

Truckee Meadows Parks Foundation

RENO, NEVADA



Financial Statements

(With Independent Auditor's Report)

December 31, 2022



Knott
Certified Public Accountant

235 West Pueblo Street
Reno, Nevada

Truckee Meadows Parks Foundation
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INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Truckee Meadows Parks Foundation
Reno, Nevada

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Truckee Meadows Parks Foundation, which comprise the statement of financial position as of December 31, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of Truckee Meadows Parks Foundation as of December 31, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 Truckee Meadows Parks Foundation 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 these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Truckee Meadows Parks Foundation's ability to continue as a going concern for one year after the date that the financial statements were 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 GAAS and the standards applicable to financial

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audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

In performing an audit in accordance with GAAS, 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 Truckee Meadows Parks Foundation'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 Truckee Meadows Parks Foundation'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.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards, 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*, 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

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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 our report dated November 14, 2023 on our consideration of Truckee Meadows Parks Foundation'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 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 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 Truckee Meadows Parks Foundation's internal control over financial reporting and compliance.

Knott CPA

Reno, Nevada
November 14, 2023

Truckee Meadows Parks Foundation
Statement of Financial Position
As of December 31, 2022

Assets	
Cash and cash equivalents	\$ 142,018
Investments	78,176
Contributions receivable	311,353
Other current assets	<u>3,767</u>
Total assets	<u>\$ 535,314</u>
Liabilities and Net Assets	
Liabilities	
Accrued expenses	\$ 50,765
Accounts payable	<u>183,016</u>
Total liabilities	<u>233,781</u>
Net Assets	
Without donor restrictions	<u>301,533</u>
Total net assets	<u>301,533</u>
Total liabilities and net assets	<u>\$ 535,314</u>

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

Truckee Meadows Parks Foundation
Statement of Activities
For the Year Ended December 31, 2022

	Without Donor Restrictions
Revenue and Support	
Grants and contracts	
Federal	\$ 1,086,060
Private	253,647
Sponsorships	219,816
Total grants and contracts	1,559,523
Contributions	89,459
In-kind contributions	127,258
Program service fees	326,235
Interest	430
	2,102,905
Expenses	
Program services:	
Program and event	1,824,833
	1,824,833
Supporting services:	
Administration	457,563
	457,563
Total expenses	2,282,396
Change in Net Assets	(179,491)
Net Assets, beginning of year	481,024
Net Assets, end of year	\$ 301,533

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

Truckee Meadows Parks Foundation
Statement of Functional Expenses
For the Year Ended December 31, 2022

	Program Services		Supporting Services		Total
	Program and Event	Total Program Services	General and Administrative	Total Supporting Services	
Personnel costs	\$ 1,261,061	\$ 1,261,061	\$ 260,918	\$ 260,918	\$ 1,521,979
Fiscal sponsorship	199,380	199,380	-	-	199,380
Camp expenditures	28,582	28,582	-	-	28,582
Supplies and materials	116,643	116,643	1,646	1,646	118,289
Travel	59,918	59,918	-	-	59,918
In Kind	127,258	127,258	-	-	127,258
Outreach	21,675	21,675	162	162	21,837
Meetings	-	-	3,853	3,853	3,853
Reimbursements	-	-	21,831	21,831	21,831
Office expenses	-	-	6,552	6,552	6,552
Subcontractors	-	-	93,287	93,287	93,287
Miscellaneous	-	-	15,505	15,505	15,505
Utilities	1,272	1,272	2,759	2,759	4,031
Professional fees	9,044	9,044	27,503	27,503	36,547
Insurance	-	-	23,547	23,547	23,547
Total Expenses	\$ 1,824,833	\$ 1,824,833	\$ 457,563	\$ 457,563	\$ 2,282,396

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

Truckee Meadows Parks Foundation
Statement of Cash Flows
For the Year ended December 31, 2022

Cash Flows from Operating Activities	
Change in net assets	\$ (179,491)
Adjustments to reconcile change in net assets to net cash from operating activities:	
Interest	(186)
Changes in operating assets and liabilities:	
Grants receivable	(262,993)
Other current assets	(3,767)
Accrued expenses	50,175
Accounts payable	183,016
Net Cash from Operating Activities	<u>(213,246)</u>
Net Change in Cash and Cash Equivalents	(213,246)
Cash and Cash Equivalents, beginning of year	<u>355,264</u>
Cash and Cash Equivalents, end of year	<u><u>\$ 142,018</u></u>

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

Truckee Meadows Parks Foundation
Notes to Financial Statements
December 31, 2022

NOTE 1 – Nature of Operations

Truckee Meadows Parks Foundation (the “Organization”) is a nonprofit organization established to protect and enhance community livability through public engagement, education, and the sustainability of its community’s parks, open spaces, and trails.

NOTE 2 – Summary of Significant Accounting PoliciesBasis of Accounting and Presentation

The financial statements are prepared on the accrual basis of accounting. Net assets are reported based on the presence or absence of donor-imposed restrictions, as follows:

- *Net assets without donor restrictions* represent funds that are not subject to donor-imposed stipulations and are available for support of the Organization’s operations.
- *Net assets with donor restrictions* represent funds subject to donor (or certain grantor) 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.

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 amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates, and those differences could be material.

Cash and Cash Equivalents

The Organization maintains cash at a financial institution. The account balances presented in the accompanying financial statements are insured by the FDIC up to \$250,000. The Organization considers all cash and highly liquid debt instruments, including money market funds not held for long-term investment purposes and certificates of deposits with maturities of three months or less when purchased, which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents.

Truckee Meadows Parks Foundation
Notes to Financial Statements
December 31, 2022

NOTE 2 – Summary of Significant Accounting Policies (continued)

Property and Equipment

The Organization records property and equipment additions over \$5,000 at cost, or if donated, at fair value on the date of donation. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets ranging from 3 to 30 years, or in the case of capitalized leased assets or leasehold improvements, the lesser of the useful life of the asset or the lease term. When assets are sold or otherwise disposed of, the cost and related depreciation or amortization are removed from the accounts, and any resulting gain or loss is included in the statements of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

The Organization reviews the carrying values of property and equipment for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. No long-lived assets were determined to be impaired during the year ended December 31, 2022.

Grants and Accounts Receivable

Grants and accounts receivable include amounts due from local governments and other receivables and are stated at their net realizable value. No allowance for doubtful accounts is recorded on December 31, 2022, as management believes that all grants and accounts receivable are fully collectible.

Investments

Investments are recorded at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the statements of financial position. Net investment return/(loss) is reported in the statements of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses.

Revenue and Revenue Recognition

The Organization recognizes contributions when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

Truckee Meadows Parks Foundation
Notes to Financial Statements
December 31, 2022

NOTE 2 – Summary of Significant Accounting Policies (continued)

Donated Services and In-Kind Contributions

Volunteers contribute significant amounts of time to its program services, administration, and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. Contributed goods are recorded at fair value at the date of donation. The Organization records donated professional services at the respective fair values of the services received (Note 7).

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The expenses that are allocated include salaries and wages, benefits, and payroll taxes, which are allocated on the basis of estimates of time and effort.

Financial Instruments and Credit Risk

The Organization manages deposit concentration risk by placing cash, money market accounts, and certificates of deposit with financial institutions believed to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. To date, the Organization has not experienced losses in any of these accounts. Credit risk associated with accounts receivable and promises to give is considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from governmental agencies and foundations supportive of its mission. Investments are made by diversified investment managers whose performance is monitored by it and the investment committee of the Board of Directors. Although the fair values of investments are subject to fluctuation on a year-to-year basis, it and the investment committee believe that the investment policies and guidelines are prudent for the long-term welfare of the organizations.

Subsequent Events

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through November 14, 2023, the date the financial statements were available to be issued.

Truckee Meadows Parks Foundation
Notes to Financial Statements
December 31, 2022

NOTE 3 – Income Taxes

The Organization is recognized as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code (IRC) and is exempt from income taxes except for taxes on unrelated business activities. Truckee Meadows Parks Foundation is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, it is subject to income tax on net income that is derived from business activities that are unrelated to its exempt purposes. No tax expense is recorded in the accompanying financial statements for the year ended December 31, 2022, as the Organization did not engage in any unrelated business activities and have not filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS. Contributions to the Organization are deductible as provided in IRC Section 170(b)(1)(A)(vi).

Management has evaluated the Organization's tax positions and concluded that there are no significant uncertain tax positions that qualify for either recognition or disclosure in the accompanying financial statements.

NOTE 4 – Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the date of the statement of financial position, comprise the following:

Cash and cash equivalents	\$ 142,018
Contributions receivable	311,353
Other current assets	<u>3,767</u>
	<u>\$ 457,138</u>

As part of the Organization's liquidity management plan, they invest cash in excess of daily requirements in short-term investments, CDs, and money market funds.

NOTE 5 – Fair Value Measurements and Disclosures

The Organization reports certain assets at fair value in the financial statements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available.

Truckee Meadows Parks Foundation
Notes to Financial Statements
December 31, 2022

NOTE 5 – Fair Value Measurements and Disclosures (continued)

A three-tier hierarchy categorizes the inputs as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that it can access at the measurement date.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs.

Level 3 – Unobservable inputs for the asset or liability. In these situations, they develop inputs using the best information available in the circumstances.

In some cases, the inputs used to measure the fair value of an asset or a liability might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to entire measurement requires judgment, taking into account factors specific to the asset or liability. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to its assessment of the quality, risk, or liquidity profile of the asset or liability.

The Organization invests in non-brokered CDs with original maturities over 90 days. Those CDs and U.S. government obligations are valued by the custodians of the securities using pricing models based on credit quality, time to maturity, stated interest rates, and market-rate assumptions, and are classified within Level 2.

The following table presents assets measured at fair value on a recurring basis, except those measured at cost or by using NAV per share as a practical expedient as identified in the following, on December 31, 2022:

<u>Assets</u>	<u>Fair Value Measurements at Significant Other Observable Inputs (Level 2)</u>
Certificates of deposit	<u>\$ 78,176</u>

Truckee Meadows Parks Foundation
Notes to Financial Statements
December 31, 2022

NOTE 6 – Property and Equipment

Property and equipment activity for the year ended December 31, 2022, were as follows:

	Balance January 1, 2021	Additions	Deletions	Balance December 31, 2021
Furniture & Fixtures	\$ 1,880	\$ -	\$ -	\$ 1,880
Less accumulated depreciation				
Furniture & Fixtures	(1,880)	-	-	(1,880)
Property and equipment, net	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

NOTE 7 – Donated Professional Services

The Organization received donated professional services as follows during the year ended December 31, 2022:

	<u>Program and Event</u>
Professional services	\$ 1,344
Rent	68,227
Volunteer hours	57,687
	<u>\$ 127,258</u>

Truckee Meadows Parks Foundation
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2022

Federal Grantor/Pass-through Grantor/ Program or Cluster Title	Federal CFDA Number	Contract Number/Pass-through Identifying Number	Provided to Subrecipients	Federal Expenditures
Corporation for National and Community Service				
AmeriCorps VISTA	94.006	18VSPNV004		\$ 228,012
<i>Pass-through the Nevada Volunteers:</i>				
AmeriCorps Student Stewards Program	94.006	19ACHNV0010001/22AFINV0010003		508,076
AmeriCorps Wetlands Restoration Program	94.006	19AFHNV0010005/22ACINV0010002		219,314
				<hr/>
Total Corporation for National and Community Service	94.006			<hr/> 955,402 <hr/>
United States Environmental Protection Agency (EPA)				
<i>Pass-through the State of Nevada:</i>				
Nonpoint Source Implementation Grants	66.460	C9-97908122		19,938
United States Department of Transportation (DOT)				
<i>Pass-through the State of Nevada:</i>				
Recreational Trails Program	20.219	2021-09, 2021-12, RTP 2022-03		110,720
				<hr/>
Total Expenditures of Federal Awards				<hr/> \$ 1,086,060 <hr/>

The accompanying notes are an integral part of the
schedule of expenditures of federal awards.

Truckee Meadows Parks Foundation
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2022

NOTE 1 – Basis of Presentation

The accompanying schedule of expenditures of federal awards (the “Schedule”) includes the federal grant activity of the Organization and is presented on the modified accrual basis of accounting. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Organization, it is not intended to, and does not, present the financial position, changes in net assets, or cash flows of the Organization.

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 not allowable or are limited as to reimbursement. The Organization has elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

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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**

The Board of Directors
Truckee Meadows Parks Foundation
Reno, Nevada

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 Truckee Meadows Parks Foundation (“Organization”), which comprise the statement of financial position as of December 31, 2022, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 14, 2023.

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 audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of 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 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses or significant deficiencies.

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

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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.

Knott CPA

Reno, Nevada
November 14, 2023

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

The Board of Directors
Truckee Meadows Parks Foundation
Reno, Nevada

Report on Compliance for Each Major Federal Program

We have audited Truckee Meadows Parks Foundation's ("Organization") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the year ended December 31, 2022. 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 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 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 December 31, 2022.

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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 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. 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. Accordingly, this report is not suitable for any other purpose.

Knott CPA

Reno, Nevada
November 14, 2023

Truckee Meadows Parks Foundation
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2022

Section I – Summary of Auditors’ Results

Financial Statements

- | | |
|---|------------|
| 1. Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: | Unmodified |
| 2. Internal control over financial reporting: | |
| a. Material weakness(es) identified? | No |
| b. Significant deficiency(ies) identified? | No |
| 3. Noncompliance material to financial statements noted? | No |

Federal Awards

- | | |
|---|---------------------|
| 4. Internal control over major programs: | |
| a. Material weakness(es) identified? | No |
| b. Significant deficiency(ies) identified? | No |
| 5. Type of auditors’ report issued on compliance for major programs: | Unmodified |
| 6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? | No |
| 7. Identification of major programs: | 94,006 – AmeriCorps |
| 8. Dollar threshold used to distinguish between type A and type B programs: | \$750,000 |
| 9. Auditee qualified as low-risk auditee? | Yes |

Section II – Financial Statement Findings

There were no financial statement audit findings which were required to be reported on for the year ended December 31, 2022.

Section III – Federal Award Findings and Questioned Costs

There were no federal award audit findings which were required to be reported on for the year ended December 31, 2022.

Truckee Meadows Parks Foundation
Summary Schedule of Prior Year Audit Findings
From the Year Ended December 31, 2021

There were no audit findings which were required to be reported on for the year ended December 31, 2021.