

**The Georgia Tuition Assistance
Program, Inc.**

Financial Report

For the Year Ended December 31, 2021

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
The Georgia Tuition Assistance Program, Inc.
Atlanta, Georgia

Opinion

We have audited the accompanying financial statements of The Georgia Tuition Assistance Program, Inc., (a nonprofit organization), which comprise the statement of financial position as of December 31, 2021, and the related statements of activities and changes in net assets, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Georgia Tuition Assistance Program, Inc. as of December 31, 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.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The Georgia Tuition Assistance Program, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about The Georgia Tuition Assistance Program, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of The Georgia Tuition Assistance Program, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about The Georgia Tuition Assistance Program, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

A handwritten signature in dark ink that reads "Alliant CPA Group, LLC". The signature is written in a cursive, flowing style.

Marietta, Georgia
April 30, 2022

THE GEORGIA TUITION ASSISTANCE PROGRAM, INC.

**STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2021**

ASSETS

CURRENT ASSETS

| | |
|----------------------|----|
| Cash in bank | \$ |
| Donations receivable | |
| Total current assets | |

Investment in real estate (See Note 3)

| | |
|--------------|----|
| TOTAL ASSETS | \$ |
|--------------|----|

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

| | |
|---------------------------|----|
| Accrued expenses | \$ |
| Total current liabilities | |

NET ASSETS

| | |
|----------------------------|--|
| Without donor restrictions | |
| Unrestricted | |
| Board designated | |

| | |
|-------------------------|--|
| With donor restrictions | |
|-------------------------|--|

| | |
|------------------|--|
| Total net assets | |
|------------------|--|

| | |
|----------------------------------|----|
| TOTAL LIABILITIES AND NET ASSETS | \$ |
|----------------------------------|----|

See accompanying notes and auditor's report.

THE GEORGIA TUITION ASSISTANCE PROGRAM, INC.

**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2021**

| | <u>Without Donor Restrictions</u> | | <u>With Donor Restrictions</u> | <u>Total</u> |
|---|-----------------------------------|-------------------------|--------------------------------|--------------|
| | <u>Undesignated</u> | <u>Board Designated</u> | | |
| REVENUES AND SUPPORT | | | | |
| Scholarship donations | \$ | | | |
| Contributions | | | | |
| Total support and revenues | | | | |
| EXPENSES | | | | |
| Program services | | | | |
| Management and general | | | | |
| Fundraising | | | | |
| Total expenses | | | | |
| OTHER EXPENSE | | | | |
| Unrealized loss on investent in real estate | | | | |
| Change in net assets | | | | |
| Net assets, beginning of year | | | | |
| Net assets, end of year | \$ | | | |

See accompanying notes and auditor's report.

THE GEORGIA TUITION ASSISTANCE PROGRAM, INC.

**STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2020**

CASH FLOWS FROM OPERATING ACTIVITIES:

| | |
|--|----|
| Change in net assets | \$ |
| Adjustments to reconcile change in net assets to net cash provided by operating activities: | |
| Unrealized loss on investment in real estate | |
| Net changes in assets and liabilities | |
| Increase in donations receivable | |
| Increase in accrued liabilities | |
| Net cash provided by operating activities | |

CASH FLOWS FROM INVESTING ACTIVITIES:

CASH FLOWS FROM FINANCING ACTIVITIES:

| | |
|-----------------------------------|----|
| Net increase in cash in bank | \$ |
| Cash in bank at beginning of year | |
| Cash in bank at end of year | \$ |

See accompanying notes and auditor's report.

The Georgia Tuition Assistance Program, Inc.

Notes to Financial Statements
Year Ended December 31, 2021

Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Organization

The Georgia Tuition Assistance Program, Inc. (the "Organization") [REDACTED] is a not-for-profit entity incorporated under the laws of the State of Georgia. It is a Student Scholarship Organization (SSO) as defined by the State of Georgia and operates exclusively for charitable education and scientific purposes.

Use of Estimates in Preparation of Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted requires management to make certain estimates and assumptions that directly affect the results of reported assets, liabilities, revenues and expenses. Actual results may differ from these estimates.

Financial Statement Presentation

The accompanying financial statements of the Organization have been prepared on the accrual basis of accounting and in accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Codification for restrictions placed on assets by donors.

To ensure observance of limitations and restrictions placed on the use of resources available to the Organization, the resources are classified for accounting and reporting purposes into categories established according to their nature and purpose. The assets, liabilities and net assets of the Organization are reported as follows:

- *Net Assets Without Donor Restrictions* - Net assets available for use in general operations and not subject to donor-imposed restrictions. The governing board has designated, from assets without donor restrictions, funds obligated to provide additional scholarships. These funds are considered without donor restrictions since they are not donor restricted funds; however, the funds are reported separately for financial statement purposes as they are not available for general operating purpose without board action.

The Georgia Tuition Assistance Program, Inc.

Notes to Financial Statements
Year Ended December 31, 2021

Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Statement Presentation (continues)

- *Net Assets With Donor Restrictions* - Net assets subject to donor-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 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.

Assets Obligated for Scholarships

The Organization had [REDACTED] held in non-interest-bearing bank accounts as of December 31, 2021.

These funds are obligated under the provisions of Georgia law relating to the operation of student scholarship organizations under O.C.G.A. § 20-2A. In addition, under O.C.G.A. § 20-2A, the Organization is required to maintain two separate accounts for operating and scholarship funds.

Concentrations of Credit Risk Arising from Cash Deposits

The Organization maintains separate bank accounts, as required by the Georgia Department of Education, at a financial institution. The Federal Deposit Insurance Corporation insures up to \$250,000 on accounts at the institution. [REDACTED]

Recognition of Revenue and Expenses

Contributions received are recorded as revenue without donor restrictions or with donor restrictions depending on the absence or existence of any donor-imposed restrictions on the use of the contribution to provide scholarships at the Organization's discretion at participating eligible schools.

The Georgia Tuition Assistance Program, Inc.

Notes to Financial Statements
Year Ended December 31, 2021

Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Functional Expenses

Expenses are charged directly to program, management and fundraising in general categories based on specific identification. Program services consist of granted student scholarships at participating schools. Management and general expenses include those expenses that are not directly identifiable with any specific function but provide for the overall support and direction of the Organization.

Income Tax Status

The Organization has been granted tax-exempt status under Section 501(c)(3) of the Internal Revenue Code (the Code) and Section 48-7-25 of the Georgia Code as an organization described in Section 501(c)(3) whereby only unrelated business income, as defined by Section 512(a)1 of the Code is subject to federal income tax. The Internal Revenue Service has further classified the Organization as a publicly supported charitable organization as described in Section 509(a)(1) of the Internal Revenue Code, which allows donors to take the maximum charitable contribution deduction.

The Organization applies the provisions of accounting standards for income taxes. These standards require that a tax position be recognized or derecognized based on a 'more-likely-than-not' threshold. This applies to positions taken or expected to be taken in a tax return.

Date of Management's Review

In preparing the financial statements, the Association has evaluated events and transactions for potential recognition or disclosure through April 30, 2022, the date which the financial statements were available to be issued.

The Georgia Tuition Assistance Program, Inc.

Notes to Financial Statements
Year Ended December 31, 2021

Note 2. LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date consists of cash in bank, which totals [REDACTED] at December 31, 2021.

The Organization is supported primarily by scholarship donations (see Note 1). The Organization's liquidity management allows its financial assets to be available as its general expenditures, liabilities and other obligations come due.

Note 3. FAIR VALUE MEASUREMENTS

The Fair Value Measurements and Disclosures topic of the FASB ASC 820 establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Level 1 within the hierarchy states that valuations are based on unadjusted quoted market prices for identical assets or liabilities in active markets. Level 2 within the hierarchy states that valuations are based on observable inputs other than level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in inactive markets and other inputs that may be corroborated by observable market data. Level 3 within the hierarchy states that valuations are based on prices or inputs that require inputs that are both significant to the fair value measurement and unobservable.

| | |
|------------|--|
| [REDACTED] | |
| [REDACTED] | |
| [REDACTED] | |
| [REDACTED] | |

Note 4. CONTRIBUTIONS

Under Georgia state law, each SSO must report to the Georgia Department of Revenue the total number and dollar value of contributions received and tax credits approved. The reconciliation between the amounts reported and the financial statements is as follows:

| | |
|---|---------------|
| | 2021 |
| Georgia IT-QEE-SS02 | \$ [REDACTED] |
| Contributions with no corresponding tax credits | — |
| Totals | \$ [REDACTED] |

The Georgia Tuition Assistance Program, Inc.

Notes to Financial Statements
Year Ended December 31, 2021

Note 5. COMPLIANCE FINDING

During the year ended December 31, 2021, the Organization granted a student scholarship amounts for the year in excess of the average state and local expenditures per student as defined by the Georgia Department of Education in non-compliance of O.C.G.A 20-2A-2 (1) statute.

Note 6. SUBSEQUENT EVENTS

In accordance with ASC 855, Subsequent Events, the management has evaluated subsequent events and transactions for potential recognition or disclosure through the date the financial statements were available to be issued.