

**NEW ENGLAND EDUCATIONAL  
OPPORTUNITY ASSOCIATION**

Financial Statements

For the Years Ended August 31, 2020 and 2019

**NEW ENGLAND EDUCATIONAL OPPORTUNITY ASSOCIATION**

**AUGUST 31, 2020 AND 2019**

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## INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors of  
New England Educational Opportunity Association

We have reviewed the accompanying statements of financial position of New England Educational Opportunity Association (a non-profit corporation), as of August 31, 2020 and 2019, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Organization management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

### Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 the consolidated financial statements that are free from material misstatement whether due to fraud or error.

### Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

### Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

The financial statements of the New England Education Opportunity Association as of August 31, 2019, were reviewed by other accountants whose report dated March 27, 2020, stated that based on their procedures, they are not aware of any material modifications that should be made to those financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

*Murphy, Powers & Wilson  
Certified Public Accountants, P.C.*

Hampton, New Hampshire  
July 31, 2022

**NEW ENGLAND EDUCATIONAL OPPORTUNITY ASSOCIATION**

Statements of Financial Position

As At August 31, 2020 and 2019

See Independent Accountant's Review Report

	<b>2020</b>	<b>2019</b>
<b>ASSETS</b>		
Cash	\$136,032	\$138,630
Prepaid expenses and deposits	13,000	10,000
Investments- short term	<u>14,076</u>	<u>30,205</u>
<b>TOTAL CURRENT ASSETS</b>	<u>163,108</u>	<u>178,835</u>
Investments- long term	<u>75,100</u>	<u>59,032</u>
<b>TOTAL ASSETS</b>	<u>\$238,208</u>	<u>\$237,867</u>
<b>NET ASSETS</b>		
Unrestricted	<u>\$238,208</u>	<u>\$237,867</u>
<b>TOTAL NET ASSETS</b>	<u>\$238,208</u>	<u>\$237,867</u>

See notes to financial statements

**NEW ENGLAND EDUCATIONAL OPPORTUNITY ASSOCIATION**

Statements of Activities and Changes in Net Assets

For the Years Ended August 31, 2020 and 2019

See Independent Accountant's Review Report

	<b>2020</b>	<b>2019</b>
<b>SUPPORT AND REVENUE</b>		
Annual conference	\$62,780	\$108,686
National trio day	47,995	39,030
Member and state dues	17,780	18,795
Leadership institute	0	6,500
Professional development reg fees	940	945
Investment income	2,221	171
General foundation support	<u>11,005</u>	<u>16,005</u>
<b>TOTAL SUPPORT AND REVENUE</b>	<u>142,721</u>	<u>190,132</u>
<b>EXPENSES</b>		
Annual conference	53,230	43,670
Council for opportunities in education	14,833	46,367
National trio day	49,182	44,596
Leadership institute	0	14,830
General and administrative	<u>25,135</u>	<u>37,364</u>
<b>TOTAL EXPENSES</b>	<u>142,380</u>	<u>186,827</u>
<b>CHANGE IN NET ASSETS</b>	341	3,305
<b>NET ASSETS, BEGINNING OF YEAR</b>	<u>237,867</u>	<u>234,562</u>
<b>NET ASSETS, BEGINNING OF YEAR</b>	<u>\$238,208</u>	<u>\$237,867</u>

**NEW ENGLAND EDUCATIONAL OPPORTUNITY ASSOCIATION**

Statements of Functional Expenses

For the Years Ended August 31, 2020 and 2019

See Independent Accountant's Review Report

	<b>2020</b>	<b>2019</b>
<b>ANNUAL CONFERENCE</b>		
Hotel	\$0	\$42,345
Committee expense	0	35
Refunds	53,230	870
Supplies	Q	<u>420</u>
<b>TOTAL ANNUAL CONFERENCE</b>	<u><b>53,230</b></u>	<u><b>43,670</b></u>
<b>COUNCIL FOR OPPORTUNITIES IN EDUCATION</b>		
Policy seminar	3,771	27,365
Travel	6,112	14,577
Dues	4,000	4,000
Advertising	500	425
Gift basket	<u>450</u>	Q
<b>TOTAL COUNCIL FOR OPPORTUNITIES IN EDUCATION</b>	<u><b>14,833</b></u>	<u><b>46,367</b></u>
<b>NATIONAL TRIO DAY</b>		
Hotel and food	37,168	31,865
Transportation	8,942	9,328
Refunds	0	880
Entertainment	172	650
Miscellaneous	2,408	373
Speaker fees	<u>492</u>	<u>1,500</u>
<b>TOTAL NATIONAL TRIO DAY</b>	<u><b>49,182</b></u>	<u><b>44,596</b></u>
<b>LEADERSHIP INSTITUTE</b>		
Director contract	0	3,000
Hotel and food	0	9,156
Faculty	0	2,315
Travel	Q	<u>359</u>
<b>TOTAL LEADERSHIP INSTITUTE</b>	Q	<u><b>14,830</b></u>
<b>GENERAL AND ADMINISTRATIVE</b>		
Board/committee travel and meetings	14,908	19,922
Member professional development	2,554	1,582
Professional fees	0	4,895
Committee expenses	1,000	2,765
Bonding and insurance	2,376	2,376
President account	711	558
Trio alumni society	340	0
Bank and PayPal fees	1,186	2,313
President - elect	0	700
Website and software expenses	1,058	1,096
Affiliate memberships	500	500
Association awards	447	465
Treasurer	0	192
Miscellaneous	<u>55</u>	Q
<b>TOTAL GENERAL AND ADMINISTRATIVE</b>	<u><b>25,135</b></u>	<u><b>37,364</b></u>
<b>TOTAL FUNCTIONAL EXPENSES</b>	<u><b>\$142,380</b></u>	<u><b>\$186,827</b></u>

See notes to financial statements

NEW ENGLAND EDUCATIONAL OPPORTUNITY ASSOCIATION

Statements of Cash Flows

For the Years Ended August 31, 2020 and 2019

See Independent Accountant's Review Report

	2020	2019
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$341	\$3,305
Adjustments to reconcile excess of supplies and revenue other		
Expenses to net cash provided by operating activities		
Change in prepaid expenses and deposits	<u>-3,000</u>	<u>-5,947</u>
<b>NET CASH USED IN OPERATING ACTIVITIES</b>	<u>-2,659</u>	<u>-2,642</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Decrease/(increase) in investments	0	<u>-172</u>
<b>NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES</b>	0	<u>-172</u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	-2,598	-2,814
Cash and cash equivalents, beginning of year	<u>138,630</u>	<u>141,444</u>
Cash and cash equivalents, end of year	<u>\$136,032</u>	<u>\$138,630</u>

See notes to financial statements

# NEW ENGLAND EDUCATIONAL OPPORTUNITY ASSOCIATION

Notes to Financial Statements

August 31, 2020 and 2019

See Independent Accountant's Review Report

## NOTE 1 - SUMMARY OF OPERATIONS AND ACCOUNTING POLICIES

### Operations

New England Educational Opportunity Association (NEOA) is a Massachusetts not-for-profit corporation chartered in 1976. NEOA's mission is to advocate for access to and success in postsecondary education for low income individuals, minority group members, first generation college students and college students with disabilities. NEOA also works for develop the skills and knowledge of educational opportunity professionals working with this population.

NEOA qualifies as an organization exempt from income tax under Section 501(c)(3) of the Internal Revenue Code.

### Accounting policies

A summary of the Organization's significant accounting policies applied in the preparation of the accompanying financial statements follows:

#### A. Basis of accounting

The organization maintains its books and recorded on an accrual basis of accounting, which recognizes expenses as incurred and income as earned, and accordingly reflects all significant receivables, payables and other liabilities.

#### B. Basis of presentation

In accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification, the Organization reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

#### C. Investments

Short-Term Investments are comprised of Certificates of Deposit or Structured Products with maturity dates of one year or less. Long-Term Investments are comprised of Certificates of Deposit with a maturity date of more than one year.

#### D. Advertising

The production costs of advertising are expensed as incurred.

#### E. Use of estimates

In preparing financial statements in conformity with generally accepted accounting principles, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and revenues and expenses during the reported period. Actual results could differ from those estimates.

#### F. Donated Services

No amounts have been reflected in the financial statements for donated services. NEOA generally pays for services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist NEOA with its charitable mission.

## NOTE 2 - CASH

An analysis of cash as of August 31, 2020 and August 31, 2019 is as follows:

	Checking account	
	2020	2019
Cash in bank and deposits in transit	\$137,462	\$143,856
Less outstanding checks	<u>1,430</u>	<u>5,226</u>
Carrying amount	<u>\$136,032</u>	<u>\$138,630</u>



**NEW ENGLAND EDUCATIONAL OPPORTUNITY ASSOCIATION**

Notes to Financial Statements

August 31, 2020 and 2019

See Independent Accountant's Review Rep011

**NOTE 3 - INVESTMENTS**

An analysis of investments as of August 31, 2020 and August 31, 2019 is as follows:

	<b>2020</b>	<b>2019</b>
Certificate of Deposits (short term)	\$0	\$30,205
Goldman Sachs Bank USA Multi Asset 5 (short term)	14,076	0
Certificate of Deposits (long term)	<u>75,100</u>	<u>59,032</u>
Total investments	\$	\$

**NOTE 4-FAIR VALUE MEASUREMENTS**

The Organization adopted the Financial Accounting Standards Board (FASB) Accounting Standards Codification for financial instruments measured at fair value on a recurring basis. The standard defines the fair value, establishes a framework for measuring fair value in accordance with accounting principles generally accepted in the United States and expands disclosures about fair value measurements.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The framework establishes a three-tier fair value hierarchy that prioritizes the inputs used in measuring fair value the hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liability (level I measurements) and the lowest priority to unobservable inputs (level 3 measurements. These tiers include:

- Level 1, defined as observable inputs such as quoted prices for identical instruments in active markets;
- Level 2, defined as inputs other than quoted prices in active markets that are directly or indirectly observable such as quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in markets that are not active; and
- Level 3, defined as unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own assumptions, such as valuations derived from valuation techniques in which one or more significant value drivers are observable.

The Organization uses the appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Organization measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs would be used only when Level 1 or Level 2 inputs were not available.

Information related to the Organization's assets measured at fair value on a recurring basis at August 31, 2020 and 2019 is as follows:

		<b>Quoted Prices in Active Markets for Identical Assets (Level 1)</b>	<b>Significant Other Observable Inputs (Level 2)</b>	<b>Significant Unobservable Inputs (Level 3)</b>
<b>2020</b>	<b>Fair Value</b>			
Goldman Sachs Bank USA Multi Asset 5	\$14,076	\$14,076	\$0	\$0
Certificate of Deposits (long)	<u>75,100</u>	<u>75,100</u>	_Q	Q
Total assets	\$	\$	\$Q	\$Q
<b>2019</b>	<b>Fair Value</b>	<b>Assets (Level 1)</b>	<b>Inputs (Level 2)</b>	<b>Inputs (Level 3)</b>
Certificate of Deposits (short)	\$30,205	\$30,205	\$0	\$0
Certificate of Deposits (long)	<u>59,032</u>	<u>59,032</u>	_Q	Q
Total assets	\$	<u>\$89,237</u>	\$Q	\$Q

Fair values for investments are determined by reference to quoted market prices and other relevant information generated by market transactions.

**NEW ENGLAND EDUCATIONAL OPPORTUNITY ASSOCIATION**

Notes to Financial Statements

August 31, 2020 and 2019

See Independent Accountant's Review Report

**NOTE 5 - FEDERAL DEPOSITORY INSURANCE CORPORATION (FDIC)**

The bank balances (Cash and Investments) are covered by the Federal Depository Insurance Corporation (FDIC) to the limit of \$250,000 per bank at August 31, 2020 and 2019. The limit was not exceeded at August 31, 2020 and 2019.

**NOTE 6 - LIQUIDITY**

The following reflects the NEOA's financial assets as of August 31, 2020, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statement of financial position date.

Financial assets at year end	\$225,208
Less those unavailable for general expenditures within one year, due to:	
Contractual or Donor imposed restrictions	
Restricted by Board with purpose or donor restrictions	<u>0</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$225,208</u>

**NOTE 7 - SUBSEQUENT EVENTS**

The Organizations management has included in the financial statements all contingencies and significant transactions that might influence the user's conclusions about the Organization's Statements of Financial Condition, Statements of Activities and Changes in Net Assets, Statements of Functional Expenses, and Statement of Cash Flows, through and as of July 31, 2022 the issuance date of the Independent Accounts' Repo11.

The impact of the novel coronavirus (COVID-19) and measures to prevent its spread are affecting New England Educational Opportunity Association. The significance of the impact of these disruptions, including the extent of their adverse impact on New England Educational Opportunity Association financial and operational results, will be dictated by the length of time that such disruptions continue and, in tum, will depend on the currently unknowable duration of the COVID-19 pandemic and the impact of governmental regulations that might be imposed in response to the pandemic. The COVID-19 impact on New England Educational Opportunity Association in general is unceItain at this time. COVID-19 also makes it more challenging for management to estimate future performance of New England Educational Opportunity Association, paiticularly over the near to medium term.