

**NEW ENGLAND EDUCATIONAL  
OPPORTUNITY ASSOCIATION**

Financial Statements

For the Years Ended August 31, 2021 and 2020

**NEW ENGLAND EDUCATIONAL OPPORTUNITY ASSOCIATION**

**AUGUST 31, 2021 AND 2020**

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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, 2021 and 2020, 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.

We are required to be independent of New England Educational Opportunity Association and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

### Accountant's Conclusion

Based on our reviews, 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.

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

Hampton, New Hampshire  
October 19, 2022

**NEW ENGLAND EDUCATIONAL OPPORTUNITY ASSOCIATION**

Statements of Financial Position

As At August 31, 2021 and 2020

See Independent Accountant's Review Report

	<b>2021</b>	<b>2020</b>
<b>ASSETS</b>		
Cash	\$234,533	\$136,032
Prepaid expenses and deposits	0	13,000
Investments- short term	<u>15,984</u>	<u>14,076</u>
<b>TOTAL CURRENT ASSETS</b>	<u>250,517</u>	<u>163,108</u>
Investments- long term	<u>76,458</u>	<u>75,100</u>
<b>TOTAL ASSETS</b>	<u>\$326,975</u>	<u>\$238,208</u>
<b>NET ASSETS</b>		
Unrestricted	<u>\$326,975</u>	<u>\$238,208</u>
<b>TOTAL NET ASSETS</b>	<u>\$326,975</u>	<u>\$238,208</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, 2021 and 2020

See Independent Accountant's Review Report

	<b>2021</b>	<b>2020</b>
<b>SUPPORT AND REVENUE</b>		
Annual conference	\$] 16,741	\$62,780
National trio day	46,350	47,995
Member and state dues	18,260	17,780
Leadership institute	6,000	0
Professional development reg fees	8,915	940
Investment income	3,266	2,221
General foundation support	0	<u>11,005</u>
<b>TOTAL SUPPORT AND REVENUE</b>	<u>199,532</u>	<u>142,721</u>
<b>EXPENSES</b>		
Annual conference	35,219	53,230
Council for opportunities in education	18,592	14,833
National trio day	12,493	49,182
Leadership institute	8,200	0
General and administrative	<u>36,261</u>	<u>25,135</u>
<b>TOTAL EXPENSES</b>	<u>110,765</u>	<u>142,380</u>
<b>CHANGE IN NET ASSETS</b>	88,767	341
<b>NET ASSETS, BEGINNING OF YEAR</b>	<u>238,208</u>	<u>237,867</u>
<b>NET ASSETS, BEGINNING OF YEAR</b>	<u>\$326,975</u>	<u>\$238,208</u>

**NEW ENGLAND EDUCATIONAL OPPORTUNITY ASSOCIATION**

Statements of Functional Expenses

For the Years Ended August 31, 2021 and 2020

See Independent Accountant's Review Report

	<b>2021</b>	<b>2020</b>
<b>ANNUAL CONFERENCE</b>		
Hotel	\$32,934	\$0
Committee expense	685	0
Refunds	1,480	53,230
Supplies	<u>120</u>	<u>0</u>
<b>TOTAL ANNUAL CONFERENCE</b>	<b><u>35,219</u></b>	<b><u>53,230</u></b>
 <b>COUNCIL FOR OPPORTUNITIES IN EDUCATION</b>		
Policy seminar	11,055	3,771
Travel	37	6,112
Dues	4,000	4,000
Fair share contribution	3,000	0
Advertising	500	500
Gift basket	<u>0</u>	<u>450</u>
<b>TOTAL COUNCIL FOR OPPORTUNITIES IN EDUCATION</b>	<b><u>18,592</u></b>	<b><u>14,833</u></b>
 <b>NATIONAL TRIO DAY</b>		
Hotel and food	0	37,168
Transportation	0	8,942
Entertainment	500	172
Miscellaneous	4,993	2,408
Speaker fees	<u>7,000</u>	<u>492</u>
<b>TOTAL NATIONAL TRIO DAY</b>	<b><u>12,493</u></b>	<b><u>49,182</u></b>
 <b>LEADERSHIP INSTITUTE</b>		
Director contract	6,000	0
Workshop	1,450	0
Training	<u>750</u>	<u>0</u>
<b>TOTAL LEADERSHIP INSTITUTE</b>	<b><u>8,200</u></b>	<b><u>0</u></b>
 <b>GENERAL AND ADMINISTRATIVE</b>		
Board/committee travel and meetings	8,867	14,908
Member professional development	3,670	2,554
Professional fees	6,565	0
Committee expenses	0	1,000
Bonding and insurance	2,376	2,376
President account	943	711
Trio alumni society	0	340
Bank and PayPal fees	2,771	1,186
President - elect	357	0
Website and software expenses	9,316	1,058
Affiliate memberships	500	500
Association awards	211	447
Vice president	<b>111</b>	0
Treasurer	28	0
Miscellaneous	<u>546</u>	<u>55</u>
<b>TOTAL GENERAL AND ADMINISTRATIVE</b>	<b><u>36,261</u></b>	<b><u>25,135</u></b>
 <b>TOTAL FUNCTIONAL EXPENSES</b>	<b><u>\$110,765</u></b>	<b><u>\$142,380</u></b>

See notes to financial statements

**NEW ENGLAND EDUCATIONAL OPPORTUNITY ASSOCIATION**

Statements of Cash Flows

For the Years Ended August 31, 2021 and 2020

See Independent Accountant's Review Rep01i

	<b>2021</b>	<b>2020</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$88,767	\$341
Adjustments to reconcile excess of support and revenue other		
Expenses to net cash provided by operating activities		
Change in prepaid expenses and deposits	<u>13,000</u>	<u>-3,000</u>
<b>NET CASH PROVIDED (USED IN) BY OPERATING ACTIVITIES</b>	<u>101,767</u>	<u>-2,659</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Decrease/(increase) in investments		fil
<b>NET CASH (USED) PROVIDED FOR INVESTING ACTIVITIES</b>		fil
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	98,501	-2,598
Cash and cash equivalents, beginning of year	<u>136,032</u>	<u>138,630</u>
Cash and cash equivalents, end of year	<u>\$234,533</u>	<u>\$136,032</u>

See notes to financial statements

# NEW ENGLAND EDUCATIONAL OPPORTUNITY ASSOCIATION

Notes to Financial Statements

August 31, 2021 and 2020

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 Structured Products or Certificates of Deposit with maturity dates of one year or less. Long-Term Investments are comprised of Annuity or 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, 2021 and August 31, 2020 is as follows:

	Checking account	
	2021	2020
Cash in bank and deposits in transit	\$235,271	\$137,462
Less outstanding checks	<u>7,738</u>	<u>1,430</u>
Carrying amount	<u>\$234,533</u>	<u>\$136,032</u>



**NEW ENGLAND EDUCATIONAL OPPORTUNITY ASSOCIATION**

Notes to Financial Statements

August 31, 2021 and 2020

See Independent Accountant's Review Report

**NOTE 3 - INVESTMENTS**

An analysis of investments as of August 31, 2021 and August 31, 2020 is as follows:

	<b>2021</b>	<b>2020</b>
Goldman Sachs Bank USA Multi Asset 5 (short term)	\$15,984	\$14,076
Certificate of Deposit (long term)	0	75,100
Prosperity Life Annuity Contract (long term)	<u>76,458</u>	0
Total investments	\$	<u>\$8,2176</u>

**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 1 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 I inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs would be used only when Level I 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, 2021 and 2020 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>2021</b>	<b>Fair Value</b>			
Goldman Sachs Bank USA				
Multi Asset 5	\$15,984	\$15,984	\$0	\$ 0
Prosperity Life Annuity				
Contract	<u>76,458</u>	0	_Q	<u>76,458</u>
Total assets	\$	\$	\$Q	<u>\$76,458</u>
<b>2020</b>	<b>Fair Value</b>	<b>Assets (Level 1)</b>	<b>Inputs (Level 2)</b>	<b>Inputs (Level 3)</b>
Goldman Sachs Bank USA				
Multi Asset 5	\$14,076	\$14,076	\$0	\$0
Certificate of Deposit	<u>75,100</u>	<u>75,100</u>	_Q	Q
Total assets	<u>\$8,2176</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, 2021 and 2020

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, 2021 and 2020. The limit was not exceeded at August 31, 2021 and 2020.

**NOTE 6 - LIQUIDITY**

The following reflects the NEOA's financial assets as of August 31, 2021 and 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.

	<b>2021</b>	<b>2020</b>
Financial assets at year end	\$326,975	\$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 restriction	<u>0</u>	<u>0</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$326,975</u>	<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 October 19, 2022 the issuance date of the Independent Accounts' Report.

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 turn, 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 uncertain at this time. COVID-19 also makes it more challenging for management to estimate future performance of New England Educational Opportunity Association, particularly over the near to medium term.