 6.0% and not more than 10.0% of the aggregate annual compensation of all members of the System during that fiscal year; (2) A state statute prohibits benefit improvements or contribution reductions if, as a result of the particular action, the time required to amortize the System’s unfunded actuarial liabilities would be increased to a period that exceeds 31 years, or, if the amortization period already exceeds 31 years, the period would be increased by such action.

NOTE 5 – FUNCTIONALIZED EXPENSES

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include occupancy, which is allocated on a square footage basis, as well as salaries and wages, benefits, payroll taxes, supplies, postage and printing, which are allocated based on estimates of time and effort.

NOTE 6 – LIQUIDITY AND AVAILABILITY

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

Cash and cash equivalents	\$ 1,852,707
Due from state	426,613
Other receivables	<u>7,850</u>
Total	<u>\$ 2,287,170</u>

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors
Communities in Schools of North Texas, Inc.
Lewisville, Texas

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 Communities in Schools of North Texas, Inc., which comprise the statement of financial position as of August 31, 2021, and the related statements 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 dated February 11, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Communities in Schools of North Texas, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Communities in Schools of North Texas, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the of Communities in Schools of North Texas, Inc.'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.

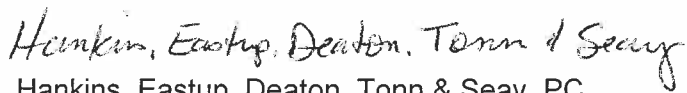
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not 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 Communities in Schools of North Texas, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of the 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.


Hankins, Eastup, Deaton, Tonn & Seay, PC
Denton, Texas

February 11, 2022

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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND
ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Directors
Communities in Schools of North Texas, Inc.
Lewisville, Texas

Report on Compliance for Each Major Federal Program

We have audited Communities in Schools of North Texas, Inc.'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Communities in Schools of North Texas, Inc.'s major federal programs for the year ended August 31, 2021. Communities in Schools of North Texas, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of finding and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

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

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Communities in Schools of North Texas, Inc.'s compliance.

Opinion on Each Major Federal Program

In our opinion, Communities in Schools of North Texas, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended August 31, 2021.

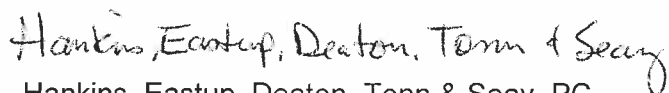
Report on Internal Control Over Compliance

Management of Communities in Schools of North Texas, Inc. 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 Communities in Schools of North Texas, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Communities in Schools of North Texas, Inc.'s internal control over compliance.

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

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

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


Hankins, Eastup, Deaton, Tonn & Seay, PC
Denton, Texas

February 11, 2022

COMMUNITIES IN SCHOOLS OF NORTH TEXAS, INC.

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED AUGUST 31, 2021**

I. Summary of Auditor's Results

1. Type of auditor's report issued on the financial statements: Unmodified.
2. Internal control over financial reporting:
Material weakness(es) identified: None
Significant deficiency(ies) identified that are not considered to be material weaknesses: None reported
3. Noncompliance which is material to the financial statements: None
4. Internal controls over major federal programs:
Material weakness(es) identified: None
Significant deficiency(ies) identified that are not considered to be material weaknesses: None reported
5. Type of auditor's report on compliance for major federal programs: Unmodified.
6. Did the audit disclose findings which are required to be reported in accordance with 2 CFR 200.516(a): No
7. Major programs include:

FALN 84.287	Twenty-First Century Community Learning Centers
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8. Dollar threshold used to distinguish between Type A and Type B programs: \$750,000.
9. Low risk auditee: Yes

II. Findings Related to the Financial Statements

None

III. Other Findings

None

COMMUNITIES IN SCHOOLS OF NORTH TEXAS, INC.

SCHEDULE OF STATUS OF PRIOR FINDINGS
FOR THE YEAR ENDED AUGUST 31, 2021

FINDING/NONCOMPLIANCE

None

COMMUNITIES IN SCHOOLS OF NORTH TEXAS, INC.

**CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED AUGUST 31, 2021**

CORRECTIVE ACTION PLAN

None required

COMMUNITIES IN SCHOOLS OF NORTH TEXAS, INC.

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED AUGUST 31, 2021**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM OR CLUSTER TITLE	Federal FALN Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. DEPARTMENT OF EDUCATION			
<u>Passed Through State Department of Education</u>			
Twenty-First Century Community Learning Centers	84.287	206950267110014	\$ <u>1,554,212</u>
Total U. S. Department of Education			<u>1,554,212</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
<u>Passed Through U.S. Department of Health and Human Services</u>			
Temporary Assistance for Needy Families	93.558	203630027120019	<u>112,965</u>
Total U.S. Department of Health and Human Services			<u>112,965</u>
U.S. DEPARTMENT OF JUSTICE			
<u>Passed Through Office of the Governor – Criminal Justice Division</u>			
VOCA	16.575	2019-V2-GX-0011	<u>136,657</u>
Total U.S. Department of Justice			<u>136,657</u>
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE			
<u>Passed Through OneStar Foundation</u>			
AmeriCorps Program	94.006	16AFHTX0010015	<u>206,516</u>
Total Corporation for National and Community Service			<u>206,516</u>
Total Expenditures of Federal Awards			\$ <u><u>2,010,350</u></u>

COMMUNITIES IN SCHOOLS OF NORTH TEXAS, INC.

NOTES ON ACCOUNTING POLICIES FOR FEDERAL AWARDS
FOR THE YEAR ENDED AUGUST 31, 2021

NOTE A – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of Communities in Schools of North Texas, Inc. under programs of the federal government for the year ended August 31, 2021. The information in the Schedule is presented in accordance with the requirements of the Uniform Guidance. Because the Schedule presents only a selected portion of the operations of Communities in Schools of North Texas, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of Communities in Schools of North Texas, Inc.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.