

**United Migrant Opportunity
Services/UMOS INC.**

Milwaukee, Wisconsin

Audited Financial Statements

**For the Year Ended
June 30, 2021**

**Andrea & Orendorff LLP
6300 76th Street Suite 200
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(262) 657-7716**

United Migrant Opportunity Services/UMOS INC.

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
United Migrant Opportunity Services/UMOS INC.
Milwaukee, Wisconsin

Report on the Financial Statements

We have audited the accompanying financial statements of United Migrant Opportunity Services, Inc./UMOS (UMOS) (a nonprofit organization), which comprise the Statement of Financial Position as of June 30, 2021, and the related Statements of Activities, Functional Expenses, and Cash Flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of UMOS as of June 30, 2021, 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 States of America.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of the Settlement of DHS Cost Reimbursement Award is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying schedule of expenditures of federal awards, 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 information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Emphasis of Matter

As discussed in Note S to the financial statements, the Organization has changed its accounting policies related to revenue recognition by adopting the provisions of Accounting Standards Update 2014-09, *Revenue from Contracts with Customers* (Topic 606). Our opinion is not modified with respect to that matter.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2021 on our consideration of UMOS' 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 UMOS' 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 UMOS' internal control over financial reporting and compliance.

Andrea & Orendorff LLP

Andrea & Orendorff LLP
Kenosha, Wisconsin
December 20, 2021

United Migrant Opportunity Services/UMOS INC.

Statement of Financial Position

As of June 30, 2021

ASSETS

Current Assets

Cash and Cash Equivalents	\$ 2,926,417
Investments in Marketable Securities	1,771,895
Accounts Receivable	40,114
Grants Receivable	5,043,974
Prepaid Expenses and Other Current Assets	162,696
Restricted Cash	1,256,972
Total Current Assets	<u>11,202,068</u>

Property and Equipment, Net 17,264,250

Total Assets \$ 28,466,318

LIABILITIES AND NET ASSETS

Current Liabilities

Notes Payable - Current Portion	\$ 53,156
Accounts Payable and Other Liabilities	1,070,306
Accrued Payroll and Related Expenses	1,239,038
Unearned Revenue	315,434
Total Current Liabilities	<u>2,677,934</u>

Long Term Liabilities

UMOS 457 Executive Plan Payable	848,424
Long Term Notes Payable	762,749
Total Long Term Liabilities	<u>1,611,173</u>

Total Liabilities 4,289,107

Net Assets

Without donor restrictions:	
Undesignated	24,177,211
Total Net Assets	<u>24,177,211</u>

Total Liabilities and Net Assets \$ 28,466,318

The accompanying notes are an integral part of the financial statements.

United Migrant Opportunity Services/UMOS INC.

Statement of Activities

For the Year Ended June 30, 2021

Without Donor Restrictions:	<u>Total</u>
Revenues	
Grants and Contracts	\$ 44,989,463
Program Income	110,635
Rental Income	639,383
Investment Income Net	306,363
Other Income	388,192
Total Revenues	<u>46,434,036</u>
Expenses	
Program Services	
Employment & Training	11,927,523
Child Education	20,163,867
AIDS Programs	103,794
Homeless/Shelter/Food Programs	1,967,235
Community Based Programs	4,974,202
Housing Expenses	473,257
Supporting Services	
Supporting Services	3,920,180
Corporate Expenses	871,442
Total Expenses	<u>44,401,500</u>
Change in Net Assets Before Accrued Vacation, and Federal Capital Additions	2,032,536
Federal Capital Additions and Accrued Vacation	<u>9,548,787</u>
Change in Net Assets Before Federal Depreciation	11,581,323
Federal Depreciation	<u>534,336</u>
Increase/(Decrease) in Net Assets	11,046,988
Net Assets Without Donor Restrictions, June 30, 2020	<u>13,130,223</u>
Net Assets Without Donor Restrictions, June 30, 2021	<u>\$ 24,177,211</u>

The accompanying notes are an integral part of the financial statements.

United Migrant Opportunity Services/UMOS INC.
Statement of Functional Expenses
For the Year Ended June 30, 2021

EXPENSES	Program Services							Supporting Services			Total Expenses
	Employment & Training	Child Education	Aids Programs	Homeless/ Shelter/ Food Prog.	Community Based Programs	Housing	Programs Subtotal	Support Services	Non-Federal	Supporting Services Subtotal	
Salary Expense	\$ 6,037,612	\$ 10,233,872	\$ 60,292	\$ 86,775	\$ 2,190,775	\$ 64,922	\$ 18,674,247	\$ 1,818,747	\$ 225,863	\$ 2,044,610	\$ 20,718,857
Benefits	1,375,487	3,434,104	18,637	28,717	726,983	21,837	5,605,765	664,584	13,893	678,477	6,284,242
Information Technology	485,697	1,056,444	4,669	22,229	134,310	1,025	1,704,374	239,710	2,820	242,530	1,946,904
Equipment	6,269	196,363	-	-	4,041	-	206,673	-	133	133	206,806
Supplies	164,146	1,662,706	5,570	290,382	253,185	18,887	2,394,876	127,005	45,231	172,236	2,567,112
Training & Travel	33,034	448,304	4,379	4,545	765,226	12,319	1,267,807	45,165	(124)	45,041	1,312,848
Space & Related Costs	935,411	2,278,374	8,560	35,204	354,254	299,000	3,910,803	321,945	286,433	608,378	4,519,181
Participant Costs	1,822,675	577,588	1,790	1,485,084	339,889	-	4,227,026	-	56,817	56,817	4,283,843
Subcontracts	837,901	-	-	-	112,814	-	950,715	-	-	-	950,715
Purchased Services	186,335	145,808	648	-	59,723	3,961	396,475	561,836	82,218	644,054	1,040,529
Misc Expense	42,956	127,583	1,360	14,299	63,633	51,307	301,138	141,188	13,551	154,739	455,877
Other Parent Services	-	2,721	-	-	-	-	2,721	-	-	-	2,721
Non Federal Expenses	-	-	-	-	-	-	-	-	110,801	110,801	110,801
Other Non Federal Expenses	-	-	(2,111)	-	(30,631)	-	(32,742)	-	33,806	33,806	1,064
TOTAL EXPENSES	\$ 11,927,523	\$ 20,163,867	\$ 103,794	\$ 1,967,235	\$ 4,974,202	\$ 473,257	\$ 39,609,878	\$ 3,920,180	\$ 871,442	\$ 4,791,622	\$ 44,401,502

The accompanying notes are an integral part of the financial statements.

United Migrant Opportunity Services/UMOS INC.
Statement of Cash Flows
For the Year Ended June 30, 2021

Cash Flows from Operating Activities:

Change in Net Assets	\$	11,046,988
Adjustments to reconcile change in net assets to cash provided/(used) by operating activities:		
Depreciation		1,021,789
Unrealized Net Gain in Market Value of Marketable Securities Investments		(305,592)
Gain on Sale of Property		(234,069)
Federal Assets Purchased		(9,655,150)
<i>Changes in Current Assets and Liabilities:</i>		
Decrease in Accounts Receivable		116,128
Increase in Grants Receivable		(2,139,082)
Decrease in Prepaid Expenses and Other Current Assets		52,683
Increase in Accounts Payable and Other Liabilities		45,639
Increase in Accrued Payroll and Related Expenses		302,394
Increase in Unearned Revenue		156,614
Net Cash Provided/(Used) by Operating Activities		408,342

Cash Flows from Investing Activities

Funds From Investment Accounts		
Acquisition of Property and Equipment net of Federal Assets Purchased		(158,556)
Proceeds from Sale of Assets		264,500
Increase in Long Term Liability - UMOS 457 Executive Plan		196,326
Change in Mutual Funds in Investment Portfolio		(9,990)
Net Cash Provided/(Used) by Investing Activities		292,280

Cash Flows from Financing Activity

Payment on Notes Payable		(52,630)
Net Cash Provided/(Used) by Financing Activity		(52,630)

Net Increase/(Decrease) in Cash, Cash Equivalents, and Restricted Cash 647,992

Cash, Cash Equivalents, and Restricted Cash, June 30, 2020 3,535,397

Cash, Cash Equivalents, and Restricted Cash, June 30, 2021 \$ 4,183,389

Supplemental Schedule of Other Operating Activities

Interest Paid	\$	7,227
Penalties Paid		-

Noncash Investing and Financing Activities

Contributed federal assets	\$	8,941,953
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The accompanying notes are an integral part of the financial statements.

United Migrant Opportunity Services/UMOS INC.

Notes to Financial Statements
June 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

United Migrant Opportunity Services/UMOS INC. (UMOS) was organized as a nonprofit corporation in 1965. The organization was formed to develop and provide resources for the purpose of assisting farm workers, Hispanic, and low-income families through a variety of programs. The organization also owns five low income housing projects, Aurora Housing Center, Montello Housing Center, Claremont Housing Center, Jefferson Apartments, and Beaver Dam Apartments, which have been included in these statements. The organization is primarily supported through federal and state government grants.

Basis of Accounting

The financial statements of the organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Cash and Cash Equivalents

For purposes of the Statement of Financial Position and the Statement of Cash Flows, cash and cash equivalents consist of cash and money market funds, with an original maturity of three months or less when purchased.

Liquidity and Availability of Resources

UMOS has \$9,782,400 of financial assets available within one year of June 30, 2021 to meet its cash needs for general expenditures, liabilities and other obligations as they become due. The cash and cash equivalents and investments in marketable securities are held in liquid accounts and are available as part of its liquidity management to ensure funds availability. The accounts and grants receivable accounts are expected to be collected within one year.

UMOS' financial assets available within one year of June 30, 2021 for general expenditures are as follows:

Cash and Cash Equivalents	\$ 2,926,417
Investments in Marketable Securities	1,771,895
Accounts Receivable	40,114
Grants Receivable	<u>5,043,974</u>
Total	<u>\$ 9,782,400</u>

As more fully described in Note F, UMOS has a \$500,000 Line of Credit available to use to meet current operating expenditures which it can draw upon in the event of unanticipated liquidity need. At June 30, 2021, its balance was \$0.

United Migrant Opportunity Services/UMOS INC.

Notes to Financial Statements
June 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments in Marketable Securities

Investments in marketable securities include cash and cash equivalents, mutual funds, and fixed income investments shown on the Statement of Financial Position at market value. The primary objectives of UMOS investment activities are to preserve and protect investment principal that will provide sufficient liquidity to meet disbursement requirements which might reasonably be anticipated and to manage the investment portfolio to maximize return consistent with the above objectives and other risk limitations as determined by management.

Receivables

Grants receivable consists primarily of amounts due from various federal, state, and local funding sources with most grants receivable due from federal agencies and the state of Wisconsin. Accounts receivable consists of tenant rents and USDA receivables related to the housing centers, receivables from companies related to earned revenue from the Transitional Jobs grants, and other miscellaneous receivables from corporate tenants. An allowance for uncollectible receivables has not been recorded as they are deemed to be fully collectible. Receivables with uncertainty regarding full payment will be reviewed and an allowance will be established for the amount determined to be uncollectible.

Use of Estimates

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

Property and Equipment, Net

For financial statement purposes, the cost of property and equipment with a unit cost of \$5,000 or more is recorded as an asset and is depreciated over its estimated useful life using the straight-line method. The cost of property and equipment with a unit cost of \$5,000 or more purchased with grant funds and expensed to the grants is added back in total to unrestricted net assets while the related depreciation calculated in accordance with generally accepted accounting principles is deducted from unrestricted net assets.

Federal depreciation expense for assets purchased with grant funds was \$534,336. Depreciation expense for assets purchased with non-grant funds was \$487,453 for total depreciation of \$1,021,789.

The accounting policies of UMOS are in accordance with the terms of grant agreements and funding sources' prescribed cost principles with respect to property and equipment. The property and equipment acquired with grant funds is owned by UMOS while used in the program for which it was purchased or in other future authorized programs. However, the various funding sources have a reversionary interest in the property and equipment purchased with grant funds. Its disposition, as well as the ownership of any proceeds therefrom, is subject to funding source regulations.

United Migrant Opportunity Services/UMOS INC.

Notes to Financial Statements
June 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income Taxes

UMOS is a private nonprofit corporation generally exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. It is also generally exempt from the franchise or income tax on state taxable incomes. In prior years, UMOS was subject to income tax on its unrelated business activity which was debt-financed rental income. However, UMOS no longer has debt related to its corporate headquarters where net rental income is received from the rental of commercial property and is no longer subject to income tax on the related income.

Indirect Cost Rates

UMOS does not elect to use the 10% de minimus cost rate. UMOS has a federally negotiated indirect cost rate that was approved with a four- year extension. A provisional rate is in effective as of June 30, 2021 and extends through June 30, 2023.

Advertising

UMOS' policy is to expense advertising costs as incurred. Advertising costs of \$132,876 were incurred and expensed in the fiscal year.

Basis of Presentation

Under generally accepted accounting principles, UMOS is required to report information regarding the financial position and activities according to two classes of net assets, defined as follows:

- Without donor restriction, with further classification as either Undesignated, which are net assets that are not subject to donor restriction; or Designated by the Governing Board, which are net assets subject to Governing Board restrictions. UMOS does not have any Governing Board designated net assets.
- With donor restrictions – Net assets subject to donor-imposed stipulations that may or will be met either by actions of UMOS and/or the passage of time. UMOS has none at this time.

Revenue & Revenue Recognition

Contributions and Grants

The Organization accounts for contributions and grants under Accounting Standards Update (ASU) No. 2018-08 Not-for-Profit Entities: Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 605). Revenue is recognized for contributions or grants when cash, securities, or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give – that is, those with measurable performance or other barriers and a right of return, are not recognized until the conditions on which they depend have been met.

United Migrant Opportunity Services/UMOS INC.

Notes to Financial Statements
June 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue & Revenue Recognition (continued)

Contributions and Grants (continued)

A significant portion of the Organization's revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/ or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the Statement of Financial Position. The Organization received cost-reimbursable grants of \$315,434 that have not been recognized at June 30, 2021 because qualifying expenditures have not yet been incurred, with advance payments of \$315,434 recognized in the Statement of Financial Position as unearned revenue.

Contract Revenues

The Organization recognizes revenue in accordance with Accounting Standards Codification (ASC) Topic 606, Revenue from Contracts with Customers. Accordingly, revenue is recognized when control of the goods or services promised under a contract are transferred to the customer in an amount that reflects the consideration to which the Organization expects to be entitled in exchange for the goods or services.

Program Income

Program income is derived from providing a variety of services to the Organization's program participants for a set fee. Consideration for these services is the set fee, and is payable upon performance of the service. Revenue is recognized at the time of service; therefore, no contract payables, receivables, or deferrals exist related to program income.

Contracts with Funding Agencies

From time to time, UMOS enters into contracts under which it earns a set fee for providing services over a defined period of time. In those instances, the contract is identified when the Organization has an approved contract, each party's rights have been identified, payment terms have been identified, the contract has commercial substance, and it is probable that UMOS will collect substantially all of the consideration to which it is entitled. Revenue is recognized ratably each month as UMOS performs the agreed-to services over the length of the contract.

See Note M to the financial statements for additional information related to UMOS's revenue recognition policies and balances.

United Migrant Opportunity Services/UMOS INC.

Notes to Financial Statements
June 30, 2021

NOTE B – RESTRICTED CASH

UMOS' restricted cash accounts are as follows:

Housing Centers' Reserve Cash Accounts	\$ 408,548
UMOS' 457 Executive Plan	<u>848,424</u>
Total Restricted Cash	<u>\$ 1,256,972</u>

The U.S. Department of Agriculture notes payable provisions require UMOS to maintain reserve accounts until the balance reaches \$403,420. At June 30, 2021, its balance was \$408,548. The U.S. Department of Agriculture must consent and approve the use of these funds.

UMOS has an asset and corresponding liability related to its 457 Executive Plan with both having a balance of \$848,424. Refer to Note J for further information.

NOTE C – INVESTMENTS

UMOS has implemented the accounting standard regarding fair value measurements. The standard defines fair value, establishes a framework for measuring fair value in accordance with generally accepted accounting principles, and expands disclosures about fair value measurements. The input levels used for valuing investments are not necessarily an indication of risk.

Level 1

Fair values are based on quoted prices (unadjusted) in active markets for identical assets that the plan has the ability to access at the measurement date (e.g. prices derived from NYSE, NASDAQ or Chicago Board of Trade).

Level 2

Fair values are based on inputs other than quoted price included in level 1 that are observable for valuing the asset or liability, either directly or indirectly (i.e. interest rate and yield curves observable at commonly quoted intervals, default rates, etc.). Observable inputs include quoted price for similar assets or liabilities in active or non-active markets. Level 2 inputs may also include insignificant adjustments to market observable inputs.

Level 3

Fair values are based on unobservable inputs for valuing the asset or liability. Unobservable inputs are those that reflect the plan's own assumptions about the assumptions that market participant would use in pricing the asset, based on the best information available in the circumstances. An example could be real estate valuations, which require significant judgment.

United Migrant Opportunity Services/UMOS INC.

Notes to Financial Statements
June 30, 2021

NOTE C – INVESTMENTS (continued)

At June 30, 2021, UMOS' investments are reported at fair value and using the following hierarchy:

	Fair Value	Fair Value Measurements at Reporting		
		Level 1	Level 2	Level 3
Mutual Funds	<u>\$ 1,771,895</u>	<u>\$ 1,771,895</u>	<u>\$ -</u>	<u>\$ -</u>
Total	<u>\$ 1,771,895</u>	<u>\$ 1,771,895</u>	<u>\$ -</u>	<u>\$ -</u>

Marketable Securities Investments

Mutual Funds \$ 1,771,895

Total Marketable Securities Investments **\$ 1,771,895**

Net unrealized gains on these investments for the year ending June 30, 2021 was \$305,592. Interest income on restricted cash funds and cash and cash equivalents as of June 30, 2021 was \$771. Investment administrative fees are \$2,922.

United Migrant Opportunity Services/UMOS INC.

Notes to Financial Statements
June 30, 2021

NOTE D – WORKFORCE RESOURCES, LLC

Workforce Resources, an LLC in which UMOS owned 50%, was reduced to a single member LLC as UMOS bought out the other partner. The entity still exists and due to the fact that it is a single member LLC, the account balances have been incorporated into UMOS' statements for this report.

**Workforce Resources, LLC
Balance Sheet
As of June 30, 2021**

Assets	
Current Assets	
Cash	\$ 31,545
Total Current Assets	<u>31,545</u>
Total Assets	<u>\$ 31,545</u>
Liabilities and Net Assets	
Total Net Assets-Undesignated	<u>\$ 31,545</u>
Total Liabilities and Net Assets	<u>\$ 31,545</u>

**Workforce Resources, LLC
Income Statement
For the Year Ended June 30, 2021**

Total Revenues	<u>\$ 2</u>
Total Expenses	<u>180</u>
Decrease in Net Assets	(178)
Net Assets, June 30, 2020	<u>31,723</u>
Net Assets, June 30, 2021	<u>\$ 31,545</u>

On November 15, 2021 (subsequent to year-end) Workforce Resources, LLC was dissolved and the remaining cash balance was deposited into the UMOS accounts.

United Migrant Opportunity Services/UMOS INC.

Notes to Financial Statements
June 30, 2021

NOTE E – PROPERTY AND EQUIPMENT, NET

A summary of property and equipment as of June 30, 2021 is as follows. Federal fixed assets have a reversionary interest of \$15,918,133 less accumulated depreciation for a net value of \$10,869,558. These federal fixed assets are only used in the programs that funded them. Once the program no longer exists, UMOS will contact the funding source for directions on disposal.

	<u>Non-Federal</u>	<u>Federal</u>	<u>Total</u>
Fixed Assets			
Construction in Progress	\$ -	\$ 2,500	\$ 2,500
Land and Land Improvements	1,849,237	1,261,393	3,110,630
Buildings and Building Improvements:	11,438,580	10,342,922	21,781,502
Equipment and Vehicles	346,851	4,311,318	4,658,169
Total Fixed Assets	<u>13,634,668</u>	<u>15,918,133</u>	<u>29,552,801</u>
Less: Accumulated Depreciation	<u>(7,239,976)</u>	<u>(5,048,575)</u>	<u>(12,288,551)</u>
Net Property and Equipment	<u>\$ 6,394,692</u>	<u>\$ 10,869,558</u>	<u>\$ 17,264,250</u>

A building and vehicle was sold during fiscal year 2021 for \$264,500 with a book value of \$30,431 resulting in a net gain of \$234,069 that is recorded in the Other Income account on the Statement of Activities and Statement of Cash Flows.

NOTE F – NOTES PAYABLE

Notes Payable – The available bank line of credit at June 30, 2021 is \$500,000 bearing an interest rate using the one-month LIBOR rate plus spread of 2.0%. The line of credit balance was \$0 at June 30, 2021.

The amount of interest paid on the debt for the year ending June 30, 2021 was \$7,227.

Long-term notes payable at June 30, 2021 consist of the following:

Note payable to U.S. Department of Agriculture due in annual payments of \$13,249, including interest of 1%, with unpaid principal and interest due November 2031. The note is collateralized by the Aurora Housing Center.	\$ 103,850
Note payable to U.S. Department of Agriculture due in annual payments of \$7,156, including interest of 1%, with all unpaid principal and interest due April 2030. The note is collateralized by the Montello Housing Center.	49,877
Note payable to U.S. Department of Agriculture due in annual payments of \$13,103, including interest of 1%, with all unpaid principal and interest due July 2031. The note is collateralized by the Beaver Dam and Jefferson apartments.	105,245

United Migrant Opportunity Services/UMOS INC.

Notes to Financial Statements
June 30, 2021

NOTE F – NOTES PAYABLE (continued)

Note payable to U.S. Department of Agriculture due in annual payments of \$11,637, including interest of 1%, with all unpaid principal and interest due June 2035. The note is collateralized by the Claremont Housing Center. 144,552

Promissory note to U.S. Department of Agriculture for the Jefferson Apartments acquired October 18, 2006. Interest rate is 1% with final payment due October 31, 2039. The note is collateralized by the Beaver Dam and Jefferson apartments. 237,381

Note payable to Minnesota Housing Finance Agency (MHFA) due in full on October 17, 2033 at 0% interest. The note is collateralized by the Claremont Housing project. 175,000

Housing Notes Payable **\$ 815,905**

Total Long Term-Notes Payable **\$ 815,905**

Less Current Portion 53,156

LONG-TERM NOTES PAYABLE **\$ 762,749**

Principal payments due by year are as follows:

2022	\$	53,156
2023		53,690
2024		54,229
2025		54,774
2026		55,325
2027-2040		<u>544,731</u>
Totals	\$	<u>815,905</u>

NOTE G – CONCENTRATION OF CREDIT RISK

UMOS maintains cash balances and money market accounts in a brokerage account and more than one bank. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. Cash balances in excess of FDIC coverage are not collaterally secured. Cash balances in excess of FDIC coverage are \$2,952,929 at June 30, 2021.

United Migrant Opportunity Services/UMOS INC.

Notes to Financial Statements
June 30, 2021

NOTE H – OPERATING LEASES

UMOS leases various facilities and equipment for operation of its programs. Operating lease payments for the year ended June 30, 2021 were \$900,526. These payments include copier maintenance and overage charges for the year. Future minimum lease, maintenance and copier payments beyond June 30, 2021 are as follows:

Year Ending June 30,	
2022	\$ 780,934
2023	564,702
2024	461,227
2025	368,182
2026	252,280
2027	8,100
2028	8,100
2029	8,100
2030	5,400
	<u>\$ 2,457,025</u>

NOTE I – RETIREMENT PLAN

UMOS has a defined contribution retirement plan authorized under IRS section 401(k) which covers substantially all regular and seasonal employees who have been employed by the organization for one year, work a minimum of 500 hours, and are at least 18 years of age. There are two elements to the plan consisting of employer and employee contributions. Both types of contributions vest immediately. Employee contributions are optional.

Effective January 1, 2009, the 401(k) retirement plan became a Safe Harbor 401(k) plan, whereas UMOS commits to making certain contributions. This commitment to make contributions enables UMOS to simplify the administration of the plan by ensuring that non-discrimination regulations are met. In order to maintain the "Safe Harbor" status, UMOS will make a contribution equal to 3% of eligible employees' compensation. In addition, UMOS may also make an additional 2% contribution of the eligible employees' compensation. UMOS made contributions of \$503,743 and incurred plan expenses of \$8,700 for the year ended June 30, 2021.

United Migrant Opportunity Services/UMOS INC.

Notes to Financial Statements
June 30, 2021

NOTE J - EXECUTIVE ADMINISTRATIVE STAFF BENEFIT PLAN

The UMOS Executive Plan was established by the UMOS Board for the benefit of members of its executive administrative staff. The UMOS CEO/President has the authority to update the list of eligible executive administrative staff. The plan provides for the following benefits:

- An additional 2% pension contribution on employee earnings that exceed 92% of the maximum Social Security wage base through December 31, 2021.
- 4% of annual employee earnings to be used for long-term care insurance, long-term disability insurance, life insurance, and/or contributions to the Section 125 Flex Benefit Plan, 457 Plan and Health Savings Account.
- At June 30, 2021, the 457 Plan balance was \$848,424, of which UMOS contributed \$48,436 during the fiscal year. This balance is classified as restricted cash, also refer to Note B.

NOTE K – CONCENTRATION OF RISK

UMOS receives grants from various Federal, State, and Local agencies whose programs rely on the availability of funding from the Federal, State, and Local governments. Approximately 60% of grant and housing revenues are from government agencies.

NOTE L – CONTINGENCIES AND UNCERTAINTIES

Contingent Receivable / Payable

Various UMOS grants are subject to monitoring by the grantor upon termination of the grant. UMOS does not record potential or uncertain revenues or liabilities in its financial statements that may result from grantor's monitoring until the amounts are known, at which time they are recorded in the current year. There were no revenues or unallowed expenditures related to grantor monitoring during 2021.

Uncertainties

At the time of this report's release, citizens and the economies of the United States and other countries have been impacted by the coronavirus (COVID-19) pandemic. The full evolution of the disease, including the extent of its economic impact and the results of steps taken and yet to be taken by governments and financial institutions are unknown. The significance and the duration of the pandemic's financial impact are indeterminable. This report does not consider the potential financial implications of the pandemic on future financial statements.

United Migrant Opportunity Services/UMOS INC.

Notes to Financial Statements
June 30, 2021

NOTE M – REVENUE

As described in Note A, UMOS generates revenues from program services and from contracts with funding agencies. The following tables provide additional detail related to revenue recognized from these activities during the year ended June 30, 2021:

Disaggregation of Revenue

The table below presents net sales disaggregated by timing of revenue recognition and source:

	Program Revenues	State and Federal Contracts
Revenue recognized for services transferred at a point in time	\$ 110,635	\$ -
Revenue recognized for services transferred over time	-	2,743,664
	<u>\$ 110,635</u>	<u>\$ 2,743,664</u>

Opening and Closing Balances of Receivables, Contract Liabilities, and Deferrals

There were no contracts receivable, payable, or deferrals as of July 1, 2020 or as of June 30, 2021.

Practical Expedients

UMOS has elected to apply the following practical expedients when determining revenue from contracts and capitalization of related costs:

- UMOS has elected to not adjust revenue for the effects of a significant finance component when the timing difference between receipt of payment and recognition of revenue is less than one year.
- UMOS has elected to expense incremental costs to obtain a contract when the amortization period of the related asset is expected to be less than one year.

United Migrant Opportunity Services/UMOS INC.

Notes to Financial Statements June 30, 2021

NOTE N – CHANGES IN NET ASSETS

To comply with generally accepted accounting principles, UMOS records in its financial records the cost, less accumulated depreciation of property and equipment which was purchased with grant funds. In addition, the accrued vacation pay due employees is reflected in net assets and current liabilities. Specifically, by fund, center, or apartments, the following summary of changes to net assets without donor restrictions and undesignated, is comprised of:

	UMOS Grant Operating Fund	UMOS Non- Federal Fund	Aurora Housing Center	Montello Housing Center	Beaver Dam Apartments	Claremont Housing Center	Jefferson Apartments	Total
Net Assets, June 30, 2020	\$ -	\$ 11,745,810	\$ 544,063	\$ 20,939	\$ 263,531	\$ 271,143	\$ 284,737	\$ 13,130,223
Change in Net Assets Before Accrued Vacation, Federal Asset Purchased and Federal Depreciation	1,726,170	(18,939)	7,148	22,191	3,225	59,011	21,005	1,819,811
Change in vacation accrual during fiscal 2021	-	106,363	-	-	-	-	-	106,363
Federal Asset Purchased	-	9,655,150	-	-	-	-	-	9,655,150
Depreciation of property and equipment purchased with grant funds	-	(470,313)	(18,606)	(1,181)	(5,277)	(9,227)	(29,732)	(534,336)
Transfer to UMOS Non-Federal Fund	(1,726,170)	1,726,170	-	-	-	-	-	-
Net Assets, June 30, 2021	\$ -	\$ 22,744,241	\$ 532,605	\$ 41,949	\$ 261,479	\$ 320,927	\$ 276,010	\$ 24,177,211

NOTE O – EXPENSES

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. Wherever possible, costs are assigned to the grants that benefit directly from the grant expenditures. Certain costs, such as occupancy and common office expenses, are recorded in cost pools for monthly assignment to activities that benefit in common from the expenditures. Those allocations are based on full-time equivalent employees.

Indirect administrative cost is applied using its federally approved rate.

United Migrant Opportunity Services/UMOS INC.

Notes to Financial Statements
June 30, 2021

NOTE P – LESSOR REVENUE

UMOS leases to various tenants approximately 30 percent of its company-owned and occupied headquarters. The lease terms range from two to five years, with renewal options, and specified annual increases over the lives of the individual leases.

Rent revenues will be recognized over the subsequent years ending June 30 as follows:

2022	\$ 400,906
2023	404,666
2024	291,320
2025	171,882
2026	171,882
	<u>\$ 1,440,656</u>

NOTE Q – IN-KIND CONTRIBUTIONS

Certain in-kind contributions are not recorded in the Statement of Activities because they do not meet the definition of professional services as defined according to accounting standards. The value of in-kind contributed services totaled \$453,638 for the year ended June 30, 2021. This is primarily related to Head Start and consists of volunteer services, a reduction of fair market value of space costs and special reduced pricing from service contractors. The Latina Resource Center also records in-kind for volunteer services for a small number of programs.

In addition to the in-kind services described above, during the year ended June 30, 2021, UMOS recognized revenue in the amount of \$8,941,953 for the fair value of assets it received at no cost related to the start-up of its Texas Head Start program.

United Migrant Opportunity Services/UMOS INC.

Notes to Financial Statements
June 30, 2021

NOTE R - RECENTLY ISSUED ACCOUNTING STANDARD

In February 2016, the FASB issued ASU 2016-02, *Leases* (Topic 842) to increase transparency regarding lease arrangements. The standard will require lessees to record a right-of-use asset and a corresponding lease liability on its Statement of Financial Position. Amounts in the Statement of Activities are largely unaffected by the new standard. The criteria and accounting for sales-type and direct financing leases will be changed, and the real-estate specific provisions that currently exist under U.S. GAAP will be eliminated. The ASU takes effect for years beginning after December 15, 2019; however, the FASB issued ASU 2020-05 in June 2020, that provided a one-year extension for non-profit entity with fiscal years beginning after December 15, 2021.

In September 2020, the FASB issued ASU 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets* (Topic 985) to increase the transparency of contributed nonfinancial assets for not-for-profit (NFP) entities through enhancements to presentation and disclosure. The amendments in this Update address certain stakeholders' concerns about the lack of transparency about the measurement of contributed nonfinancial assets recognized by NFPs, as well as the amount of those contributions used in an NFP's programs and other activities. The ASU takes effect for years beginning after June 15, 2021.

The Organization is assessing the impact these standards will have on its financial statements.

NOTE S – NEW ACCOUNTING PRONOUNCEMENT ADOPTED IN CURRENT YEAR

The Organization adopted the provision of the new standard in the current fiscal year ended June 30, 2021 as noted below.

The organization has adopted Accounting Standards update (ASU) No 2014-09, *Revenue from Contracts with Customers*, outlining a single comprehensive model for entities to use in accounting for revenue from contracts with customers.

As allowed by the practical expedient, the standard was adopted on a modified retrospective basis. Adoption of the above standard did not significantly impact the accounts and balances presented in UMOS's financial statements and no prior period adjustment was required. Additional disclosures required under the standard have been included in Notes A and M.

NOTE T– SUBSEQUENT EVENTS

UMOS has evaluated subsequent events through December 20, 2021, the date the financial statements were available to be issued.

Subsequent to year-end, UMOS dissolved its wholly-owned subsidiary, Workforce Resources, Inc., and transferred the residual balance in the entity to its accounts. The impact of this dissolution was not significant and has been disclosed in Note D.

Management is not aware of any other subsequent events which would require recognition or disclosure in the financial statements.

United Migrant Opportunity Services / UMOS, Inc.
Schedule of Expenditures of Federal, State, and Local Awards
For the Year Ended June 30, 2021

Grantor Agency/ Pass-Through Agency/ Program Title	Federal Assistance Listing	Contract Period		Passed Through Agency	Passed Through Agency ID	Passed Through to Subrecipient	Expenditures
U.S Department of Agriculture							
Child and Adult Care Food Pogram							
CACFP	10.558	10/01/2019	09/30/2021	MO Dept of Health & Senior Serv.	ERS45111552		\$ 19,159
COVID-19: CACFP EMERGENCY FUNDS	10.558	10/01/2019	09/30/2021	MO Dept of Health & Senior Serv.	ERS45111552		2,611
CACFP	10.558	10/01/2019	09/30/2021	DPI	70-6817		28,790
Total 10.558							<u>50,560</u>
Rural Rental Assistance Payments							
AURORA HOUSING - HOUSING ASSISTANCE	10.427	07/01/2020	06/30/2021	US Dept Agriculture	N/A		126,051
MONTELLO HOUSING - HOUSING ASSISTANCE	10.427	07/01/2020	06/30/2021	US Dept Agriculture	N/A		55,042
BEAVER DAM HOUSING - HOUSING ASSISTANCE	10.427	07/01/2020	06/30/2021	US Dept Agriculture	N/A		42,468
CLAREMONT HOUSING - HOUSING ASSISTANCE	10.427	07/01/2020	06/30/2021	US Dept Agriculture	N/A		135,687
JEFFERSON HOUSING - HOUSING ASSISTANCE	10.427	07/01/2020	06/30/2021	US Dept Agriculture	N/A		37,566
Total 10.427							<u>396,814</u>
Farm Labor Housing Loans and Grants (Major Program)							
AURORA HOUSING LOAN BALANCE	10.405	07/01/2020	06/30/2021	US Dept Agriculture	N/A		115,995
MONTELLO HOUSING LOAN BALANCE	10.405	07/01/2020	06/30/2021	US Dept Agriculture	N/A		56,498
BEAVER DAM HOUSING LOAN BALANCE	10.405	07/01/2020	06/30/2021	US Dept Agriculture	N/A		117,230
CLAREMONT HOUSING LOAN BALANCE	10.405	07/01/2020	06/30/2021	US Dept Agriculture	N/A		154,690
JEFFERSON HOUSING LOAN BALANCE	10.405	07/01/2020	06/30/2021	US Dept Agriculture	N/A		249,120
Total 10.405							<u>693,533</u>
Child Nutrition Cluster							
SUMMER FOOD SERVICE PROGRAM FOR CHILDREN	10.559	10/01/2019	09/30/2021	DPI	70-6817		1,406
Total 10.559							<u>1,406</u>
Total U.S Department of Agriculture							<u>1,142,313</u>
U.S Department of Housing and Urban Development							
Community Development Block Grants / Entitlement Grants Cluster							
CDBG - ENTITLEMENT GRANTS	14.218	01/01/2019	12/31/2021	City of Milwaukee	C15119B251		49,356
Total 14.218							<u>49,356</u>
EDUCATION AND OUTREACH INITIATIVE	14.416	09/01/2019	08/31/2020	U.S. Dept of Housing and Urban Dev	FE01180065		80,197
Total 14.416							<u>80,197</u>
Total U.S Department of Housing and Urban Development							<u>129,553</u>

See accompanying notes to the Schedule of Expenditures of Federal, State, and Local Awards.

United Migrant Opportunity Services / UMOS, Inc.
Schedule of Expenditures of Federal, State, and Local Awards
For the Year Ended June 30, 2021

Grantor Agency/ Pass-Through Agency/ Program Title	Federal Assistance Listing	Contract Period		Passed Through Agency	Passed Through Agency ID	Passed Through to Subrecipient	Expenditures
U.S Department of Justice							
Culturally and Linguistically Specific Services Program							
US DOJ OWW CLSSP PROJECT BUTTERFLY	16.016	10/01/2018	09/30/2022	US Dept Justice	2018-UW-AX-0012		86,542
Total 16.016							86,542
Services for Trafficking Victims							
WI HUMAN TRAFFICKING	16.320	01/01/2020	12/31/2022	US Dept Justice	2019-VT-BX-0102		190,166
Total 16.320							190,166
LEGAL ASSISTANCE FOR VICTIMS	16.524	10/01/2018	09/30/2021	US Dept Justice	2018-WL-AX-0008	\$ 68,633	171,611
Total 16.524						68,633	171,611
Crime Victim Assistance							
VOCA	16.575	10/01/2020	09/30/2021	WI Dept Justice	2019-V2-GX-0045		252,587
VOCA	16.575	10/01/2019	09/30/2020	WI Dept Justice	2017-VO-01-15299		90,299
Total 16.575							342,886
Transitional Housing Assistance for Victims of Domestic Violence, Dating Violence, Stalking, or Sexual Assault							
TRANSITIONAL HOUSING	16.736	10/01/2016	09/30/2022	US Dept Justice	2016-WH-AX-0041		100,895
Total 16.736							100,895
Total U.S Department of Justice						68,633	892,100
U.S Department of Labor							
National Farmworker Jobs Program							
WIOA FARM WORKER - WI	17.264	07/01/2019	09/30/2020	US Dept Labor	AC-30641-19-60-A-55		299,307
WIOA FARM WORKER - MISSOURI	17.264	07/01/2019	09/30/2020	US Dept Labor	AC-33649-19-60-A-55		71,446
WIOA FARM WORKER - IL	17.264	07/01/2020	09/30/2021	US Dept Labor	AC-35447-20-60-A-55		649,325
WIOA FARM WORKER - WI	17.264	07/01/2020	09/30/2021	US Dept Labor	AC-35438-20-60-A-55		1,171,528
WIOA FARM WORKER - MISSOURI	17.264	07/01/2020	09/30/2021	US Dept Labor	AC-35426-20-60-A-55		862,648
MIGRANT SEASONAL FARMWORKER	17.264	07/01/2019	09/30/2020	US Dept Labor	MH-33687-19-60-A-55	16,080	84,800
MIGRANT SEASONAL FARMWORKER	17.264	07/01/2020	09/30/2021	US Dept Labor	MH-35402-20-60-A-55	28,100	243,899
Total 17.264						44,180	3,382,953
H-1B Job Training Grants							
TECHHIRE EASTERN WI	17.268	07/01/2016	06/30/2021	US Dept Labor	HG-29367-16-60A-55		474,979
US DOL H-1B WORKFORCE	17.268	02/01/2021	01/31/2025	US Dept Labor	HG-35911-21-60A-55		35,325
Total 17.268							510,304
Total U.S Department of Labor						44,180	3,893,257
U.S Department of Treasury							
COVID-19: CORONAVIRUS RELIEF FUND	21.019	8/11/2020	12/31/2020	US Dept Treasury	20-001-018		5,200
Total 21.019							5,200
Total U.S Department of Treasury							5,200
U.S Department of Education							
Twenty-First Century Community Learning Centers							
MPS CLC SUMMER PROGRAM	84.287	08/06/2020	06/30/2021	MPS	C028876		216,672
Total 84.287							216,672
Total U.S Department of Education							216,672

See accompanying notes to the Schedule of Expenditures of Federal, State, and Local Awards.

United Migrant Opportunity Services / UMOS, Inc.
Schedule of Expenditures of Federal, State, and Local Awards
For the Year Ended June 30, 2021

Grantor Agency/ Pass-Through Agency/ Program Title	Federal Assistance Listing	Contract Period		Passed Through Agency	Passed Through Agency ID	Passed Through to Subrecipient	Expenditures
U.S Department of Health and Human Services							
Temporary Assistance for Needy Families							
TRANSITIONAL JOBS KENOSHA	93.558	06/01/2021	06/30/2021	WI DCF	437004-G20-0001530-000-01		16,748
TRANSITIONAL JOBS URBAN BAY AREA	93.558	06/01/2021	06/30/2021	WI DCF	437004-G20-0001530-000-02		15,909
TRANSITIONAL JOBS KENOSHA	93.558	01/01/2021	05/31/2021	WI DCF	437004-G20-0001530-000-02		39,923
TRANSITIONAL JOBS URBAN BAY AREA	93.558	01/01/2021	05/31/2021	WI DCF	437004-G20-0001530-000-01		63,068
TRANSITIONAL JOBS NORTHEAST	93.558	07/01/2020	05/31/2021	WI DCF	437004-G16-0000742-R01-03		288,727
TRANSITIONAL JOBS NORTHEAST	93.558	06/01/2021	06/30/2021	WI DCF	437004-G16-0000742-R01-03		20,216
TRANSITIONAL JOBS SOUTHEAST	93.558	06/01/2021	06/30/2021	WI DCF	437004-G16-0000742-R01-02		30,177
TRANSITIONAL JOBS SOUTHEAST	93.558	07/01/2020	05/31/2021	WI DCF	437004-G16-0000742-R01-02		477,933
TRANSFORM MILWAUKEE	93.558	06/01/2021	12/31/2021	WI DCF	437004-G19-0001236-000-01	66,644	307,466
TRANSITIONAL JOBS CENTRAL	93.558	07/01/2020	05/31/2021	WI DCF	437004-G16-0000742-R01-03		22,050
TRANSFORM MILWAUKEE	93.558	01/01/2021	05/31/2021	WI DCF	437004-G19-0001236-000-01	328,400	1,561,940
TRANSFORM MILWAUKEE	93.558	06/01/2020	12/31/2020	WI DCF	437004-G19-0001236-000-01	442,856	2,573,396
MIGRANT DAY CARE	93.558	01/01/2020	12/31/2020	WI DCF	437001-G15-CFE0448-R02-01		185,711
MIGRANT DAY CARE	93.558	01/01/2021	12/31/2021	WI DCF	437001-G21-0001681-000-01		99,534
Total 93.558						837,900	5,702,798
Refugee and Entrant Assistance-State Administered Programs							
REFUGEE ASSISTANCE	93.566	07/01/2020	06/30/2021	WI DCF	437001-M15-CFB0144-R02-7		230,200
Total 93.566							230,200
Low-Income Home Energy Assistance							
MILWAUKEE CO ENERGY ASSISTANCE	93.568	10/01/2020	09/30/2021	County of Milwaukee	40-21822-300		779,544
MILWAUKEE CO ENERGY ASSISTANCE	93.568	10/01/2019	09/30/2020	County of Milwaukee	40-20822-300		465,642
KENOSHA ENERGY ASSISTANCE	93.568	10/01/2019	09/30/2020	Kenosha DHSS	DWD-UMOS-WHEAP-17-18		100,106
KENOSHA ENERGY ASSISTANCE	93.568	10/01/2020	09/30/2021	Kenosha DHSS	DWD-UMOS-WHEAP-20-21		246,019
Total 93.568							1,591,311
Community Services Block Grant							
WDCF CCR CARES ACT	93.569	06/01/2020	09/30/2022	WI DCF	437004-G20-0001632-000-16		281,627
COMPREHENSIVE CRISIS RELIEF	93.569	01/01/2021	12/31/2021	WI DCF	437004-G21-0001717-000-16		143,576
COMPREHENSIVE CRISIS RELIEF	93.569	01/01/2020	12/31/2020	WI DCF	437004-G20-0001511-000-16		222,139
Total 93.569							647,342
Child Care and Development Block Grant Cluster							
W-2 CONTRACTED CHILD CARE	93.575	01/01/2020	12/31/2020	WI DCF	437001-M15-CFB0144-R02-07		181,145
W-2 CONTRACTED CHILD CARE	93.575	01/01/2021	12/31/2021	WI DCF	437001-M15-CFB0144-R03-06		163,886
Total 93.575							345,031
Refugee and Entrant Assistance - Wilson/Fish Program							
WI DCF Refugee and Entrant Assistance	93.583	01/01/2021	12/31/2021	WI DCF	437001-M15-CFB0144-R02-07		5,052
Total 93.583							5,052
Services to Victims of a Severe Form of Trafficking							
HUMAN TRAFFICKING WISCONSIN	93.598	09/30/2019	09/28/2020	US DHSS	90ZV0129-03-00		44,869
USCRI TVAP	93.598	09/30/2018	09/28/2021	US COM. FOR REFUGEES	90ZV0135-01-00		35,488
Total 93.598							80,357

See accompanying notes to the Schedule of Expenditures of Federal, State, and Local Awards.

**United Migrant Opportunity Services / UMOS, Inc.
Schedule of Expenditures of Federal, State, and Local Awards
For the Year Ended June 30, 2021**

Grantor Agency/ Pass-Through Agency/ Program Title	Federal Assistance Listing	Contract Period		Passed Through Agency	Passed Through Agency ID	Passed Through to Subrecipient	Expenditures
U.S Department of Health and Human Services (Continued)							
Head Start Cluster (Major Program)							
HEAD START GRANTEE	93.600	04/01/2020	03/31/2021	US DHSS	90CM009831-02-02		2,193,475
HEAD START GRANTEE	93.600	04/01/2021	03/31/2022	US DHSS	90CM009831-03-00		1,006,417
HEAD START TEXAS STARTUP	93.600	11/01/2020	03/31/2021	US DHSS	90CM009854-01-01		7,730,894
HEAD START TEXAS	93.600	04/01/2021	03/31/2022	US DHSS	90CM009854-01-01		4,411,534
COVID-19: HEAD START TEXAS	93.600	11/01/2021	03/31/2022	US DHSS	90CM009854-01-01		488,593
COVID-19: HEAD START UMOS I - IV TEXAS	93.600	04/01/2021	03/31/2023	US DHSS	90HN000016-01-00		62,118
HEAD START MISSOURI & ARKANSAS	93.600	04/01/2021	03/31/2022	US DHSS	90CM009835-03-01		521,628
HEAD START DISTRICT 6	93.600	04/01/2020	03/31/2021	US DHSS	90CM009824-03-01		1,746,779
COVID-19: HEAD START DISTRICT 6	93.600	04/01/2020	03/31/2021	US DHSS	90CM009824-03-01		121,032
COVID-19: HEAD START DISTRICT 6 ARP	93.600	04/01/2021	03/31/2023	US DHSS	90HN000016-01-01		18,247
COVID-19: HEAD START GRANTEE	93.600	04/01/2020	03/31/2021	US DHSS	90CM009831-02-02		181,239
COVID-19: HEAD START GRANTEE EHS	93.600	04/01/2020	03/31/2021	US DHSS	90CM009831-02-02		12,019
COVID-19: HEAD START BOOTHEEL EHS	93.600	04/01/2020	03/31/2021	US DHSS	90CM009835-02-01		17,616
COVID-19: HEAD START MISSOURI & ARKANSAS	93.600	04/01/2020	03/31/2021	US DHSS	90CM009835-02-01		149,650
HEAD START MISSOURI & ARKANSAS	93.600	04/01/2020	03/31/2021	US DHSS	90CM009835-02-01		1,798,940
HEAD START MISSOURI & ARKANSAS	93.600	07/01/2019	03/31/2020	US DHSS	90CM009835-01-00		54,620
MIGRANT HEAD START DISTRICT 6	93.600	04/01/2020	03/31/2022	US DHSS	90CM009824-04-00		667,674
Total 93.600							21,182,475
Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services							
WI DCF DOMESTIC ABUSE STIMULUS	93.671	03/27/2021	09/30/2021	WI DCF	437003-G21-0001620-000-49		18,567
DOMESTIC ABUSE	93.671	01/01/2020	12/31/2020	End Abuse	201908 Prevention Project 2020		44,545
DOMESTIC VIOLENCE PREV END ABUSE	93.671	01/01/2021	12/31/2021	End Abuse	202101 Prevention Project 2021		31,544
DOM. ABUSE IMMIGRANT/REFUGEE	93.671	01/01/2021	12/31/2021	WI DCF	437003-G19-0001304-R02-07		38,959
DOM. ABUSE IMMIGRANT/REFUGEE	93.671	01/01/2020	12/31/2020	WI DCF	437003-G19-0001304-R01-07		39,411
Total 93.671							173,026
HIV Prevention Activities Health Department Based							
HIV PREVENTION TARGETED	93.940	01/01/2021	12/31/2021	WI Dept Health	435100-G21-112615-190		41,184
HIV PREVENTION TARGETED	93.940	01/01/2020	12/31/2020	WI Dept Health	435100-G20-112615-90		72,839
Total 93.940							114,023
Total U.S Department of Health and Human Services						837,900	30,071,615
U.S Department of Homeland Security							
Emergency Food and Shelter National Board Program							
EMERGENCY FOOD AND SHELTER	97.024	01/01/2020	09/30/2020	US Dept Homeland	N/A		1,747
Total 97.024							1,747
Total U.S Department of Homeland Security							1,747
Total Expenditures of Federal Awards						\$ 950,713	\$ 36,352,458

See accompanying notes to the Schedule of Expenditures of Federal, State, and Local Awards.

United Migrant Opportunity Services / UMOS, Inc.
Schedule of Expenditures of Federal, State, and Local Awards
For the Year Ended June 30, 2021

Grantor Agency/ Pass-Through Agency/ Program Title	Federal Assistance Listing	Contract Period		Passed Through Agency	Passed Through Agency ID	Passed Through to Subrecipient	Expenditures
State and Local Programs							
WDPI HEAD START-PLYMOUTH	N/A	07/01/2020	06/30/2021	WI DPI	DPI-327		\$ 77,673
W-2 SOUTHEASTERN REGION	N/A	06/01/2020	12/31/2020	WI DCF	437001-M15-CFB0144-R02-07		2,221,978
W-2 SOUTHEASTERN REGION	N/A	01/01/2021	05/31/2021	WI DCF	437001-M15-CFB0144-R03-06		1,833,696
W-2 SOUTHEASTERN REGION	N/A	06/01/2021	12/31/2021	WI DCF	437001-M15-CFB0144-R03-06		390,303
CHICAGO COM. TRUST FARMWORKER RELIEF	N/A	07/01/2020	06/30/2021	CHICAGO TRUST	N/A		989,337
US ACF ORR DIRECT SERVICES FOR US's	N/A	03/23/2021	06/09/2021	US ACF	75ACF121C00021		2,743,664
UWM TRAUMA-INFORMED EMPLOYMENT	N/A	06/01/2020	05/31/2021	UWM	MC36246		15,000
ARC COM. SERV. HUMAN TRAFFICKING	N/A	03/01/2021	09/30/2023	ARC Comm. Serv.	N/A		6,397
EMERGENCY ASSISTANCE PAYMENTS	N/A	07/01/2020	06/30/2021	WI DCF	437001-M15-CFB0144-R02-07		410,389
W-2 TRIAL EMPLOYMENT MATCH DCF	N/A	06/01/2021	12/31/2021	WI DCF	437001-M15-CFB0144-R03-06		744
W-2 TRIAL EMPLOYMENT MATCH DCF	N/A	01/01/2021	05/31/2021	WI DCF	437001-M15-CFB0144-R03-06		2,030
VOCATIONAL TRAINING & ASSESSEMENT	N/A	06/01/2020	12/31/2020	WI DCF	437001-M15-CFB0144-R02-07		23,105
CHILD SUPPORT LIAISON	N/A	06/01/2020	12/31/2020	WI DCF	437001-M15-CFB0144-R02-07		11,658
DOM. ABUSE IMMIGRANT/REFUGEE	93.671	01/01/2020	12/31/2020	WI DCF	437003-G19-0001304-R01-07		4,379
DOM. ABUSE IMMIGRANT/REFUGEE	93.671	01/01/2021	12/31/2021	WI DCF	437003-G19-0001304-R02-07		4,329
WE ENERGIES LOW INCOME ENERGY PILOT	N/A	01/01/2020	12/31/2020	WE Energies	N/A		30,000
WE ENERGIES LOW INCOME ENERGY PILOT	N/A	01/01/2021	12/31/2021	WE Energies	N/A		120,000
SEXUAL ASSULT SERVICES	N/A	01/01/2021	12/31/2021	WI Dept Justice	2021/2020-52100/SV-01-16225		26,104
SEXUAL ASSULT SERVICES	N/A	01/01/2020	12/31/2020	WI Dept Justice	2020/2021-52100/SV-01-15608		19,779
WIS TOBACCO CONTROL	N/A	07/01/2019	06/30/2020	WI Dept Health	435100-G20-112615-90		415
WIS TOBACCO CONTROL WINS	N/A	01/01/2021	06/30/2021	Medical Coll. WI	435100-G21-148197-190		11,032
WIS TOBACCO CONTROL	N/A	07/01/2020	12/31/2020	Medical Coll. WI	N/A		41,685
WIS TOBACCO CONTROL	N/A	01/01/2021	06/30/2021	Medical Coll. WI	N/A		43,060
PRESBYTERY OF MILWAUKEE SAFE DATES	N/A	01/01/2020	12/31/2021	Presbytery	N/A		10,866
HISPANICS IN PHILANTHROPY	N/A	04/01/2020	09/30/2020	Hispanics in Philanthropy	N/A		28,171
NORTHWESTERN MUTUAL	N/A	05/01/2020	04/30/2021	Northwestern Mutal	N/A		8,422
GREATER MIL. LRC STRATEGIC PLANNING	N/A	01/01/2020	08/31/2021	Greater Mil. Foundation	2019-20186140		11,752
GREATER MIL. SA/DV ADVOCACY	N/A	11/01/2020	12/31/2022	Greater Mil. Foundation	N/A		500
DOMESTIC VIOLENCE UNDER SERVED	N/A	01/01/2021	12/31/2021	WI DCF	437003 G21 0001595 000 10		43,291
DOMESTIC VIOLENCE UNDER SERVED	N/A	01/01/2020	12/31/2020	WI DCF	437003 G16 0000844 R09 09		31,430
DOMESTIC VIOLENCE CHILDRENS PROG	N/A	01/01/2021	12/31/2021	WI DCF	437003-G21-0001666-000-46		17,586
DOMESTIC VIOLENCE CHILDRENS PROG	N/A	01/01/2020	12/31/2020	WI DCF	437001-G16-0000729-R03-46		22,763
COVID-19: FARMWORKER ANTHEM	N/A	07/01/2020	06/30/2021	Anthem	N/A		55,164
WISCAP FARMWORKER HOUSING	N/A	09/20/2020	12/31/2020	Wiscap	N/A		5,001
UNITED WAY RESPONSE FUND	N/A	05/12/2020	12/31/2020	United Way	N/A		5,001
UNITED WAY HEALTHY GIRLS INITIATIVE	N/A	07/01/2020	06/30/2021	United Way	N/A		33,367
UNITED WAY HEALTHY YOUTH	N/A	07/01/2019	06/30/2020	United Way	N/A		1
MI ARCOS IRIS CHILDREN LATINA RESOURCE	N/A	01/01/2020	12/31/2020	WI DCF	437003-G17-0000889-R03-03		12,398
MI ARCOS IRIS CHILDREN LATINA RESOURCE	N/A	01/01/2021	12/31/2021	WI DCF	437003-G17-0000889-R04-03		16,073
Total Expenditures of State and Local Awards							\$ 9,328,543
Total Expenditures of Federal, State, and Local Awards							\$ 950,713 \$ 45,681,001

See accompanying notes to the Schedule of Expenditures of Federal, State, and Local Awards.

United Migrant Opportunity Services/UMOS INC.

Notes to the Schedule of Expenditures of Federal, State and Local Awards
June 30, 2021

NOTE 1 - BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal, State and Local Awards (the Schedule) includes the award activity of UMOS under programs of the Federal, State and Local governments for the year ended June 30, 2021. 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 UMOS, it is not intended to and does not present the financial position, changes in net assets, or cash flows of UMOS.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are limited to reimbursement or grant stipulations.

NOTE 3 – PARTICIPANT DIRECT PAYMENTS

There were no direct payments made to W2 participant workers compensation by Wisconsin Department of Children and Families on behalf of UMOS for the year ended June 30, 2021.

NOTE 4 – INDIRECT COST RATE

UMOS uses their approved Federal Indirect Cost Rate.

NOTE 5 – FEDERAL LOANS

UMOS was approved by the USDA Rural Development to receive loans for their housing developments totaling \$693,533. The amounts listed for these loans includes the proceeds used during the year and the outstanding loan balances from prior year. The current loan balances are also reported on UMOS' Statement of Financial Position – Liability section.

United Migrant Opportunity Services/UMOS INC.

Notes to the Schedule of Expenditures of Federal, State and Local Awards
June 30, 2021

NOTE 5 – FEDERAL LOANS (continued)

Balances as of June 30,	<u>2020</u>	<u>2021</u>
Aurora	\$ 115,995	\$ 103,850
Beaver Dam	117,230	105,245
Claremont	154,690	144,552
Jefferson	249,120	237,381
Montello	<u>56,498</u>	<u>49,877</u>
Total	<u>\$ 693,533</u>	<u>\$ 640,905</u>



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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

Board of Directors
United Migrant Opportunity Services/UMOS 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 United Migrant Opportunity Services/UMOS INC. (UMOS) (a nonprofit organization), which comprise the Statement of Financial Position as of June 30, 2021, and the related Statements of Activities, and Cash Flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 20, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered UMOS' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of UMOS' internal control. Accordingly, we do not express an opinion on the effectiveness of UMOS' 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 and therefore, material weaknesses or significant deficiencies 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 2021-001 that we consider to be a material weakness.

Board of Directors
United Migrant Opportunity Services/UMOS INC.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether UMOS' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

UMOS's Response to Findings

UMOS's response to the findings identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. UMOS'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 organization'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 organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Andrea & Orendorff LLP

Andrea & Orendorff LLP
Kenosha, Wisconsin
December 20, 2021



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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND THE *STATE SINGLE AUDIT GUIDELINES*

Board of Directors
United Migrant Opportunity Services/UMOS INC.

Report on Compliance for Each Major Federal Program

We have audited United Migrant Opportunity Services/UMOS INC.'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *State Single Audit Guidelines* that could have a direct and material effect on each of UMOS' major federal programs and major state programs for the year ended June 30, 2021. UMOS' major federal programs and major state programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

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

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of UMOS' compliance.

Opinion on Each Major Federal Program

In our opinion, UMOS complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and major state programs for the year ended June 30, 2021.

Report on Internal Control over Compliance

Management of UMOS is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered UMOS' internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program and each major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance and the *State Single Audit Guidelines*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of UMOS' 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 a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

Andrea & Orendorff LLP

Andrea & Orendorff LLP
Kenosha, Wisconsin
December 20, 2021

United Migrant Opportunity Services/UMOS INC.

**Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2021**

Section I – Summary of Auditors’ Results

Financial Statements

Type of Auditor’s report issued: Unmodified

Internal control over financial reporting:

- Material weakness identified? Yes
- Significant deficiencies identified None reported

Noncompliance material to financial statements noted? No

Federal Awards

Internal control over major programs:

- Material weakness identified? No
- Significant deficiencies identified None reported

Type of Auditor’s report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a): No

Identification of major programs:

<u>Assistance Listing</u>	<u>Name of Federal Program or Cluster</u>
10.405	Farm Labor Housing Loans and Grants
93.600	Head Start Cluster

State Awards

Internal control over major programs:

- Material weakness identified? No
- Significant deficiencies identified None reported

Type of Auditor’s report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a): No

Identification of major programs:

<u>State ID Number</u>	<u>Name of State Program or Cluster</u>
437001-M15-CFB0144	Wisconsin W2

United Migrant Opportunity Services/UMOS INC.
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2021

Section I – Summary of Auditors’ Results (continued)

Dollar threshold used to distinguish between Type A and Type B:	Federal: \$1,090,574 State: \$ 250,000
Auditee qualified as low-risk auditee?	Yes

Section II – Financial Statement Findings

Finding No. 2021-001 – Material Weakness in Internal Control Over Financial Reporting of Fixed Asset Depreciation Expense

Criteria:

The Organization’s system of internal controls should be designed to prevent or detect material misstatements to the financial statements.

Condition/Effect:

During the course of the audit, auditors identified errors in the calculation of depreciation expense and accumulated depreciation totaling \$1,266,585 for the year which were not detected or corrected by UMOS’s system of internal controls. As a result, a material audit adjustment was required to properly state UMOS’s financial statements.

Cause:

During 2021 there were two unique circumstances that contributed to this misstatement. UMOS changed its accounting software used to manage and track fixed assets due to the obsolescence of its former system. Although processes were developed and implemented to ensure proper asset transaction recording controls, staff familiarity with the new system resulted in the erroneous entry of 14 assets using an incorrect depreciable lifetime measurement of months rather than years.

With the expansion of the Texas Head Start program, an acquisition of 194 federal assets valued at \$8,941,953 were received and individually entered into the fixed asset system. The data entry error leading to the depreciation misstatement occurred during this time and was not identified as part of the listing and review of the transaction asset activity or the monthly reconciliation.

Recommendation:

While UMOS has implemented a strong system of internal controls and transaction standards related to data entry and accounting for fixed assets, we recommend ensuring a detailed review of monthly adjustments and entries for reasonableness in order to identify errors of this nature.

United Migrant Opportunity Services/UMOS INC.
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2021

Section II – Financial Statement Findings (continued)

Finding No. 2021-001 – Material Weakness in Internal Control Over Financial Reporting of Fixed Asset Depreciation Expense (continued)

Management Response:

Management understands the finding, cause, and recommendation and has implemented changes to its fixed assets transaction processing procedures that will aid in the detection of misstatements and are designed to substantially limit and or reduce the likelihood of similar errors in the future. Enhanced review techniques to ensure reasonableness of monthly transactions will be implemented to substantially reduce, eliminate, or detect material misstatements from occurring in the future.

Corrective Action Plan:

Person Responsible

Dan Vidas, CFO

Planned Corrective Action

Due to the isolated instance for these 14 assets input error that used the incorrect measurement of years versus months, the Fixed Asset Cover Sheet will be changed to reflect the number of months to input into the system, rather than the number of years and months. This will substantially limit and or reduce the likelihood of this quantity of time error from occurring in the future. In addition, enhanced review techniques will be applied to the monthly fixed assets reconciliation to detect material misstatements.

Anticipated Completion Date

September 30, 2021

Section III – Federal Award Findings and Questioned Costs

No matters were reported.

United Migrant Opportunity Services/UMOS INC.
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2021

Section IV – Other Issues

Does the auditor’s report or the notes to the financial statements include disclosure with regard to substantial doubt as to the auditee’s ability to continue as a going concern? No

Does the audit report show audit issues related to grants/contracts with funding agencies that require audits to be in accordance with the *State Single Audit Guidelines*:

Department of Public Instruction	No
Department of Children and Families	No
Department of Justice	No
Department of Health Services	No

Was a Management Letter or other document conveying audit comments issued as a result of this audit? No

Name and signature of partner

Ryan Goerres

Ryan O. Goerres, CPA

Date of Report

December 20, 2021

Supplementary Information

United Migrant Opportunity Services/UMOS, INC.
Settlement of DHS Cost Reimbursement Award
For the Year Ending June 30, 2021

DHS identification number	155958	155958
Award Name	HIV Targeted	HIV Targeted
Award Amount	\$ 124,674	\$ 117,272
Award Period	1/1/20-12/31/20	1/1/21-12/31/21
Period of the award within audit period	<u>7/1/20-12/31/20</u>	<u>1/1/21-06/30/21</u>
A. Expenditures reported to DHS for payment	\$ 72,878	\$ 40,395
B. Actual allowable cost of award program exp.		
Program Expenses		
1. Grants and other assistance to governments and organizations in the US	\$ -	\$ -
2. Grants and other assistance to individuals in the US	-	-
3. Grants and other assistance to governments and organizations outside the US	-	-
4. Benefits paid to or for members	-	-
5. Compensation of current officers, directors, trustees and key employees	-	-
6. Compensation not included above, to disqualified persons	-	-
7. Other salaries and wages	36,004	24,288
8. Pension plan contributions	1,800	1,214
9. Other employee benefits	9,968	5,655
10. Participant expense	1,180	610
11. Space and related expense	7,142	3,976
12. Travel expense	4,016	363
13. Supplies expense	5,796	242
14. Purchase services expense	312	1,228
Total Program Expenses	<u>\$ 66,218</u>	<u>\$ 37,576</u>
Management and general expenses allocated to program		
1. Compensation of current officers, directors, trustees, and key employees, allocated based on Indirect Cost Plan	\$ 457	\$ 223
2. Compensation not included above, to disqualified person, allocated based on Indirect Cost Plan	-	-
3. Other salaries and wages, allocated based on rate	-	-
4. Pension plan contributions, allocated based on rate	23	11
5. Other employee benefits benefits, allocated based on rate	160	78
6. Other cost	5,982	3,445
Total management and general expense allocated to program	<u>\$ 6,622</u>	<u>\$ 3,757</u>
C. Less Program Revenue and other offset to cost	-	-
D. Total allowable cost before profit (for profit only)	<u>\$ 72,840</u>	<u>\$ 41,333</u>
E. Allowable profit(for-profit only)	-	-
F. Total allowable cost	<u><u>\$ 72,840</u></u>	<u><u>\$ 41,333</u></u>