



BOYS & GIRLS CLUB OF DUNDEE TOWNSHIP, INC.

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2022

BOYS & GIRLS CLUB OF DUNDEE TOWNSHIP, INC.

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Boys & Girls Club of Dundee Township, Inc.
Carpentersville, Illinois

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of

Boys & Girls Club of Dundee Township, Inc.
(a nonprofit organization)

which comprise the statement of financial position as of August 31, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Boys & Girls Club of Dundee Township, Inc. as of August 31, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United State of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Boys & Girls Club of Dundee Township, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Change in Accounting Principle

As described in the notes to the financial statements, the Club adopted new accounting guidance, ASU 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. Our opinion is not modified with respect to this matter.

Responsibilities of Management 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, 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 Boys & Girls Club of Dundee Township, Inc.'s ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's 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 auditor's 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 and *Governmental Auditing Standards*, 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.

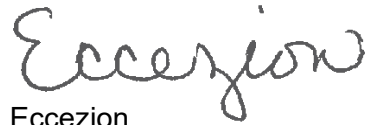
In performing an audit in accordance with GAAS and *Governmental Auditing Standards*, we:

- 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 Boys & Girls Club of Dundee Township, Inc.'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 Boys & Girls Club of Dundee Township, Inc.'s ability to continue as a going concern for a reasonable period of time.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 8, 2023 our consideration of Boys & Girls Club of Dundee Township, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Boys & Girls Club of Dundee Township, Inc.'s internal control over financial reporting and compliance.

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.

A handwritten signature in black ink that reads "Eccezion". The signature is written in a cursive, flowing style.

Eccezion
Consultants • CPAs • Technology

McHenry, Illinois
June 8, 2023



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

To the Board of Directors
Boys & Girls Club of Dundee Township, Inc.
Carpentersville, Illinois

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of

Boys & Girls Club of Dundee Township, Inc.

which comprise the statement of financial position as of August 31, 2022, and the related statements of activities, functional expenses, and cash flows for the year ended August 31, 2022, and the related notes to the financial statements, which collectively comprise Boys & Girls Club of Dundee Township, Inc.'s basic financial statements, and have issued our report thereon dated June 8, 2023.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Boys & Girls Club of Dundee Township, Inc.'s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Boys & Girls Club of Dundee Township, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Boys & Girls Club of Dundee Township, 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 Club'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. We did identify a certain deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs as item 2022-001, that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Boys & Girls Club of Dundee Township, 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance that is required to be reported under *Government Auditing Standards* and which is described in the accompanying Schedule of Findings and Questioned Costs as item 2022-002.

Boys & Girls Club of Dundee Township, Inc.'s Response to Findings

Boys & Girls Club of Dundee Township, Inc.'s response to the findings identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs and responses are included in the body of the report. Boys & Girls Club of Dundee Township, Inc.'s response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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 Club's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Club's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



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McHenry, Illinois
June 8, 2023

FINANCIAL STATEMENTS

BOYS & GIRLS CLUB OF DUNDEE TOWNSHIP, INC.
STATEMENT OF FINANCIAL POSITION
AUGUST 31, 2022

ASSETS		
Current Assets		
Cash and Cash Equivalents	\$ 1,411,493	
Pledges Receivable, Current	100,000	
Grants and Other Receivables	902,580	
Prepaid Expenses	136,530	
Total Current Assets	\$ 2,550,603	
Investments		77,572
Property and Equipment, Net		854,094
TOTAL ASSETS		\$ 3,482,269
LIABILITIES		
Current Liabilities		
Accounts Payable	\$ 57,231	
Accrued Payroll and Vacation	156,413	
Scholarship Funds Payable	22,422	
Held for Member Groups	37,928	
Deferred Revenue	19,383	
Total Current Liabilities	\$ 293,377	
NET ASSETS		
Without Donor Restrictions	\$ 2,888,892	
With Donor Restrictions	300,000	
Total Net Assets		3,188,892
TOTAL LIABILITIES AND NET ASSETS		\$ 3,482,269

The Notes to Financial Statements are an integral part of this statement.

BOYS & GIRLS CLUB OF DUNDEE TOWNSHIP, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED AUGUST 31, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
OPERATING REVENUES, GAINS, AND OTHER SUPPORT			
Support			
Contributions	\$ 619,085	\$ 100,000	\$ 719,085
Grants	2,465,238	-	2,465,238
Special Events	593,250	-	593,250
Program Revenue	563,921	-	563,921
Other Revenue			
Return on Investment	269	-	269
Other Income	730	-	730
Net Assets Released from Restrictions	200,000	(200,000)	-
Total Operating Revenues, Gains, and Other Support	\$ 4,442,493	\$ (100,000)	\$ 4,342,493
OPERATING EXPENSES			
Program Services	\$ 3,176,887	\$ -	\$ 3,176,887
Supporting Services			
Management and General	738,559	-	738,559
Fundraising	433,035	-	433,035
Cost of Direct Benefits to Donors	118,510	-	118,510
Total Operating Expenses	\$ 4,466,991	\$ -	\$ 4,466,991
Change in Net Assets from Operations	\$ (24,498)	\$ (100,000)	\$ (124,498)
Net Assets at Beginning of Year	2,631,388	400,000	3,031,388
Net Assets Adjustment (Note 15)	282,002	-	282,002
Net Assets at End of Year	\$ 2,888,892	\$ 300,000	\$ 3,188,892

The Notes to Financial Statements are an integral part of this statement.

BOYS & GIRLS CLUB OF DUNDEE TOWNSHIP, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED AUGUST 31, 2022

	Supporting Services			Cost of Direct Benefits to Donors	Total Supporting Services	Total Expenses
	Program Services	Management and General	Fundraising			
Salaries	\$ 2,019,837	\$ 405,815	\$ 173,921	\$ -	\$ 579,736	\$ 2,599,573
Employee Benefits	276,237	54,399	24,887	-	79,286	355,523
Payroll Taxes	138,907	27,355	12,514	-	39,869	178,776
Bank Charges and Credit Card Fees	-	14,163	-	-	14,163	14,163
Conferences and Meetings	-	69,571	23,605	-	93,176	93,176
Depreciation	109,047	18,395	-	-	18,395	127,442
Dues and Subscriptions	-	25,291	-	-	25,291	25,291
Employee Screening	13,476	1,342	-	-	1,342	14,818
Event Items	-	-	38,265	11,886	50,151	50,151
Event Entertainment	-	-	-	7,750	7,750	7,750
Event Venue/Food/Beverages	-	-	-	98,874	98,874	98,874
Insurance	19,042	3,212	-	-	3,212	22,254
Interest Expense	-	100	-	-	100	100
Internet and Communication	-	26,108	-	-	26,108	26,108
Occupancy	60,009	-	-	-	-	60,009
Office Supplies and Equipment	30,649	30,649	-	-	30,649	61,298
Postage and Shipping	-	-	2,169	-	2,169	2,169
Printing and Publication	5,145	-	1,714	-	1,714	6,859
Professional Fees	-	62,159	147,257	-	209,416	209,416
Program Supplies and Expenses	289,059	-	-	-	-	289,059
Recognition and Outreach	-	-	8,703	-	8,703	8,703
Rental and Maintenance of Equipment	5,824	-	-	-	-	5,824
Repairs	7,564	-	-	-	-	7,564
Software	43,860	-	-	-	-	43,860
Transportation	55,006	-	-	-	-	55,006
Miscellaneous	103,225	-	-	-	-	103,225
	<u>\$ 3,176,887</u>	<u>\$ 738,559</u>	<u>\$ 433,035</u>	<u>\$ 118,510</u>	<u>\$ 1,290,104</u>	<u>\$ 4,466,991</u>

The Notes to Financial Statements are an integral part of this statement.

BOYS & GIRLS CLUB OF DUNDEE TOWNSHIP, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED AUGUST 31, 2022

CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 157,504	
Adjustments to Reconcile Change in Net Assets to Net Cash Provided/(Used) by Operating Activities		
Depreciation	127,442	
Decrease/(Increase) in Assets		
Pledges Receivable	287,020	
Grants Receivable	(552,629)	
Prepaid Expenses	(114,273)	
Increase/(Decrease) in Liabilities		
Accounts Payable	14,479	
Accrued Payroll and Vacation	66,375	
Scholarship Funds Payable	(8,534)	
Held for Member Groups	21,943	
Deferred Revenue	19,383	
Net Cash Flows Provided/(Used) by Operating Activities	18,710	\$ 18,710
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property and Equipment	\$ (113,904)	
Purchases of investments	(78)	
Net Cash Flows Provided/(Used) by Investing Activities	(113,982)	(113,982)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		\$ (95,272)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		1,506,765
CASH AND CASH EQUIVALENTS AT END OF YEAR		\$ 1,411,493
SUPPLEMENTAL DISCLOSURES:		
Interest Paid		\$ 100

The Notes to Financial Statements are an integral part of this statement.

BOYS & GIRLS CLUB DUNDEE TOWNSHIP, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Boys and Girls Club of Dundee Township, Inc. (the "Club") is an Illinois nonprofit organization that is affiliated with Boys and Girls Club of America (BGCA), a well-established, well-respected national organization devoted to working with at-risk youth. The BGCA goal is to help these at-risk youth become productive citizens. The Club works with children ages 6 through 18 and offers them a wide variety of recreational and educational programs. The Club also offers guidance and counseling. Through these services, the Club hopes to develop positive self-esteem for the individuals involved in the programs. Most of the Club's funding is provided by grants from various sources. Other support is provided by contributions from fundraising, program fees, local companies and individuals. The Club conducts the following programs:

Education and Career Development – This program enables youth to become proficient in basic educational disciplines, apply learning to everyday situations, and embrace technology to achieve success in a career. Activities include homework assistance, tutoring, computer skills training, job shadowing, cooking club, and various other educational games and activities.

Health and Life Skills – This program develops young people's capacity to engage in positive behaviors that nurture their own well-being, set personal goals, and live successfully as self-sufficient adults. Activities include drug education, gang resistance, cultural appreciation, diversity training, and peer chat.

Character and Leadership Development – This program empowers youth to support and influence their Club and community, sustain meaningful relationships with others, develop a positive self-image, participate in the democratic process, and respect their own and others' cultural identities. Activities include teen dances, garbage clean-up projects, leadership conferences, and other various community service projects.

The Arts – This program enables youth to develop their creativity and cultural awareness through knowledge and appreciation of the visual arts, crafts, performing arts, and creative writing. Activities include arts and crafts, digital photography, digital movie-making, digital music-making, choir, mural making, and dance club.

Sports Fitness and Recreation – This program develops fitness, positive use of leisure time, skills for stress management, appreciation for the environment, and social skills. Activities include basketball competition, games room tournaments, outdoor games and activities, fitness activities and training, field trips, and much more.

Technology – This program provides training and resources to make members effective users of technology. The technology program teaches members technical skills and integrates technology into core program areas. Each program emphasizes the safe, ethical use of technology and explores high-tech career options.

Teen REACH – This program empowers youth, ages 6 through 17 years, to develop positive expectations for their future success through structured activities during non-school hours. The purpose of this program is to increase academic success and reduce risk-taking behaviors such as substance abuse and involvement in criminal and gang activities. Young people are encouraged to look to their futures and see the rewards of positive self-esteem.

21st Century – This program provides academic enrichment opportunities during non-school hours for children, particularly students who attend high-poverty and low-performing schools. The program helps

NOTES TO THE FINANCIAL STATEMENTS (Continued)

students meet state and local student standards in core academic subjects, such as reading and math; offers students a broad array of enrichment activities that can complement their regular academic programs; and offers literacy and other educational services to the families of participating children.

Basis of Accounting

The financial statements of the Club have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles (GAAP) and accordingly reflect all significant receivables, payables and other liabilities.

Financial Statement Presentation

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

Net Assets Without Donor Restrictions – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Club. These net assets may be used at the discretion of the Club’s Board of Directors and its management (“Management”).

Net Assets With Donor Restrictions – Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Club or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Concentration of Credit Risk

Financial instruments that potentially subject the Club to concentrations of credit risk consist principally of cash and cash equivalents and investments. The Club maintains its cash and cash equivalents in various bank accounts that, at times, may exceed federally insured limits. The Club's cash and cash equivalent accounts have been placed with high credit quality financial institutions.

Cash and Cash Equivalents

The Club considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Financial instruments that potentially subject the Club to concentrations of credit risk consist principally of cash and cash equivalents and investments. The Club maintains its cash and cash equivalents in various bank accounts that, at times, may exceed federally insured limits. The Club's cash and cash equivalent accounts have been placed with high credit quality financial institutions.

Investments

Investments in marketable equity securities with readily determinable fair values are stated at fair value. Equity securities without readily determinable fair values are stated at cost.

Property and Equipment

The Club capitalizes all expenditures for Property and Equipment with a cost of over \$5,000 and an estimated useful life of more than one year. Purchased Property and Equipment is carried at cost. Donated Property and Equipment is carried at fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets as follows:

NOTES TO THE FINANCIAL STATEMENTS (Continued)

	<u>Years</u>
Leasehold Improvements	10
Furniture and Fixtures	7
Machinery and Equipment	5-7
Vehicles	7-10

Revenue and Revenue Recognition

The Club accounts for contributions received and unconditional promises to give under the provisions of the FASB Codification topic related to contributions made and received. In accordance with the Codification, contributions are recognized as support revenue when received. Unconditional promises to give are recognized when received at the estimated present value of future cash flows, net of allowances.

Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met. The Club's federal and state grants are conditional on meeting certain performance requirements and the incurrence of allowable qualifying expenses.

Contributions received are recorded as support without donor restriction or with donor-restriction, depending on the existence and/or nature of any donor restrictions. When a donor restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restriction are reclassified to net assets without restriction and reported in the statements of activities as net assets released from restrictions. Contributions Receivable are due in less than one year and Management represents that such amounts are 100% collectible; therefore, no allowance is provided in the financial statements.

A substantial portion of the Club's revenue relates to contributions from donors and the only arrangements to which ASC 606 would be applicable is program service fees and special event revenues. Management has evaluated its program service revenue and concluded that the fees they receive do not meet the definition of a contract under ASC 606 because they do not meet the probability of collection criteria. The program participants are typically allowed to attend the programs even if they choose to make a partial payment, or no payment at all. Therefore, in accordance with U.S. GAAP these fees are recognized in revenue at a point in time, when received.

Special event revenues, which include registration fees or ticket purchases, sponsorships and purchase of auction items or raffle tickets, are recorded equal to the cost of direct benefits to donors, and contribution revenue for the difference. If the direct benefit portion of the amounts are received in advance of the event, they are deferred and recognized when the event occurs.

In-kind Contributions

In-kind contributions of property and equipment are recorded as contributions at the estimated fair value of the property contributed at the date of donation.

In-kind contributions of services are recognized as contributions if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by individuals possessing those skills and would otherwise need to be purchased if not provided by donation. Management estimates that 66 volunteers donated 1,200 hours of their time to perform a variety of tasks that assist the Club in carrying out their mission. The value of these services has not been recognized in the statements of activities since these services do not meet the criteria for recognition as contributed services.

Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities and Statement of Functional Expenses. All direct expenses have been

NOTES TO THE FINANCIAL STATEMENTS (Continued)

allocated to the respective function. Salaries are allocated based on the time spent on each activity. All occupancy-related costs are allocated based on the coverage of space used for the programs.

Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities and the reported revenue and expenses. Management evaluates, on an ongoing basis, the estimates and assumptions based on new information. Management represents that the estimates and assumptions are reasonable in the circumstances; however, actual results could differ from those estimates.

Income Tax Status

The Club is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and reported no unrelated business income for the year ended August 31, 2022. Management represents there are no uncertain tax position or other provision for income taxes that should be recognized in these financial statements. In addition, the Club qualifies to receive deductible charitable contributions pursuant to Section 170(b)(1)(A)(vi).

NOTE 2 - CASH AND CASH EQUIVALENTS

The Club maintains bank accounts at two financial institutions. Accounts at the institutions are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. Cash at August 31, 2022 exceeded federally insured limits by approximately \$1,094,500. The Club has not experienced any losses in such accounts. Management represents it is not exposed to any significant credit risk on its cash balances.

NOTE 3 - FAIR VALUE MEASUREMENTS

The Club reports fair value measures of its assets and liabilities using a three-level hierarchy that prioritizes the inputs used to measure fair value. This hierarchy, established by GAAP, requires that entities maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The asset or liability's measurement within the fair value hierarchy is based on the lowest level of input that is significant to the measurement. The three levels of inputs used to measure fair value are as follows:

- Level 1. Quoted prices for identical assets or liabilities in active markets to which the Club has access at the measurement date.
- Level 2. Inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include:
 - quoted prices for similar assets or liabilities in active markets;
 - quoted prices for identical or similar assets in markets that are not active;
 - observable inputs other than quoted prices for the asset or liability (for example, interest rates and yield curves); and
 - inputs derived principally from, or corroborated by, observable market data by correlation or by other means.
- Level 3. Unobservable inputs for the asset or liability. Unobservable inputs should be used to measure the fair value if observable inputs are not available.

When available, the Club measures fair value using level 1 inputs because they generally provide the most reliable evidence of fair value.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

August 31, 2022	Fair Value	Fair Value Measurements Using:	
		Quoted Prices in Active Markets for Assets (Level 1)	Significant Other Observable Inputs (Level 2)
CDs	\$ 77,572	\$ -	\$ 77,572
Total	\$ 77,572	\$ -	\$ 77,572

Fair values approximate carrying value for all assets and current liabilities, measured on a recurring basis, at August 31, 2022.

NOTE 4 - AVAILABILITY AND LIQUIDITY

The following table shows the total financial assets held by the Club and the amounts of those financial assets that could be readily made available within one year of the Statement of Financial Position date to meet general expenditures.

The Club's financial assets at August 31, 2022 are as follows:

	2022
Financial assets at year end:	
Cash and Cash Equivalents	\$ 1,411,493
Investments	77,572
Pledges Receivable, Current	100,000
Grants and Other Receivables	902,580
Total Financial Assets	<u>\$ 2,491,645</u>
Less amounts not available to be used within one year:	
Net Assets with Donor Restrictions	<u>300,000</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 2,191,645</u>

It is the policy of the Club to invest cash in excess of daily requirements in short-term investments. To assist in managing unanticipated liquidity needs, the Club has a committed line of credit in the amount of \$100,000 which it could draw upon. Additionally, the Club has unrestricted investment accounts that could be assessed for short-term liquidity needs if necessary. The Club receives financial assets with donor restrictions for specific spending. These assets are not available for general operations and are tracked and accounted for separately. The Club has identified the liquidity goal to maintain cash and short-term investments available for operating expenditures to meet 90 days of normal operating expenses, which is approximately \$1,117,000. Assuming subsequent year's revenues are fairly consistent, the Club should have sufficient funds to meet its operating needs.

NOTE 5 - PROPERTY AND EQUIPMENT

Property and Equipment owned by the Club at August 31, 2022 consist of the following:

	2022
Furniture and Fixtures	\$ 79,571
Leasehold Improvements	922,423
Machinery and Equipment	120,474
Vehicles	120,665
	<u>\$ 1,243,133</u>
Less Accumulated Depreciation	389,039
	<u>\$ 854,094</u>

Depreciation expense in the amount of \$127,442 is reported on the Statement of Functional Expenses for the year ended August 31, 2022.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

NOTE 6 - PLEDGED RECEIVABLES

As of August 31, 2022, the Club had pledged receivables in the amount of \$300,000, restricted for various purposes as disclosed in Note 8. All pledged receivables are due within a year.

NOTE 7 - LINE OF CREDIT

The Club has a \$100,000 revolving line of credit, due on demand. It has an interest rate of 6.5% and is collateralized by the Club's general business assets. As of August 31, 2022 there was no balance due on the line of credit. The line of credit is automatically extended annually.

NOTE 8 - NET ASSETS WITH DONOR RESTRICTIONS

Net Assets were donor-restricted at August 31, 2022 for the following purposes:

<u>Purpose for Restrictions</u>	<u>Amount</u>
Impact Center	\$ 100,000
Woodland Campaign	100,000
Capital Projects	50,000
Operating Expenditures (Time Restricted)	50,000
Total	<u>\$ 300,000</u>

Net assets released from donor restrictions due to occurrence of expenditures in the amount of \$200,000 are reported on the Statement of Activities for the year ended August 31, 2022.

NOTE 9 - OPERATING LEASE – LESSEE

The Club entered into a lease with Community Unit School District 300, with yearly rental payments of \$100, for space at a local elementary school. The lease became effective on July 1, 2019 and expires on August 31, 2030.

Additionally, the Club has an equipment lease with an expiration date of January 2025 with monthly payments of \$258 and additional usage charges.

Future minimum lease payments under operating leases that have remaining terms in excess of one year as of August 31, 2022, are:

<u>Year Ending August 31:</u>	
2023	\$ 3,197
2024	3,197
2025	1,391
2026	100
2027	100
Thereafter	300
Total	<u>\$ 8,285</u>

Rental expense in the amount of \$100 is reported under Occupancy Expenses on the Statement of Functional Expenses for the year ended August 31, 2022. For the copier lease, \$1,807 of equipment rental expenses was reported under Rental and Maintenance of Equipment on the Statement of Functional Expenses for the year ended August 31, 2022.

NOTE 10 - RETIREMENT PLAN

Effective January 1, 2009, the Club has established a 401(k) retirement plan through the Boys and Girls Club of America. Contributions are made throughout the year at 5% of the qualified employee's salary. Retirement plan contributions were \$89,272 for the year ended August 31, 2022.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

NOTE 11 - CONCENTRATIONS

The Club receives grant revenues for the 21st Century Learning Center and the Teen Reach Grant from the Alliance of Boys and Girls Clubs. Grant revenue from the Illinois Alliance of Boys & Girls Clubs for the year ended August 31, 2022 was 23% of total revenue.

NOTE 12 - RELATED PARTY TRANSACTIONS

The Club benefits from contributions from board members and key employees. Aggregated contributions were received from board members in the amount of \$307,351 during the year. This constitutes 7.3% of total support for the year ended August 31, 2022.

NOTE 13 - SUBSEQUENT EVENTS

The Club has evaluated subsequent events through June 8, 2023, the date on which the financial statements were available to be issued, and identified the following significant events:

In January 2023, the Club purchased a building in the amount of \$400,000 to be used for their new Woodlands Impact Center. The purchase was funded from grants and private donor contributions.

In September 2022, the Board of Directors approved the opening of a board designated endowment account. In January 2023, the Club opened an account with Edward Jones and transferred \$200,000 from the Club's checking account into this account. Funds held in this account are not subject to imposed restrictions.

NOTE 14 - CHANGE IN ACCOUNTING PRINCIPLE

The Club adopted the new accounting guidance ASU 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. The update requires the Club to disclose a disaggregation of the amount of contributed nonfinancial assets recognized within the Statement of Activities by the category of contributed nonfinancial assets and update the disclosure for each of these categories. The Club has adjusted the presentation of these statements and notes accordingly.

NOTE 15 - NET ASSETS ADJUSTMENT

The Club has made an adjustment to net assets as of August 31, 2022 in the amount of \$282,002 to correct a revenue that should have been recorded as accounts receivable in the prior year.

ANNUAL FEDERAL FINANCIAL COMPLIANCE SECTION



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH THE UNIFORM GUIDANCE

To the Board of Education
Boys & Girls Club of Dundee Township, Inc.
Carpentersville, Illinois

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited

Boys & Girls Club of Dundee Township, Inc.'s

compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Boys & Girls Club of Dundee Township, Inc.'s major federal programs for the year ended August 31, 2022. Boys & Girls Club of Dundee Township, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, Boys & Girls Club of Dundee Township, Inc. complied, in all material respects, with the 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, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Club and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each

major federal program. Our audit does not provide a legal determination of the Club's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Club's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Club's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Club's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Club's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Club's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the Club's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we identified a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

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. We consider the deficiency in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as item 2022-002 to be significant deficiency.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed. *Government Auditing Standards* requires the auditor to perform limited procedures on Boys & Girls Club of Dundee Township, Inc.'s response to the internal control over compliance findings identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. Boys & Girls Club of Dundee Township, Inc.'s response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.



Eccezion
Consultants • CPAs • Technology

McHenry, Illinois
June 8, 2023

BOYS & GIRLS CLUB OF DUNDEE TOWNSHIP
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED AUGUST 31, 2022

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass Through Contract Number	Dates of Program	Expenditures 9/1/21 to 8/31/22
U.S. Department of Human Services				
Passed through:				
Boys and Girls Club of America - Illinois Alliance				
477 Cluster				
Teen REACH Program (Responsibility, Education, Achievement, Caring and Hope)	93.558	FCSBR04801	7/1/2021 - 6/30/2022	\$ 146,680
Teen REACH Program (Responsibility, Education, Achievement, Caring and Hope)	93.558	FCSBR04801	7/1/2022 - 6/30/2022	37,579
Subtotal - 93.558				<u>\$ 184,259</u>
Total 477 Cluster				<u>\$ 184,259</u>
Passed Through:				
Illinois Department of Human Services				
CCDF Cluster				
Covid-19 - Child Care Restoration Grant	93.575	N/A	7/1/2021 - 9/30/2021	\$ 42,001
Covid-19 - Child Care Restoration Grant	93.575	N/A	10/1/2021 - 12/31/2021	306,000
Covid-19 - Child Care Restoration Grant	93.575	N/A	1/1/2022 - 6/30/2022	288,000
Covid-19 - Child Care Restoration Grant	93.575	N/A	7/1/2022 - 12/31/2022	96,000
Subtotal - 93.575				<u>\$ 732,001</u>
Total CCDF Cluster				<u>\$ 732,001</u>
Total CFDA "93"				<u>\$ 916,260</u>
Corporation for National and Community Service (CNCS)				
Passed through:				
State of Illinois				
AmeriCorps Academic Success	94.006	FCSAY06268	9/1/2021 - 8/31/2022	\$ 205,001
AmeriCorps Formula Traditional	94.006	FCSBY06268	7/1/2022 - 6/30/2023	60,006
Subtotal - 94.006				<u>\$ 265,007</u>
Total CFDA "94"				<u>\$ 265,007</u>
U.S. Department of Labor				
Passed Through:				
Kane County				
WIOA Cluster				
WIOA Youth Activities	17.259	AA-26777-15-55-A-17	6/1/2021 - 6/30/2022	\$ 77,150
Total WIOA Cluster				<u>\$ 77,150</u>
Total CFDA "17"				<u>\$ 77,150</u>
U.S. Department of Justice				
Passed Through:				
Boys and Girls Club of America - Illinois Alliance				
Mentoring Youth At-Risk	16.726	OJJP 2020-48261	1/1/2021 - 12/31/2021	\$ 11,732
Mentoring Youth At-Risk	16.726	OJJP 2021-49251	2/7/2022 - 12/31/2022	7,166
Subtotal - 16.726				<u>\$ 18,898</u>
Total CFDA "16"				<u>\$ 18,898</u>
U.S. Department of Education				
Passed Through:				
Illinois State Board of Education				
Covid-19 American Rescue Plan Elementary and Secondary School Emergency Relief (ARP ESSER) Fund	84.425	4998-CP	6/15/2022 - 6/30/2023	\$ 25,879
Twenty-First Century Community Learning Centers (M)	84.287	4421-A2	11/15/2021 - 8/31/2022	\$ 254,229
Passed Through:				
Boys and Girls Club of America - Illinois Alliance				
Twenty-First Century Community Learning Centers (M)	84.287	N/A	7/1/2021 - 6/30/2022	740,544
Twenty-First Century Community Learning Centers (M)	84.287	N/A	7/1/2022 - 6/30/2023	72,794
Subtotal - 84.287				<u>\$ 1,067,567</u>
Total CFDA "84"				<u>\$ 1,093,446</u>
Total Federal Assistance				<u>\$ 2,370,761</u>

(M) - Denotes Major Program

BOYS & GIRLS CLUB OF DUNDEE TOWNSHIP, INC.
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED AUGUST 31, 2022

NOTE 1 - BASIS OF PRESENTATION

The Schedule of Expenditures of Federal Awards includes the federal grant activity of Boys & Girls Club of Dundee Township, Inc. under programs of the federal government for the year ended August 31, 2022. The information in this Schedule is presented in accordance with requirements of the Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Boys & Girls Club of Dundee Township, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of Boys & Girls Club of Dundee Township, Inc..

NOTE 2 - SUMMARY OF 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 allowed, or are limited as to reimbursement.

NOTE 3 - INDIRECT COST RATE

Boys & Girls Club of Dundee Township, Inc. has elected not to use a 10 percent de minimis indirect rate as allowed under the Uniform Guidance.

NOTE 4 - SUBRECIPIENTS

Boys & Girls Club of Dundee Township, Inc. did not provide federal awards to subrecipients during the year ended August 31, 2022.

NOTE 5 - FEDERAL LOANS

Boys & Girls Club of Dundee Township, Inc. did not have any federal loans or loan guarantees outstanding for the year ended August 31, 2022.

NOTE 6 - DONATED PERSONAL PROTECTIVE EQUIPMENT (PPE) (UNAUDITED)

Boys & Girls Club of Dundee Township, Inc. did not receive any federally donated PPE during the year ended August 31, 2022.

BOYS & GIRLS CLUB OF DUNDEE TOWNSHIP, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
AUGUST 31, 2022

- 1) Summary of auditor's results:
 - a) The auditor's report expresses an unmodified opinion on whether the financial statements of Boys & Girls Club of Dundee Township, Inc. were prepared in accordance with GAAP.
 - b) One significant deficiency disclosed during the audit of the financial statements is reported in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*. No material weaknesses are reported.
 - c) No instances of noncompliance material to the financial statements of Boys & Girls Club of Dundee Township, Inc., which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
 - d) A significant deficiency in internal control over major federal award programs is reported during the audit of the financial statements. No material weaknesses in internal control over major federal award programs are reported.
 - e) The auditor's report on compliance for the major federal award programs for Boys & Girls Club of Dundee Township, Inc. expresses an unmodified opinion on all major federal programs.
 - f) There are no audit findings that are required to be reported in accordance with Uniform Guidance 2 CFR section 200.516(a).
 - g) The program tested as a major program was: Twenty-First Century Community Learning Centers – CFDA #84.287.
 - h) The threshold used for distinguishing between Type A and B programs was \$750,000.
 - i) Boys & Girls Club of Dundee Township, Inc. was not determined to be a low-risk auditee.
- 2) The finding relating to the financial statements which is required to be reported is detailed in finding number 2022-001.
- 3) The finding relating to federal awards which is required to be reported is detailed in finding number 2022-002.

BOYS & GIRLS CLUB OF DUNDEE TOWNSHIP, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FINANCIAL STATEMENT FINDINGS
FOR THE YEAR ENDED AUGUST 31, 2022

SIGNIFICANT DEFICIENCY

FINDING NUMBER: 2022-001

Criteria or specific requirement:

Management is responsible for ensuring that the Club has appropriate internal control procedures in place for payroll.

Condition:

Payroll reports are not being reviewed before payroll is processed.

Context:

Payroll reports are not being reviewed by someone other than the person entering the payroll data in the payroll software.

Effect:

Material misstatements of payroll expenses may not be caught before they occur.

Cause:

The Club does not have procedures in place to ensure review of payroll reports before processing.

Recommendation:

The Club should review its internal control procedures and adjust them to provide better controls over payroll.

Management's response:

The Club plans to review the issue with its current procedures and revise them as necessary to provide better controls over payroll.

BOYS & GIRLS CLUB OF DUNDEE TOWNSHIP, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FEDERAL AWARDS FINDINGS
FOR THE YEAR ENDED AUGUST 31, 2022

SIGNIFICANT DEFICIENCY

FINDING NUMBER: 2022-002

Criteria or specific requirement:

Management is responsible for ensuring that the Club complies with all grant requirements.

Condition:

During the audit it was noted that in one instance wages submitted for reimbursement for one Club employee were more than gross wages that should have been assigned to the grant based on the amount of the paycheck and the percentage allocation.

Questioned Costs:

Questioned costs consist of the difference between what was submitted to the grant for reimbursement for the specific paycheck tested and the actual costs that should have been submitted, for an amount of \$206.

Context:

Gross wages for one employee were incorrectly entered into the grant expenditure report.

Effect:

Grant reimbursement requests could be misstated if discrepancies are not caught before they are being submitted for reimbursement.

Cause:

Gross wages for one employee were entered incorrectly in the grant expenditure report and the inaccurate entry was not caught before the reimbursement request was submitted.

Recommendation:

Management should review grant expenditures carefully before they are being submitted for reimbursement.

Management's response:

The Club plans to review the issue with its current procedures and revise them as necessary to provide better controls over grant expenditures.

BOYS & GIRLS CLUB OF DUNDEE TOWNSHIP, INC.
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED AUGUST 31, 2022

There were no prior year audit findings.

**GREAT FUTURES START HERE
IN DUNDEE TOWNSHIP.**



**BOYS & GIRLS CLUBS
OF DUNDEE TOWNSHIP**

**CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS
FOR THE YEAR ENDED AUGUST 31, 2022**

Executive Committee

Wendy Farley
President

Mark Krueger
Past President

Tom Roeser
Vice President

Mark Seigle
Vice President

Amy Wickstrom
Vice President

Susan Harkin
Secretary

Carol Morse
Treasurer

Board of Directors

Darcy Bretz
Barbara Ferguson
Ernesto Gamino
Susan Harkin
Melissa Hernandez
Blair Motl
Carol Morse
Christopher Noon
Jake Pepper
Dave Peterson
Brittany Reichwein
Cynthia Ross
Peter Ruvalcaba
Kim Scott
Dr. James Wilcox

Chief Executive Officer

Drew Glassford

FINDING NUMBER: 2022-001

Condition:

Payroll reports are not being reviewed before payroll is processed.

Plan:

The Club plans to review the issue with its current procedures and revise them as necessary to provide better controls over payroll.

Anticipated Date of Completion: As soon as possible – before FY23 year end

Name of Contact Person: Drew Glassford, CEO

Management Response: Since the audit, we have evaluated our payroll controls and we are working on improving our current procedures and controls over the payroll process.

**GREAT FUTURES START HERE
IN DUNDEE TOWNSHIP.**



**BOYS & GIRLS CLUBS
OF DUNDEE TOWNSHIP**

**CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS
FOR THE YEAR ENDED AUGUST 31, 2022**

Executive Committee

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Amy Wickstrom
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Susan Harkin
Melissa Hernandez
Blair Motl
Carol Morse
Christopher Noon
Jake Pepper
Dave Peterson
Brittany Reichwein
Cynthia Ross
Peter Ruvalcaba
Kim Scott
Dr. James Wilcox

Chief Executive Officer

Drew Glassford

FINDING NUMBER: 2022-002

Condition:

During the audit it was noted that in one instance wages submitted for reimbursement for one Club employee were more than gross wages that should have been assigned to the grant based on the amount of the paycheck and the percentage allocation.

Plan:

The Club plans to review the issue with its current procedures and revise them as necessary to provide better controls over grant expenditures.

Anticipated Date of Completion: As soon as possible – before FY23 year end

Name of Contact Person: Drew Glassford, CEO

Management Response: Since the audit, we have evaluated our procedures related to grant reimbursement requests review and we are working on improving our current procedures.