AFTER-SCHOOL ALL-STARS

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

YEAR ENDED JUNE 30, 2020
(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED JUNE 30, 2019)

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WEALTH ADVISORY

OUTSOURCING

AUDIT, TAX, AND CONSULTING

AFTER-SCHOOL ALL-STARS
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INDEPENDENT AUDITORS' REPORT

Board of Directors
After-School All-Stars
Los Angeles, California

Report on the Financial Statements

We have audited the accompanying financial statements of After-School All-Stars (the Organization), a California nonprofit public benefit corporation, which comprise the statement of financial position as of June 30, 2020, and the related statements of activities, cash flows, and functional expenses 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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 auditors' 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.

Board of Directors
After-School All-Stars

Opinion

In our opinion, the financial statements referred to on page 1 present fairly, in all material respects, the financial position of the Organization as of June 30, 2020, 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.

Report on Summarized Comparative Information

We have previously audited the Organization's June 30, 2019 financial statements and we expressed an unmodified audit opinion on those financial statements in our report dated March 25, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2019, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the Organization's financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated March 10, 2021, on our consideration of the Organization'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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Glendora, California
March 10, 2021

AFTER-SCHOOL ALL-STARS
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2020
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2019)

	2020	2019
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	$ 6,633,409	$ 2,514,613
Accounts Receivable	10,565	50,788
Contributions and Grants Receivable	2,604,425	5,775,664
Due from Affiliates	77,083	38,908
Prepaid Expenses and Other Assets	105,903	151,480
Total Current Assets	9,431,385	8,531,453
LONG-TERM ASSETS		
Property, Plant, and Equipment, Net	15,373	29,124
Total Long-Term Assets	15,373	29,124
Total Assets	$ 9,446,758	$ 8,560,577
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable and Accrued Liabilities	$ 1,277,386	$ 1,811,533
Due to Affiliates	30,212	248,297
Deferred Revenue	170,769	60,786
PPP Loan Refundable Advance	1,159,931	-
Deferred Rent Liability, Current Portion	29,505	105,696
Total Current Liabilities	2,667,803	2,226,312
LONG-TERM LIABILITIES		
Deferred Rent Liability, Net of Current Portion	100,324	5,383
Total Long-Term Liabilities	100,324	5,383
NET ASSETS		
Without Donor Restriction	1,817,289	1,816,127
With Donor Restriction	4,861,342	4,512,755
Total Net Assets	6,678,631	6,328,882
Total Liabilities and Net Assets	$ 9,446,758	$ 8,560,577

See accompanying Notes to Financial Statements.

AFTER-SCHOOL ALL-STARS
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2020
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2019)

	Without Donor Restriction	With Donor Restriction	Total 2020	Total 2019
REVENUES				
Contribution and Grant Revenue	$ 10,837,494	$ 6,721,511	$ 17,559,005	$ 12,826,621
Contract Revenue	595,532	-	595,532	1,461,408
Special Event Revenue	568,017	-	568,017	4,996,155
Less: Costs of Direct Benefits to Donors	(46,483)	-	(46,483)	(288,847)
Other Revenue	30,088	-	30,088	1,795
Net Assets Released from Restrictions	6,372,924	(6,372,924)	-	-
Total Revenues	18,357,572	348,587	18,706,159	18,997,132
EXPENSES				
Program Services	15,256,118	-	15,256,118	14,632,780
Management and General	1,961,089	-	1,961,089	1,521,957
Fundraising	1,139,203	-	1,139,203	1,512,366
Total Expenses	18,356,410	-	18,356,410	17,667,103
CHANGE IN NET ASSETS	1,162	348,587	349,749	1,330,029
Net Assets - Beginning of Year	1,816,127	4,512,755	6,328,882	4,998,853
NET ASSETS - END OF YEAR	$ 1,817,289	$ 4,861,342	$ 6,678,631	$ 6,328,882

See accompanying Notes to Financial Statements.

AFTER-SCHOOL ALL-STARS
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2020
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2019)

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	$ 349,749	$ 1,330,029
Adjustments to Reconcile Change in Net Assets to Net Cash Flows from Operating Activities:		
Depreciation	13,751	13,630
(Increase) Decrease in Operating Assets:		
Accounts Receivable	40,223	203,569
Contributions and Grants Receivable	3,171,239	(3,314,001)
Due from Affiliates	(38,175)	3,035
Prepared Expenses and Other Assets	45,577	(16,347)
Increase (Decrease) in Operating Liabilities:		
Accounts Payable and Accrued Liabilities	(534,147)	387,931
Due to Affiliates	(218,085)	124,878
Deferred Revenue	109,983	(46,728)
PPP Loan Refundable Advance	1,159,931	-
Deferred Rent Liability, Current Portion	18,750	78,338
Net Cash Flows from Operating Activities	4,118,796	(1,235,666)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Property, Plant, and Equipment	-	(9,394)
Net Cash Flows from Investing Activities	-	(9,394)
NET CHANGE IN CASH AND CASH EQUIVALENTS	4,118,796	(1,245,060)
Cash and Cash Equivalents - Beginning of Year	2,514,613	3,759,673
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 6,633,409	$ 2,514,613

See accompanying Notes to Financial Statements.

AFTER-SCHOOL ALL-STARS
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2020
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2019)

	Program Services	Management and General	Fundraising	2020	2019
PERSONNEL EXPENSES					
Salaries and Wages	$ 8,447,891	$ 846,408	$ 667,228	$ 9,961,527	$ 10,108,525
Employee Benefits and Payroll Taxes	1,658,615	197,889	158,311	2,014,815	1,749,487
Total Personnel Expenses	10,106,506	1,044,297	825,539	11,976,342	11,858,012
OTHER FUNCTIONAL EXPENSES					
Accounting Expenses	-	41,807	-	41,807	29,600
Chapter Support and Training	118,667	-	-	118,667	150,116
Communications	133,135	17,863	11,367	162,365	161,789
Conference and Meeting Expenses	1,903	-	-	1,903	10,359
Consulting	139,612	305,433	11,920	456,965	386,382
Depreciation Expense	-	13,751		13,751	13,630
Direct Program Expenses	2,908,654	-	-	2,908,654	1,171,030
Donated Goods and Services	-	4,281	124,943	129,224	343,733
Expensed Equipment and Repairs	16,952	2,273	1,448	20,673	32,533
Grants to Affiliates	283,424	-	-	283,424	602,985
Information Technology Expenses	111,546	14,965	9,521	136,032	230,615
Insurance Expense	-	112,933	-	112,933	111,097
Legal	-	64,657	-	64,657	8,836
Marketing	15,718	31,431	57,612	104,761	151,133
Membership Dues	1,933	1,877	1,877	5,687	10,183
Occupancy Expenses	585,351	78,522	49,967	713,840	681,605
Professional Development	640,372	-	-	640,372	1,095,694
Recruitment	14,165	13,750	13,747	41,662	34,907
Service and Operating	-	189,350	16,048	205,398	182,686
Supplies	52,794	7,082	50,990	110,866	383,909
Travel Expenses	125,386	16,817	10,707	152,910	305,116
Total Other Functional Expenses	5,149,612	916,792	360,147	6,426,551	6,097,938
Less: Costs of Direct Benefits to Donors	-	-	(46,483)	(46,483)	(288,847)
Total Expenses	$ 15,256,118	$ 1,961,089	$ 1,139,203	$ 18,356,410	$ 17,667,103

See accompanying Notes to Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

After-School All-Stars (the Organization) is a nonprofit public benefit corporation, which was incorporated under the laws of the state of California in 1992. The Organization's mission is to provide comprehensive after-school programs that keep children safe and help them succeed in school and life.

After-School All-Stars is a hybrid model with 18 city-based, local nonprofit organizations and Chicago Public Schools After School Program licensing the use of the After-School All-Stars name. The local organizations apply for grants and receive financial support for programs for youth. The Organization was established to assist its affiliated chapters with the development, improvement, and implementation of the After-School All-Stars' mission. The Organization grants a portion of the funding it receives to its affiliated chapters to be used for general operations, program quality, professional developments, and new curriculums. Part of the activity of the Organization is also to form chapters under the 501(c)(3).

During the year ended June 30, 2020, the Organization's national office operated Bay Area, Chicago, Cleveland, Washington DC, Tampa, Puget Sound, Philadelphia, New York, New Jersey, North Texas directly under the 501(c)(3).

Cash and Cash Equivalents

The Organization defines its cash and cash equivalents to include only cash on hand, demand deposits, and liquid investments with original maturities of three months or less.

Use of Estimates

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

Basis of Accounting

The financial statements have been prepared on the accrual method of accounting and accordingly reflect all significant receivables and liabilities.

Functional Allocation of Expenses

Costs of providing the Organization's programs and other activities have been presented in the statement of functional expenses. During the year, such costs are accumulated into separate groupings as either direct or indirect. Indirect or shared costs are allocated among program and support services by a method that best measures the relative degree of benefit.

Basis of Presentation

The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America as prescribed by the Financial Accounting Standards Board.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Asset Classes

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

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

Net Assets With Donor Restrictions – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. For the year ended June 30, 2020 the Organization had $4,861,342 in restricted net assets.

Grants, Contributions, and Pledges Receivables

All contributions are considered to be available for use unless specifically restricted by the donor. Amounts received that are restricted to specific use or future periods are reported as contributions with donor restrictions. Unconditional promises to give expected to be received in one year or less are recorded at net realizable value. Unconditional promises to give expected to be received in more than one year are recorded at fair value at the date of the promise.

Contributions and grant receivables for the year ended June 30, 2020 are expected to be fully collected within one year.

Conditional Grants

Grants that are conditioned upon the performance of certain requirements or the incurrence of allowable qualifying expenses (barriers) are recognized as revenues in the period in which the conditions are met. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific grant provisions. Amounts received prior to incurring qualifying expenditures are reported as deferred revenues in the statement of financial position. As of June 30, 2020, the Organization has conditional grants of $1,104,084.

Contract Revenue

Contract revenue consists of amounts earned by providing after school services to customers and are recorded in the year services are provided. The performance obligation of providing after school services is simultaneously received and consumed by the customers; therefore, the revenue is recognized ratably over the course of the year as services are provided. Contract received in advance for the of meeting the performance obligation is reported as deferred revenues. The Organization had $170,769 in deferred revenues as of June 30, 2020.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property, Plant, and Equipment

Property, plant, and equipment are stated at cost if purchased or at estimated fair market value if donated. Depreciation is provided on a straight-line basis over the estimated useful lives of the asset.

Comparative Totals

The financial statements include prior year summarized comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2019, from which the summarized information was derived.

Compensated Absences

ASAS provides paid time off (PTO) for employees to use for vacation, personal time, or sick time off (personal illness, medical appointments, or time off to care for dependents in accordance with employees' state or local laws) as a benefit to introductory and regular full-time employees at rates determined by their length of employment. Accrual caps are also set according to length of employment – once the PTO accrual cap is hit, no further leave is earned until the employee uses PTO leave beneath the cap.

Income Taxes

The Organization is a nonprofit entity exempt from the payment of income taxes under Internal Revenue Code Section 501(c)(3) and California Revenue and Taxation Code Section 23701d. Accordingly, no provision has been made for income taxes. Management has determined that all income tax positions are more likely than not of being sustained upon potential audit or examination; therefore, no disclosures of uncertain income tax positions are required. The Organization files an exempt informational return in the U.S. federal jurisdiction and the state of California. The statute of limitations for federal and California state purposes is generally three and four years, respectively. The Organization is subject to income tax on net income that is derived from business activities that are unrelated business income tax.

Change in Accounting Principle

In May 2014, FASB issued Accounting Standards Update (ASU) 2014-09, *Revenues from Contracts with Customers (Topic 606)*. The update establishes the core principle that an entity should recognize revenue to depict the transfer of promised goods or services to customers in the amount that reflects the consideration to which the entity expects to be entitled in exchange for those good or services. The Organization has early adopted the implementation of ASU 2014-09 under the full retrospective approach. There was no material impact on the Organization's financial position and results of operations upon adoption of the new standard.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Change in Accounting Principle (Continued)

In June 2018, FASB issued Accounting Standards Update (ASU) 2018-08, *Not-for-Profit Entities (Topic 958) – Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The update clarifies and improves the scope and the accounting guidance for contributions received and contributions made. The amendments in this update should assist entities in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions), or as exchange (reciprocal transactions) and (2) determining whether a contribution is conditional. The Organization has implemented ASU 2018-08 under the modified prospective approach. There was no material impact on the Organization's financial position and results of operations upon adoption of the new standard.

Subsequent Events

The Organization has evaluated subsequent events through March 10, 2021, the date these financial statements were available to be issued.

NOTE 2 LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure are those without donor or other restrictions limiting their use within one year of the statement of financial position date. Financial assets available for general expenditures comprise the following:

Cash and Cash Equivalents	$ 6,633,409
Accounts Receivable	10,565
Contributions and Grants Receivable	2,604,425
Due from Affiliates	77,083
Less: Restricted Net Assets	(4,861,342)
Total	$ 4,464,140

As part of its liquidity management plan, the Organization monitors liquidity required and cash flows to meet operating needs on a monthly basis. The Organization structures its financial assets to be available as general expenditures, liabilities and other obligations come due.

NOTE 3 CONCENTRATION OF CREDIT RISK

The Organization also maintains cash balances held in banks and revolving funds which are insured up to $250,000 by the Federal Depository Insurance Corporation (FDIC). At times, cash in these accounts exceeds the insured amounts. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on its cash and cash equivalents.

NOTE 4 RELATED PARTY TRANSACTIONS

For the years ended June 30, 2020 and 2019, grants to affiliated chapters totaled $283,424 and $602,985, respectively. As of June 30, 2020 and 2019, there were $9,757 and $248,297 grant amounts due to affiliated chapters, respectively.

From time to time and on an as-needed basis, the Organization may provide short-term noninterest bearing loan funding to its affiliated chapters to assist with temporary cash-flow needs. For the years ended June 30, 2020 and 2019, amounts due from affiliated chapters were $77,083 and $38,908, respectively.

NOTE 5 PROPERTY, PLANT, AND EQUIPMENT

Property, plant, and equipment in the accompanying financial statements are presented net of accumulated depreciation. The Organization capitalizes all expenditures for land, buildings, and equipment in excess of $1,000. Depreciation expense was $13,751 and $13,630 for the years ended June 30, 2020 and 2019, respectively.

The components of property, plant, and equipment as of June 30, 2020 are as follows:

Leasehold Improvements	$ 8,755
Equipment	64,883
Total Property, Plant, and Equipment	73,638
Less: Accumulated Depreciation	(58,265)
Property, Plant, and Equipment, Net	$ 15,373

NOTE 6 OPERATING LEASES

The Organization leases office space and equipment under noncancelable operating lease agreements, which expire at various dates through 2021. Lease expense under these agreements for the years ended June 30, 2020 and 2019 was $692,058 and $639,749, respectively.

NOTE 6 OPERATING LEASES (CONTINUED)

Future minimum lease payments for the year ended June 30, 2020 are as follows:

Year Ended June 30,	Amount
2021	$ 612,938
2022	536,550
2023	512,169
2024	172,560
2025	179,466
Thereafter	297,661
Total	$ 2,311,344

NOTE 7 RETIREMENT PLAN

The Organization sponsors a defined contribution IRC Section 403(b) retirement plan in which all employees (as defined) are eligible to participate. Employee contributions are fully vested immediately upon contribution to the plan. The assets of the plan are invested at the discretion of the individual employees.

The Organization may choose to make a matching contribution and an additional discretionary contribution for each participant. Organization matching contributions and discretionary contributions are fully vested in this plan after three years of service. For the years ended June 30, 2020 and 2019, the Organization made matching contributions of $125,554 and $209,942, respectively.

NOTE 8 FUNCTIONALIZED EXPENSES

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function(s). Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that have been allocated include salaries and wages, employee benefits, payroll taxes, consulting fees, and recruitment which are allocated based on time and effort. Marketing, supplies, information technology, occupancy, travel, communication, equipment, and membership dues are allocated based on a measurement of usage.

NOTE 9 NET ASSETS WITH DONOR RESTRICTIONS

The Organization experienced the following changes in net assets with donor restrictions for the year ended June 30, 2020:

	June 30, 2019	Additions	Releases	June 30, 2020
School Readiness/We Are Ready Initiative	$ 305,006	$ 136,500	$ (364,704)	$ 76,802
STEM Programs	631,986	310,701	(811,168)	131,519
Grants for Schools	1,856,791	4,009,780	(2,521,478)	3,345,093
Health and Fitness	241,168	546,964	(695,541)	92,591
Evaluation	82,481	285,000	(370,334)	(2,853)
Capacity Building	669,849	1,032,000	(884,225)	817,624
Time Restricted	725,474	400,566	(725,474)	400,566
Total	$ 4,512,755	$ 6,721,511	$ (6,372,924)	$ 4,861,342

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors.

NOTE 10 PPP LOAN AND FORGIVENESS

On April 24, 2020 the Organization received a loan from City National Bank in the amount of $1,858,567 to fund payroll, rent, utilities, and interest on mortgages and existing debt through the Paycheck Protection Program (“PPP Loan”). The original loan agreement was written prior to the PPP Flexibility Act of 2020 (June 5) and was due over twenty-four months deferred for six months. Subsequent to this, the law changed the loan deferral terms retroactively. The PPP Flexibility Act and subsequent regulations supersede the loan agreement. The PPP Loan has a term of two years and is unsecured and guaranteed by the U.S. Small Business Administration. Payment of principal and interest is deferred until the date on which the amount of forgiveness is remitted to the lender or, if the organization fails to apply for forgiveness within ten months after the covered period, then payment of principal and interest shall begin on that date. These amounts may be forgiven subject to compliance and approval based on the timing and use of these funds in accordance with the program. To the extent that all or part of the PPP Loan is not forgiven, the Organization will be required to pay interest on the PPP Loan at a rate of 1.0% per annum, and commencing in August 2021 principal and interest payments will be required through the maturity date in April 2022.

The Organization recognized $698,636 of other income related to this agreement during the year ended June 30, 2020, which represents the portion of the PPP loan funds for which the performance barriers have been met. As of June 30, 2020, the Organization has satisfied the performance barriers attributable to the PPP loan proceeds. The SBA has not formally forgiven any portion of the Organization’s obligation under this PPP loan. Payment of principal and interest is deferred until the date on which the amount of forgiveness is remitted to the lender or, if the Organization fails to apply for forgiveness within 10 months after the covered period, then payment of principal and interest shall begin on that date. The covered period from April 24, 2020, to October 9, 2020, is the time that the Organization has to spend their PPP Loan funds.

NOTE 11 CONTINGENCIES, RISKS AND UNCERTAINTIES

During the fiscal year, the World Health Organization declared the spread of Coronavirus Disease (COVID-19) a worldwide pandemic. Subsequent to year-end, the COVID-19 pandemic continues to have significant effects on global markets, supply chains, businesses, and communities. Specific to the Organization, COVID-19 may impact various parts of its 2021 operations and financial results, including, but not limited to, loss of revenues, additional bad debts, costs for increased use of technology, or potential shortages of personnel. Management believes the Organization is taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as these events are still developing.

SUPPLEMENTARY INFORMATION

AFTER-SCHOOL ALL-STARS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2020

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Education			
Pass Through the District of Columbia Office of the State Superintendent of Education			
21st Century Community Learning Centers	84.287	S287C180008	$ 439,191
Pass Through the Pennsylvania Department of Education			
21st Century Community Learning Centers	84.287	S287C200038	177,114
Pass Through the New York State Education Department			
21st Century Community Learning Centers	84.287	S287C190032	181,103
Pass Through the Florida Department of Education			
21st Century Community Learning Centers	84.287	S287C200009	251,817
Pass Through the New Jersey Department of Education			
21st Century Community Learning Centers	84.287	S287C200030	534,491
Pass Through the Ohio Department of Education			
21st Century Community Learning Centers	84.287	S287C200035	176,118
Total 21st Century Community Learning Centers			1,759,834
U.S. Corporation for National and Community Service			
Pass through from AmeriCorps			
DC Americorps	94.006	N/A	51,454
ServeOhio Americorps	94.006	N/A	14,239
Total U.S. Department of Education			65,693
Total Federal Expenditures			$ 1,825,527

N/A - Pass-through entity number not readily available or not applicable.

See accompanying Notes to Schedule of Expenditures of Federal Awards.

NOTE 1 PURPOSE OF SCHEDULES

Schedule of Expenditures of Federal Awards

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the Organization under programs of the federal governmental for the year ended June 30, 2020. The information in this Schedule is presented on the accrual basis of accounting in accordance with the requirements of the Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of 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.

Indirect Cost Rate

The Organization has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

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

Board of Directors
After-School All-Stars
Los Angeles, California

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 After-School All-Stars (the Organization), a nonprofit organization, which comprise the statement of financial position as of June 30, 2020, and the related statements of activities and cash flows for the year then ended, the related notes to the financial statements, and have issued our report thereon dated March 10, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing 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 the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization'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 financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization'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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Glendora, California
March 10, 2021

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

Board of Directors
After-School All-Stars
Los Angeles, California

Report on Compliance for Each Major Federal Program

We have audited the compliance of After-School All-Stars (the Organization) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020. The Organization's major federal 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 terms and conditions of federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Organization's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Organization's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Organization's compliance.

Opinion on Each Major Federal Program

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

Board of Directors
After-School All-Stars

Report on Internal Control Over Compliance

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

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

Purpose of this Report

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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Glendora, California
March 10, 2021

AFTER-SCHOOL ALL-STARS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2020

Section I – Summary of Auditors' Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: *Unmodified*

Internal control over financial reporting:

Material weakness(es) identified?	____	*Yes*	X	*No*
Significant deficiency(ies) identified?	____	*Yes*	X	*None Reported*
Noncompliance material to financial statements noted?	____	*Yes*	X	*No*

Federal Awards

Internal control over major federal awards:

Material weakness(es) identified?	____	*Yes*	X	*No*
Significant deficiency(ies) identified?	____	*Yes*	X	*None Reported*

Type of auditor's report issued on compliance for major federal programs: *Unmodified*

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	____	*Yes*	X	*No*

Identification of Major Federal Programs:

CFDA Number(s)	Name of Federal Program or Cluster
84.287	21ST Century Community Learning Centers

Dollar threshold used to distinguish between type A and type B programs: $750,000

Auditee qualified as low-risk auditee?	X	*Yes*	____	*No*

Section II – Financial Statement Findings

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards.*

Section III – Findings and Questioned Costs – Major Federal Programs

Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).