

OASIS CENTER, INC.
AUDITED FINANCIAL STATEMENTS
Year Ended June 30, 2023
(With Comparative Totals for 2022)

OASIS CENTER, INC.

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OASIS CENTER, INC.
ROSTER OF BOARD OF DIRECTORS
June 30, 2023

Jill Heyman	President
Jason Jenson	Treasurer
Adam Winstead	Board Member
Brian McKinley	Board Member
Chris Patterson	Board Member
Frank Drummond	Board Member
Jianne McDonald	Board Member
Jim Whatton	Board Member
John Ozier	Board Member
Jonathan Roberts	Board Member
Kristie Nettles	Board Member
Lynn Blake	Board Member
Marek Kwasniewski	Board Member
Martha Earls	Board Member
Melissa Eli	Board Member
Rexford B. Martin, Jr.	Board Member
Rick Theobald	Board Member
Sandra Crowe	Board Member
Sunny Eaton	Board Member
Tashina Mason	Board Member

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
of Oasis Center, Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Oasis Center, Inc. (the "Organization"), a nonprofit organization, which comprise the statement of financial position as of June 30, 2023, 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 financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of June 30, 2023, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 the Organization 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.

Prior Period Financial Statements

The financial statements as of June 30, 2022, were audited by Cherry Bekaert LLP and whose report dated March 6, 2023, expressed an unmodified opinion on those statements.

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.

Responsibilities of Management for the Financial Statements (Continued)

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 Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be 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 generally accepted 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 generally accepted 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 the Organization'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 Organization'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.

Supplementary 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 and state financial assistance, as required by Title 2 U.S. Code of Federal Regulations 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 schedule of expenditures of federal awards and state financial assistance is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Information

Management is responsible for the other information included with the financial statements. The other information comprises the roster of board of directors but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 2, 2024, on our consideration of Oasis Center, 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 the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

The logo for UHY LLP is written in a stylized, cursive script. The letters 'UHY' are larger and more prominent, with 'LLP' following in a smaller, similar font.

Nashville, Tennessee
February 2, 2024

OASIS CENTER, INC.
STATEMENT OF FINANCIAL POSITION
June 30, 2023 (With Comparative Totals for 2022)

	<u>2023</u>	<u>2022</u>
ASSETS		
CURRENT ASSETS		
Cash	\$ 1,235,196	\$ 1,243,198
Accounts and grants receivable	628,948	563,496
Prepaid expenses	<u>92,642</u>	<u>119,265</u>
Total current assets	<u>1,956,786</u>	<u>1,925,959</u>
OTHER ASSETS		
Investments	2,614,055	2,330,130
Property and equipment, net	<u>4,037,918</u>	<u>4,251,205</u>
Total other assets	<u>6,651,973</u>	<u>6,581,335</u>
TOTAL ASSETS	<u>\$ 8,608,759</u>	<u>\$ 8,507,294</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 155,066	\$ 255,867
Accrued expenses	<u>154,236</u>	<u>127,961</u>
Total current liabilities	<u>309,302</u>	<u>383,828</u>
NET ASSETS		
Without donor restrictions	7,820,357	8,123,274
With donor restrictions	<u>479,100</u>	<u>192</u>
Total net assets	<u>8,299,457</u>	<u>8,123,466</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 8,608,759</u>	<u>\$ 8,507,294</u>

See notes to financial statements.

OASIS CENTER, INC.**STATEMENT OF ACTIVITIES**

Year ended June 30, 2023 (With Comparative Totals for 2022)

	Without Donor Restrictions	With Donor Restrictions	Total 2023	Total 2022
Public Support and Revenue:				
Gross special event revenue	\$ 310,533	\$ -	310,533	\$ 134,832
Less direct cost of special events	(99,094)	-	(99,094)	(41,905)
Net special events revenue	<u>211,439</u>	<u>-</u>	<u>211,439</u>	<u>92,927</u>
Public Support and Other Revenue				
Government grants	3,573,101	-	3,573,101	3,460,403
Contributions	1,598,662	506,408	2,105,070	2,289,356
Paycheck Protection Program grant	-	-	-	779,300
Other grants	436,964	-	436,964	452,704
United Way grant	327,800	-	327,800	327,800
Investment income (loss), net	276,350	-	276,350	(361,849)
Program fees	15,760	-	15,760	13,534
Other income	57,732	-	57,732	51,111
Net assets released from restriction	<u>27,500</u>	<u>(27,500)</u>	<u>-</u>	<u>-</u>
Total public support	<u>6,313,869</u>	<u>478,908</u>	<u>6,792,777</u>	<u>7,012,359</u>
Total revenue	<u>6,525,308</u>	<u>478,908</u>	<u>7,004,216</u>	<u>7,105,286</u>
Expenses:				
Program services				
Residential and crisis services	3,027,930	-	3,027,930	2,738,586
Youth action services	515,199	-	515,199	489,112
Statewide TOP	449,006	-	449,006	443,227
Youth engagement services	646,603	-	646,603	627,052
Transition initiative	-	-	-	188,297
College connection	529,166	-	529,166	511,862
Counseling services	<u>234,279</u>	<u>-</u>	<u>234,279</u>	<u>278,957</u>
Total program services	<u>5,402,183</u>	<u>-</u>	<u>5,402,183</u>	<u>5,277,093</u>
Supporting Services				
Management and general	967,753	-	967,753	899,240
Fundraising	<u>458,289</u>	<u>-</u>	<u>458,289</u>	<u>405,881</u>
Total supporting services	<u>1,426,042</u>	<u>-</u>	<u>1,426,042</u>	<u>1,305,121</u>
Total expenses	<u>6,828,225</u>	<u>-</u>	<u>6,828,225</u>	<u>6,582,214</u>
Change in net assets	(302,917)	478,908	175,991	523,072
Net assets - beginning of year	<u>8,123,274</u>	<u>192</u>	<u>8,123,466</u>	<u>7,600,394</u>
Net assets - end of year	<u>\$ 7,820,357</u>	<u>\$ 479,100</u>	<u>\$ 8,299,457</u>	<u>\$ 8,123,466</u>

See notes to financial statements.

OASIS CENTER, INC.

STATEMENT OF FUNCTIONAL EXPENSES

Year ended June 30, 2023 (With Comparative Totals for 2022)

	Program Services						Supporting Services			Total	Total	
	Residential and Crisis Services	Youth Action Services	Statewide TOP	Youth Engagement Services	College Connection	Counseling Services	Total Program Services	Management and General	Fundraising	Total Supporting Services	2023	2022
Salaries	\$ 1,389,495	\$ 272,539	\$ 226,733	\$ 354,142	\$ 396,722	\$ 169,503	\$ 2,809,134	\$ 528,868	\$ 337,073	\$ 865,941	\$ 3,675,075	\$ 3,773,420
Fringe benefits	253,773	60,040	35,720	59,195	80,559	32,755	522,042	121,606	57,848	179,454	701,496	688,958
Total payroll and related expenses	1,643,268	332,579	262,453	413,337	477,281	202,258	3,331,176	650,474	394,921	1,045,395	4,376,571	4,462,378
Conferences and meetings	4,050	14,528	2,651	5,764	-	295	27,288	309	240	549	27,837	50,395
Depreciation	77,853	33,174	8,712	43,521	8,863	13,943	186,066	25,384	8,018	33,402	219,468	231,297
Equipment	3,059	-	-	15,140	-	-	18,199	21,516	-	21,516	39,715	56,983
Grants and subcontracts	-	-	98,023	-	-	-	98,023	-	-	-	98,023	99,761
Insurance	16,177	3,869	2,041	12,426	2,793	1,826	39,132	7,495	2,292	9,787	48,919	42,317
Maintenance	17,638	3,247	2,237	27,192	2,667	1,665	54,646	9,287	1,774	11,061	65,707	51,656
Miscellaneous	12,402	2,823	77	477	3,180	158	19,117	23,049	15,847	38,896	58,013	32,260
Occupancy	24,105	10,927	7,917	12,096	9,463	5,766	70,274	18,240	6,258	24,498	94,772	93,203
Postage and shipping	-	267	2,904	-	-	-	3,171	607	1,427	2,034	5,205	6,037
Printing and publications	3,466	31,933	13,787	10,420	3,299	1,019	63,924	30,503	10,052	40,555	104,479	101,523
Professional fees	44,938	9,476	14,986	31,973	5,921	3,310	110,604	138,847	6,413	145,260	255,864	272,066
Special assistance	1,106,518	24,463	6,592	17,510	591	1,013	1,156,687	150	287	437	1,157,124	888,250
Special events	-	-	-	-	-	-	-	-	99,094	99,094	99,094	41,905
Supplies	41,644	32,720	4,507	33,593	7,731	1,811	122,006	27,915	7,654	35,569	157,575	128,648
Telephone	16,760	2,839	2,511	3,673	2,500	1,208	29,491	13,419	1,892	15,311	44,802	43,555
Travel	16,052	12,354	19,608	19,481	4,877	7	72,379	558	1,214	1,772	74,151	21,885
Total expenses by function	3,027,930	515,199	449,006	646,603	529,166	234,279	5,402,183	967,753	557,383	1,525,136	6,927,319	6,624,119
Less expense included with revenues on the statement of activities:												
Direct cost of special events	-	-	-	-	-	-	-	-	(99,094)	(99,094)	(99,094)	(41,905)
Total expenses included in the expense section on the statement of activities	\$ 3,027,930	\$ 515,199	\$ 449,006	\$ 646,603	\$ 529,166	\$ 234,279	\$ 5,402,183	\$ 967,753	\$ 458,289	\$ 1,426,042	\$ 6,828,225	\$ 6,582,214

OASIS CENTER, INC.
STATEMENT OF CASH FLOWS
Year ended June 30, 2023 (With Comparative Totals for 2022)

	<u>2023</u>	<u>2022</u>
Cash Flows From Operating Activities:		
Change in net assets	\$ 175,991	\$ 523,072
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	219,468	231,297
Net investment income	-	
Realized and unrealized (gain) loss on sale of investments	(221,174)	405,728
Changes in:		
Accounts and grants receivable	(65,452)	230,004
Prepaid expenses	26,623	(45,869)
Accounts payable	(100,801)	3,646
Accrued expenses	26,275	(37,830)
Contract liabilities	-	(779,300)
Total adjustments	<u>(115,061)</u>	<u>7,676</u>
Net cash provided by operating activities	<u>60,930</u>	<u>530,748</u>
Cash Flows From Investing Activities:		
Purchase of property and equipment	(6,181)	-
Purchase of investments	(990,451)	(726,248)
Proceeds from sale of investments	927,700	708,014
Proceeds from sale of property and equipment	-	(19,692)
Net cash used in investing activities	<u>(68,932)</u>	<u>(37,926)</u>
Change in cash	(8,002)	492,822
Cash - beginning of year	<u>1,243,198</u>	<u>357,125</u>
Cash - end of year	<u>\$ 1,235,196</u>	<u>\$ 1,243,198</u>

See notes to financial statements.

Oasis Center, Inc.
NOTES TO FINANCIAL STATEMENTS
June 30, 2023 (With Comparative Totals for 2022)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities and Program Description

Oasis Center, Inc. (the “Organization”) is a nonprofit organization that provides comprehensive youth services, including an emergency shelter, counseling, independent living, employment training, and other educational opportunities for teens in Middle Tennessee. The Center is funded by government grants, United Way, private donations, and fees for service.

Program Services

The following program services are included in the accompanying financial statements:

Residential and Crisis Services – Provides immediate response to youth in crisis, who have run away or who are experiencing homelessness. These services include an Emergency Shelter for youth ages 13 to 17 years old, along with street outreach, a drop-in center, case management, and connections to permanent housing for youth experiencing homelessness, ages 18 to 22 years old.

Youth Action Services – Helps youth develop leadership and life skills while working to create change on systemic issues they deem critical to their lives and to other youth in the community. Youth Action Services includes programs like the Mayor’s Youth Council, WeGo Public Transit Youth Action Team, Students of Stonewall, and Building Bridges.

Statewide TOP® – A state-wide effort to disseminate the Wyman Center’s evidence-based Teen Outreach Program (“TOP®”) in foster care, juvenile justice, and educational settings across Tennessee. This initiative focuses on training and supporting staff in these settings to implement TOP® as a means to improve life skills, health behaviors, and sense of purpose for particularly at-risk youth populations.

Youth Engagement Services – Engages at-risk youth in building positive identities and strong connections to their communities. Service-learning is central to this work as a tool for developing meaningful relationships, civic responsibility, and a positive sense of self. These services include programs like the International Teen Outreach Program, R.E.A.L., the Bike Workshop, and Just Us.

Transition Initiative – Provides workforce development and job preparedness training for low-income and at-risk youth, ages 14 to 24 years old. Youth are supported in an individualized career development process that connects them to sustainable career pathways, wraparound supportive services, and follow-up support.

College Connection – Helps make college a reality for low-income, New American, and potential first generation college students by offering comprehensive college counseling services. Mobile staff engage students and families in schools, libraries, and community centers to help them build college-going identities, explore college/career options, complete financial aid and admissions paperwork, and find their most appropriate “fit” in order to be successful.

Oasis Center, Inc.
NOTES TO FINANCIAL STATEMENTS
June 30, 2023 (With Comparative Totals for 2022)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Nature of Activities and Program Description (Continued)

Counseling Services – Family, individual, and group counseling designed to address a wide range of issues affecting teens and their families. This work focuses on helping youth and families find hope and healing, build stronger relationships, discover personal strengths and resources, and find solutions that nurture ongoing positive growth.

Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets 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 organization. These net assets may be used at the discretion of the Organization's management and the board of directors. Restrictions fulfilled in the same accounting period in which the contributions are received are reported in the Statement of Activities as unrestricted.

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 Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Use of Estimates

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

Prior Year Summarized Financial Information

While comparative information is not required under U.S. GAAP, the certain summarized financial information from 2022 financial statements has been included. Such summarized information is not intended to be a complete presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the financial statements as of and for the year ended June 30, 2022, from which it was derived.

Cash

Cash consists of checking accounts. The Organization's cash deposits in financial institutions at times may be in excess of its insured limits. Management has deemed this as normal business risk.

Oasis Center, Inc.
NOTES TO FINANCIAL STATEMENTS
June 30, 2023 (With Comparative Totals for 2022)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounts and Grants Receivable

Accounts receivable are stated at the amount that management expects to collect from outstanding balances. Grants receivable consists of receivables from the United States Department of Housing and Urban Development (HUD). Management provides for probable uncollectible amounts through a charge to earnings and a credit to the valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. At June 30, 2023, and 2022, management has determined that an allowance for doubtful accounts is not necessary.

Investments

Investments are reported at fair value based on quoted market prices of major securities exchanges or other valuation models. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement of financial position. Gains or losses on sales of investments are determined on a specific cost identification method. Unrealized gains and losses are determined based on year-end fair value fluctuations.

Property and Equipment

Property and equipment are recorded at cost, or, if donated, at the estimated fair market value at the date of donation. If equipment is donated, the donor can stipulate how long the assets must be used, and the contributions are recorded as restricted support. In the absence of such stipulations, contributions of property and equipment are recorded as unrestricted support. Our capitalization policy is to capitalize any expenditure over \$1,000 for property and equipment. Depreciation is provided utilizing the straight-line method over the estimated useful lives of the respective assets. Expenditures for repairs and maintenance are charged to expense as incurred.

Asset Impairment Assessments

The Organization reviews long-lived assets for impairment whenever events or circumstances indicate that the carrying value of such assets may not be fully recoverable. Impairment is recognized to the extent that the sum of undiscounted estimated future cash flows expected to result from use of the assets is less than carrying value. If impairment is recognized, the carrying value of the impaired asset is reduced to its fair value.

Prior Year Summarized Financial Information

While comparative information is not required under United States generally accepted accounting principles ("US GAAP"), the Organization believes that this information is useful and have included certain summarized financial information from the 2022 financial statements. Such summarized information is not intended to be a complete presentation in conformity with US GAAP. Accordingly, such information should be read in conjunction with the Organization's financial statements as of and for the year ended June 30, 2023, from which it was derived.

Oasis Center, Inc.
NOTES TO FINANCIAL STATEMENTS
June 30, 2023 (With Comparative Totals for 2022)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Public Support

All public support – contributions are considered to be available for the general programs of the Organization unless specifically restricted by the donor or grantor. The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or a purpose restriction has been accomplished, donor restricted net assets are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. The Organization's grants are primarily grants from the federal government, which are reported in net assets without donor restrictions.

Compensated Absences

Employees of the Organization are granted vacation and sick leave in varying amounts. In the event of termination, an employee is paid for accumulated vacation, but not for accumulated sick leave. Accordingly, vacation pay is accrued and recognized as an expense in the period earned by employees.

Functional Allocation of Expenses

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 expense by function.

The financial statements report certain categories of expense that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied.

The majority of expenses are specifically identified and directly coded to program services or supporting services. Allocated expenses include payroll and related expenses, advertising, continuing education, depreciation and amortization, dues and subscriptions, general & IT repairs and maintenance, general administration expenses, in-kind expenses, insurance, merchant and bank fees, mileage and expense reimbursement, office supplies, postage and freight, printing, professional services, rent, and utilities. Allocated amounts are based on time spent, square footage, and percentages based on how resources are used.

Advertising

Advertising is expensed as incurred. Total advertising expense for the years ended June 30, 2023, and 2022, was \$16,607 and \$15,110, respectively.

Tax Status

The Organization is a not-for-profit corporation as described in Section 501(c)(3) of the Internal Revenue Code (the Code) and is exempt from federal tax pursuant to Section 501(a) of the Code. The Organization is, however, liable for income taxes to the extent that it recognizes unrelated business income net of related expenses.

Oasis Center, Inc.
NOTES TO FINANCIAL STATEMENTS
June 30, 2023 (With Comparative Totals for 2022)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases

The Organization determines if an arrangement is a lease at inception by determining whether the arrangement conveys the right to control the use of the identified asset for a period of time, whether the Organization has the right to obtain substantially all of the economic benefits from use of the identified asset, and the right to direct the use of the asset. Lease liabilities are recognized at the commencement date based upon the present value of the remaining future minimum lease payments over the lease term using the rate implicit in the lease or the Organization's risk-free rate. The risk-free rate is defined as the daily treasury par yield curve rate for a period of time that approximates the lease term. The Organization's lease terms include options to renew or terminate the lease when it is reasonably certain that it will exercise the option.

The lease right-of-use assets are initially measured at the carrying amount of the lease liability and adjusted for any prepaid or accrued lease payments, remaining balance of lease incentives received, unamortized initial direct costs, or impairment charges relating to the right-of-use asset. Certain leases contain escalation clauses, which are factored into the right-of-use asset where appropriate. Lease expense for minimum lease payments are recognized on straight-line basis over the lease term.

Variable lease expenses include payments based upon changes in a rate or index, such as consumer price indexes, as well as usage of the lease asset are expenses as incurred. The Organization lease agreements do not contain any material residual value guarantee or material restrictive covenants.

Fair Value Measurements

The fair value is defined as the exchange price that would be received for the asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The Organization determines the fair values of its financial instruments based on the fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value.

Financial instruments are considered Level 1 when valuation can be based on quoted prices in active markets for identical assets or liabilities. Level 2 financial instruments are valued using quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data of substantially the full term of the assets or liabilities. Financial instruments are considered Level 3 when their values are determined using pricing models, discounted cash flow methodologies or similar techniques and at least one significant model assumption or input is unobservable and when determination of the fair value requires significant management judgment or estimation.

Oasis Center, Inc.
NOTES TO FINANCIAL STATEMENTS
June 30, 2023 (With Comparative Totals for 2022)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recently Adopted Accounting Pronouncements

In February 2016, the Financial Accounting Standards Board issued accounting standards update (“ASU”) 2016-02 “Leases (Topic 842)”. Under this guidance, an entity is required to recognize right-of-use assets and lease liabilities with lease terms greater than 12 months on its statement of financial position and disclose key information about leasing arrangements.

The Organization adopted the new standard effective July 1, 2022, using the modified retrospective approach. This approach allows the Organization to initially apply the ASU at the adoption date and recognize a cumulative adjustment to the opening balance of net assets in the period of adoption. The adoption of the new standard had no impact on net assets.

The Organization elected the package of practical expedients permitted under the transition guidance within the new standard, which among other things, allowed the Organization to carry forward historical lease classification.

The Organization determines if an arrangement is a lease at inception by determining whether the agreement conveys the right to control the use of the identified asset for a period of time, whether the Organization has the right to obtain substantially all of the economic benefits from use of the identified asset, and the right to direct the use of the asset. Lease liabilities are recognized at the commencement date based upon the present value of the remaining future minimum lease payments over the lease term using the rate implicit in the lease or the Organization's incremental borrowing rate. The incremental borrowing rate is defined as the rate of interest the Organization would have to pay to borrow on a collateralized basis over a similar term in an amount equal to the lease payments in a similar economic environment. The Organization's lease terms include options to renew or terminate the lease when it is reasonably certain that it will exercise the option.

Subsequent Events

The Organization has performed a review of events subsequent to the statement of financial position date through February 2, 2024, the date financial statements were available to be issued.

Oasis Center, Inc.
NOTES TO FINANCIAL STATEMENTS
June 30, 2023 (With Comparative Totals for 2022)

NOTE 2 – AVAILABILITY AND LIQUIDITY

Financial assets available for general expenditure within one year of the statement of financial position, consisted of the following at June 30, 2023:

	<u>2023</u>	<u>2022</u>
Cash	\$ 1,235,196	\$ 849,947
Receivables from grantor agencies	548,263	455,979
Other receivables	80,685	107,517
Investments	<u>2,614,055</u>	<u>2,723,381</u>
	4,478,199	4,136,824
Financial assets not available to be used within one year	(485,419)	(192)
	<u> </u>	<u> </u>
Financial assets available to meet general expenditures within one year	<u>\$ 3,992,780</u>	<u>\$ 4,136,632</u>

The Organization has certain donor-restricted assets limited to use which are only available for restricted programs. Accordingly, these assets have been excluded in the qualitative information above and are described in NOTE 8.

The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Organization considers all expenditures related to its ongoing program service activities as well as the conduct of services undertaken to support those activities to be general expenditures.

NOTE 3 – CONCENTRATIONS OF CREDIT RISKS

Financial instruments that potentially subject the Organization to concentrations of credit risk consist of cash and cash equivalents, and various grant, contract and contributions receivable. Grant, contract and contributions receivable represent concentrations of credit risk to the extent they are receivable from concentrated sources. The Organization receives a substantial amount of its support from government grants and United Way. A significant reduction in the level of this support, if this were to occur, may have an adverse effect on the Organization’s programs and activities.

Cash is maintained in bank accounts which, at times, may exceed federally insured limits. As of June 30, 2023, we have \$673,541 in excess of FDIC insured balances.

Oasis Center, Inc.
NOTES TO FINANCIAL STATEMENTS
June 30, 2023 (With Comparative Totals for 2022)

NOTE 4 – INVESTMENTS

Investments consisted of the following:

	June 30,			
	2023		2022	
	Cost	Fair Value	Cost	Fair Value
Money Market Funds	\$ 362,732	\$ 362,732	\$ 393,251	\$ 393,251
Equities	1,139,624	1,416,701	1,059,214	1,163,142
Mutual Funds	1,062,340	1,197,354	1,098,823	1,166,988
	<u>\$ 2,564,696</u>	<u>\$ 2,976,787</u>	<u>\$ 2,551,288</u>	<u>\$ 2,723,381</u>

As of June 30, 2023, and 2022, the investment balance was included as financial assets available for general expenditure.

NOTE 5 — FAIR VALUE MEASUREMENTS

The following table summarizes our financial assets measured at fair value on a recurring basis segregated by level of valuation inputs within the fair value hierarchy utilized to measure fair value as of June 30, 2023:

	Level 1	Level 2	Level 3	Total
Money market accounts	\$ 362,732			\$ 362,732
Equities	1,416,701			1,416,701
Mutual Funds	1,197,354			1,197,354
Investments, NOTE 4	<u>\$ 2,976,787</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,976,787</u>

As at June 30, 2022, fair value hierarchy of investments were as follows:

	Level 1	Level 2	Level 3	Total
Money market accounts	\$ 393,251			\$ 393,251
Equities	1,163,142			1,163,142
Mutual Funds	1,166,988			1,166,988
Investments, NOTE 4	<u>\$ 2,723,381</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,723,381</u>

Oasis Center, Inc.
NOTES TO FINANCIAL STATEMENTS
June 30, 2023 (With Comparative Totals for 2022)

NOTE 6 – PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

	<u>2023</u>	<u>2022</u>
Land	\$ 290,001	\$ 290,001
Building and improvements	5,737,983	5,737,983
Furniture and equipment	756,001	749,821
Vehicles	86,427	86,427
Artwork	<u>18,500</u>	<u>18,500</u>
	6,888,912	6,882,732
Less: accumulated depreciation	<u>(2,850,994)</u>	<u>(2,631,527)</u>
Total property and equipment, net	<u>\$ 4,037,918</u>	<u>\$ 4,251,205</u>

The aggregate depreciation charged to operations for the years ended June 30, 2023, and 2022, was \$219,468 and \$231,297, respectively.

NOTE 7 – ACCRUED EXPENSES

Accrued expenses consisted of the following at June 30:

	<u>2023</u>	<u>2022</u>
Accrued annual leave expense	\$ 123,568	\$ 127,961
Other	<u>30,668</u>	<u> </u>
	<u>\$ 154,236</u>	<u>\$ 127,961</u>

NOTE 8 – NET ASSETS

Net assets with donor restrictions are available for the following purposes or periods at June 30:

	<u>2023</u>	<u>2022</u>
Pledges	\$ -	\$ 192
Time restricted grants	426,408	
Support security upgrades	50,000	
Art studio	<u>2,692</u>	
	<u>\$ 479,100</u>	<u>\$ 192</u>

Oasis Center, Inc.
NOTES TO FINANCIAL STATEMENTS
June 30, 2023 (With Comparative Totals for 2022)

NOTE 9 — EMPLOYEE BENEFIT PLAN

The Organization has a 401(k) retirement plan for administrative employees who have reached age 21 and have been employed for six months. The plan provides for discretionary employer-matching contributions. Employer-matching contributions totaled \$44,820 and \$26,372 for the years ended June 30, 2023, and 2022.

NOTE 10 — PAYCHECK PROTECTION PLAN (PPP) LOAN

The Organization received a U.S. Small Business Administration Paycheck Protection Plan Loan (“PPP Loan”) under the Coronavirus Aid, Relief, and Economic Security Act Loan during 2021. In August 2021, the PPP loan of \$779,300, plus accrued interest, was fully forgiven by the SBA and was recognized within the statement of activities for the year ended June 30, 2022.

According to the rules of the SBA, the Organization is required to retain PPP loan documentation for six years and permit authorized representatives of the SBA to access such files upon request. Should the SBA conduct such a review and reject all or some of the Organization’s judgments pertaining to satisfying PPP loan eligibility or forgiveness conditions, the Organization may be required to adjust previously reported amounts and disclosures in the financial statements.

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
of Oasis Center, Inc.

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 Oasis Center, Inc. (a nonprofit organization), which comprise the statement of activities as of June 30, 2023, and the related statements of activities, functional expenses and cashflows for the year then ended, and the related notes to the financial statements, which collectively comprise of Oasis Center, Inc.'s basic financial statements, and have issued our report thereon dated February 2, 2024.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered of Oasis Center, 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 Oasis Center, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Oasis Center, 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 entity'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 or significant deficiencies may exist that were not identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Oasis Center, 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 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

The logo for UHY LLP is written in a stylized, cursive script. The letters 'UHY' are larger and more prominent, with 'LLP' in a smaller font size to the right.

Nashville, Tennessee
February 2, 2024

INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors
of Oasis Center, Inc.

Report on Compliance for Major Federal Program

Opinion on Major Federal Program

We have audited Oasis Center, 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 Oasis Center, Inc.’s major federal program for the year ended June 30, 2023. Oasis Center, Inc.’s major federal program is identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

In our opinion, Oasis Center, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2023.

Basis for Opinion on Major Federal Program

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). 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 Oasis Center, Inc. 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 Oasis Center, Inc.’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 Oasis Center, Inc.’s federal program.

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 Oasis Center, Inc.'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 generally accepted auditing standards, *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 Oasis Center, Inc.'s compliance with the requirements of its major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *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 Oasis Center, Inc.'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 Oasis Center, Inc.'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 Oasis Center, Inc.'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

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.

Report on Internal Control Over Compliance (Continued)

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. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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.

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.

UHY LLP

Nashville, Tennessee
February 2, 2024

Oasis Center, Inc.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2023

Federal Grantor/ Pass-Through Grantor	CFDA Number	Grantor's Number	Expenditures
<u>U.S. Department of Health and Human Services</u>			
Runaway and Homeless Youth Program Basic Shelter	93.623	90-CY7111-/02	\$ 197,540
Runaway and Homeless Youth Program Street Outreach	93.557	90-YO2355/02	154,463
<i>Passed through State of Tennessee Department of Mental Health & Substance Abuse Services</i> Alcohol and Drug Prevention Block Program	93.959	DGA 69867_2021-2022_012	477,640
<i>Passed through State of Tennessee Department of Children Services</i> Affordable Care Act Personal Responsibility Education Program	93.092	Edison #65331	496,802
<i>Passed through STARS Nashville</i> Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	NA	51,278
Total U.S. Department of Health and Human Services			1,377,723
<u>U.S. Department of Housing and Urban Development</u>			
Youth Homelessness Demonstration Program - Rapid Rehousing	14.267	TN0374Y4J042100	1,291,256
Youth Homelessness Demonstration Program - Diversion	14.267	TN0375Y4J042100	673,133
Total 14.267			1,964,390
<i>Passed through Metro Development Housing Agency</i> Emergency Solutions Grants Program	14.231	N/A	166,476
<i>Passed through Metro Development Housing Agency</i> Community Development Block Grants/Entitlement Grants	14.218	N/A	30,131
Total U.S. Department of Housing and Urban Development			2,160,997
<u>U.S. Department of Justice</u>			
Juvenile Justice and Delinquency Prevention	16.540	31601-N-DP22-10	19,127
Total U.S. Department of Justice			19,127
<u>U.S. Department of Education</u>			
<i>Passed through Tennessee Alliance for Children and Families</i> Title I Grants to Local Educational Agencies	84.010	N/A	15,254
Total U.S. Department of Education			15,254
TOTAL FEDERAL AND STATE AWARDS			\$ 3,573,100

OASIS CENTER, INC.
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2023

BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant awards of Oasis Center, Inc. (the Organization) under programs of the federal government for the year ended June 30, 2023. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net assets or cash flows of the Organization.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles contained in OMB Circular A-122, *Cost Principles for Non-profit Organizations*, or the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Direct expenses are recorded based upon actual expenses incurred that are allowable per the program requirements. Indirect expenses are allocated based upon recorded direct expenses. The Organization expended indirect costs using a multiple-allocation base method and did not elect to use the 10% de minimis cost rate allowed under the Uniform Guidance.

NONCASH ASSISTANCE

No federal awards were expended in the form of noncash assistance.

CONTINGENCIES

These programs are subject to financial and compliance audits by grantor agencies. The amount, if any, of expenditures that may be disallowed by the grantor agencies cannot be determined at this time, although the Organization expects such amounts, if any, to be immaterial.

OASIS CENTER, INC.
SCHEDULE OF CURRENT YEAR FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2023

SECTION 1 SUMMARY OF AUDITOR'S RESULTS

Financial Statements

- | | |
|---|---------------|
| 1. Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: | Unmodified |
| 2. Internal control over financial reporting: | |
| a) Material weaknesses identified? | No |
| b) Significant deficiencies identified that are not considered to be material weakness? | None Reported |
| 3. Noncompliance material to financial statements noted? | No |

Federal Awards

- | | |
|---|---------------|
| 1. Type of auditors' report issued on compliance for major programs: | Unmodified |
| 2. Internal control over major programs: | |
| a) Material weaknesses identified? | No |
| b) Significant deficiencies identified that are not considered to be material weakness? | None Reported |
| 3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? | No |
| 4. Identification of major programs: | |

CFDA Number

Name of Federal Program or Cluster

14.267

Youth Homelessness Demonstration Project

5. Dollar threshold used to distinguish between Type A and Type B programs

\$750,000

6. Auditee qualified as low-risk auditee?

No

OASIS CENTER, INC.
SCHEDULE OF CURRENT YEAR FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2023

**SECTION 2 FINDINGS RELATED TO THE FINANCIAL STATEMENTS REPORTED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

None noted.

SECTION 3 FINDINGS AND QUESTIONED COSTS RELATING TO FEDERAL AWARDS

None noted.

OASIS CENTER, INC.
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2023

Finding 2022-001 — Significant deficiency on internal controls over the Eligibility Requirement for the Youth Homelessness Demonstration Program Grant CFDA #14.276

Finding: During the year ended June 30, 2022, the Center did not have internal controls in place to provide reasonable assurance that required eligibility was verified.

Status: The finding was corrected in the 2023 fiscal year.