

GREENPATH, INC. AND ITS SUBSIDIARIES

**CONSOLIDATED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

YEARS ENDED DECEMBER 31, 2020 AND 2019



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GREENPATH, INC. AND ITS SUBSIDIARIES
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YEARS ENDED DECEMBER 31, 2020 AND 2019

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INDEPENDENT AUDITORS' REPORT

Board of Directors
GreenPath, Inc. and its Subsidiaries
Farmington Hills, Michigan

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of GreenPath, Inc. and its Subsidiaries, which comprise the consolidated statements of financial position as of December 31, 2020 and 2019, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 consolidated 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 consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of GreenPath, Inc. and its Subsidiaries as of December 31, 2020 and 2019, and the change in its consolidated net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating schedules are presented for purposes of additional analysis and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated 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 May 13, 2021, on our consideration of GreenPath, Inc.' 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 result of that testing, and not to provide an opinion on the effectiveness of GreenPath, Inc.'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 GreenPath, Inc.'s internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Toledo, Ohio
May 13, 2021

GREENPATH, INC. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2020 AND 2019

ASSETS	2020	2019
CURRENT ASSETS		
Cash	\$ 3,570,122	\$ 4,185,556
Investments	26,474,252	12,956,064
Accounts Receivable, Less Allowance for Uncollectible Amounts of \$96,492 in 2020 and \$145,816 in 2019	5,022,599	4,845,815
Prepaid Expenses and Other Current Assets	1,246,381	1,117,778
Total Current Assets	36,313,354	23,105,213
OTHER ASSETS		
Intangible Assets	337,188	835,832
Client Funds Held in Trust	9,178,947	9,495,987
MATL Grant Restricted Funds	1,341,506	1,235,108
Pooled Trust	3,284,732	-
Total Other Assets	14,142,373	11,566,927
PROPERTY AND EQUIPMENT , Net of Accumulated Depreciation	29,018,169	30,905,173
Total Assets	\$ 79,473,896	\$ 65,577,313
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable	\$ 683,420	\$ 448,892
Accrued Payroll and Paid Time Off	2,344,556	3,027,477
Accrued Expenses and Other Liabilities	280,727	172,682
Deferred Income	859,776	1,567,991
Current Portion of Notes Payable	981,534	959,358
Current Portion of Capital Lease Obligation	383,025	421,577
CARES Act Paycheck Protection Program Loan Payable	6,100,400	-
Total Current Liabilities	11,633,438	6,597,977
NONCURRENT LIABILITIES		
Notes Payable, at Principal, Less Unamortized Loan Origination Cost	9,056,899	10,032,320
Capital Lease Obligation	320,593	703,618
Client Funds Held in Trust	9,178,947	9,495,987
MATL Grant Restricted Funds	1,341,506	1,235,108
Pooled Trust	3,284,732	-
Interest Rate Swap Agreement	299,884	56,973
Total Liabilities	35,115,999	28,121,983
NET ASSETS		
Without Donor Restriction	42,864,784	37,455,330
With Donor Restrictions	1,493,113	-
Total Net Assets	44,357,897	37,455,330
Total Liabilities and Net Assets	\$ 79,473,896	\$ 65,577,313

See accompanying Notes to Consolidated Financial Statements.

**GREENPATH, INC. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF ACTIVITIES
YEARS ENDED DECEMBER 31, 2020 AND 2019**

	<u>2020</u>	<u>2019</u>
REVENUE		
Program Fees	\$ 39,183,104	\$ 37,048,001
Public Support:		
Grants - Housing	2,403,568	2,229,933
Grants - Other	7,702,755	8,140,262
Net Investment Income	2,513,904	1,797,697
Miscellaneous Income	179,527	165,352
Loss on Disposal of Assets	-	(8,653)
Net Assets Released from Restriction	1,714,259	-
Total Revenue	<u>53,697,117</u>	<u>49,372,592</u>
EXPENSES		
Program Expenses	42,080,629	41,446,624
General and Administrative	4,313,903	4,262,987
Fundraising	1,650,220	1,839,585
Total Expenses	<u>48,044,752</u>	<u>47,549,196</u>
CONTRIBUTION OF NET ASSETS FROM ACQUISITIONS	-	3,097,155
CHANGE IN FAIR VALUE OF INTEREST RATE SWAP AGREEMENT	<u>(242,911)</u>	<u>(162,106)</u>
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	5,409,454	4,758,445
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS		
Grants - Other	3,207,372	-
Net Assets Released from Restriction	<u>(1,714,259)</u>	<u>-</u>
CHANGE IN NET ASSETS	6,902,567	4,758,445
Net Assets - Beginning of Year	<u>37,455,330</u>	<u>32,696,885</u>
NET ASSETS - END OF YEAR	<u><u>\$ 44,357,897</u></u>	<u><u>\$ 37,455,330</u></u>

See accompanying Notes to Consolidated Financial Statements.

GREENPATH, INC. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2020

	<u>Program</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Personnel and Related Costs	\$ 30,851,747	\$ 3,080,716	\$ 1,084,663	\$ 35,017,126
Occupancy	1,476,001	-	-	1,476,001
Operating Expenses	1,989,820	296,770	19,213	2,305,803
Marketing	557,030	1,151	422,177	980,358
Equipment	1,681,013	62,787	4,611	1,748,411
Dues, Insurance, Professional Fees and Other	1,168,931	798,339	96,372	2,063,642
Interest and Finance	311,362	-	-	311,362
HPF Network Pass Through Expense	125,856	-	-	125,856
Depreciation and Amortization	3,727,368	52,502	12,259	3,792,129
Travel, Employee, and Meeting Expenses	158,880	21,638	10,925	191,443
Acquisition Costs	32,621	-	-	32,621
	<u>\$ 42,080,629</u>	<u>\$ 4,313,903</u>	<u>\$ 1,650,220</u>	<u>\$ 48,044,752</u>
Total Functional Expenses	<u>\$ 42,080,629</u>	<u>\$ 4,313,903</u>	<u>\$ 1,650,220</u>	<u>\$ 48,044,752</u>

See accompanying Notes to Consolidated Financial Statements.
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GREENPATH, INC. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2019

	<u>Program</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Personnel and Related Costs	\$ 30,041,479	\$ 3,080,156	\$ 1,456,348	\$ 34,577,983
Occupancy	1,839,684	-	-	1,839,684
Operating Expenses	2,175,329	70,609	33,320	2,279,258
Marketing	459,297	1,963	219,416	680,676
Equipment	1,462,024	100,939	10,298	1,573,261
Dues, Insurance, Professional Fees and Other	1,051,507	737,700	73,443	1,862,650
Interest and Finance	354,143	-	-	354,143
HPF Network Pass Through Expense	224,805	-	-	224,805
Depreciation and Amortization	3,351,982	24,878	187	3,377,047
Travel, Employee, and Meeting Expenses	486,374	74,552	46,573	607,499
Acquisition Costs	-	172,190	-	172,190
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Functional Expenses	<u>\$ 41,446,624</u>	<u>\$ 4,262,987</u>	<u>\$ 1,839,585</u>	<u>\$ 47,549,196</u>

GREENPATH, INC. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 6,902,567	\$ 4,758,445
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Contribution of Net Assets from Acquisitions	-	(3,097,155)
Depreciation and Amortization	3,293,485	2,865,569
Amortization of Identifiable Intangible Assets	498,644	511,478
Interest Expense - Amortization Loan Origination Costs	6,113	6,112
Write-Off of Uncollectible Accounts Receivable	21,206	27,993
Net Unrealized Gain on Investments	(1,910,441)	(1,365,382)
Net Realized Loss on Investments	33,326	38,375
Net Change in Fair Value of Interest Rate Swap Agreement	242,911	162,106
Loss on Disposal of Assets	-	22,178
(Increase) Decrease in Assets:		
Accounts Receivable, Net of Amount from Acquisitions	(197,990)	(223,238)
Prepaid Expenses and Other Current Assets, Net of Amount from Acquisitions	(128,603)	(65,593)
Client Funds Held in Trust, Net of Amount from Acquisition	1,155	114,789
Increase (Decrease) in Liabilities:		
Accounts Payable, Net of Amount from Acquisitions	234,528	72,039
Accrued Payroll and Paid Time Off, Net of Amount from Acquisitions	(682,921)	763,557
Accrued Expenses and Other Liabilities, Net of Amount from Acquisitions	108,045	459,668
Deferred Income, Net of Amount from Acquisitions	(708,215)	(1,247,259)
Client Deposits, Net of Amount from Acquisition	(1,155)	(114,789)
Net Cash Provided by Operating Activities	7,712,655	3,688,893
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property, Equipment, and Intangible Assets, Net of Amount from Acquisitions	(1,435,539)	(1,862,110)
Proceeds from Sale of Property and Equipment	29,058	795,776
Sale of Investments	9,150,167	2,018,489
Purchases of Investments, Net of Amount from Acquisition	(20,791,240)	(1,522,847)
Cash Contribution from Acquisitions	-	1,659,679
Net Cash Provided (Used) by Investing Activities	(13,047,554)	1,088,987
CASH FLOWS FROM FINANCING ACTIVITIES		
Net Borrowings on Line of Credit	-	(254,599)
Proceeds from CARES Act Paycheck Protection Program Loan	6,100,400	-
Borrowings on Notes Payable	-	10,861,436
Principal Payments on Notes Payable	(959,358)	(11,794,110)
Payments on Capital Leases	(421,577)	(405,645)
Net Cash Provided (Used) by Financing Activities	4,719,465	(1,592,918)
NET INCREASE (DECREASE) IN CASH	(615,434)	3,184,962
Cash - Beginning of Year	4,185,556	1,000,594
CASH - END OF YEAR	\$ 3,570,122	\$ 4,185,556

See accompanying Notes to Consolidated Financial Statements.

GREENPATH, INC. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)
YEARS ENDED DECEMBER 31, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Interest Paid	<u>\$ 310,597</u>	<u>\$ 353,067</u>
SUPPLEMENTAL DISCLOSURE OF NONCASH OPERATING AND INVESTING ACTIVITIES		
Intangible Assets Acquired in Acquisitions	<u>\$ -</u>	<u>\$ 668,978</u>

GREENPATH, INC. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

GreenPath's mission statement is "Empowering people to lead financially healthy lives." GreenPath works with people and organizations across the nation to support the financial wellness of individuals and to build a world where it's easier to make healthy financial choices. Our goal is to "Remix the American dream so it works for everyone."

GreenPath, Inc. dba: GreenPath Financial Wellness (GreenPath) was incorporated as a nonprofit organization under the laws of the state of Michigan in March 1967 as successor to operations previously conducted by the Michigan League Budget Service. GreenPath is exempt from federal income taxes under the Internal Revenue Code (IRC) Section 501(c)(3). GreenPath provides professional counseling to families and individuals needing guidance in the management of their personal finances and budgeting, arranges for programs of orderly debt payment in appropriate cases, provides the counseling and education required under the Bankruptcy Abuse Prevention and Consumer Protection Act, and educates the general public in the proper use of consumer credit. In addition, GreenPath is certified by the Federal Department of Housing and Urban Development (HUD) to provide housing counseling relevant to pre-purchase home buyer education, mortgage delinquency, loss mitigation, and reverse mortgage counseling. The majority of GreenPath's revenue is from client fees and contributions from numerous creditors.

Effective September 1, 2017, GreenPath and Homeownership Preservation Foundation (HPF) executed an affiliation agreement whereby GreenPath became the sole corporate member of HPF. HPF was incorporated in 2003 as a nonprofit organization under the laws of the state of Minnesota. HPF is exempt from Federal income taxes under IRC Section 501(c)(3). HPF is dedicated to guiding people onto the path of sustainable homeownership and improving their overall financial health. It offers innovative solutions and technology to those financially stressed so that they preserve their home with support from federal government agencies, community-based and national nonprofit organizations, and bank and nonbank mortgage lenders and servicers.

Effective April 30, 2018, GreenPath and Rural Dynamics, Incorporated (RDI) executed an asset transfer agreement and then, effective June 1, 2018, executed an affiliation agreement whereby GreenPath became the sole corporate member of RDI. RDI was founded in 1968 as a nonprofit financial service corporation currently serving Montana. RDI's work consists of a systems approach to change, moving individuals and families along a path toward economic independence. RDI accomplishes this by using strategies to help people earn, keep, and grow assets.

Effective March 1, 2019, GreenPath and Consumer Credit Counseling Service of Delaware Valley (Clarifi) executed an asset transfer agreement and an affiliation agreement whereby GreenPath became the sole corporate member of Clarifi. The consolidated statement of activities and consolidated statement of functional expense represent activity for the 10 month period ended December 31, 2019. Clarifi is a nonprofit organization whose mission is to create hope by helping people identify and secure the most important assets in their lives. In the envisioned future, everyone will have affordable access to the intellectual and technological resources required to comprehend and master the financial aspects of their lives.

GREENPATH, INC. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

In October 2019, HPF formally established a disregarded LLC named Innovative Financial Services (IFS). The purpose of IFS is to isolate projects that differ from traditional credit counseling but still align with the Organization's tax exempt purpose. In 2019 there was no reportable financial activity. In early 2020 a contract between IFS and a partner was entered into for specified contracted services, generating income of approximately \$273,000.

Consolidation Policy

Reporting of related entities by nonprofit organizations requires entities to issue consolidated financial statements for all entities in which the organization has a controlling and economic interest. GreenPath and HPF have the same board of directors. GreenPath is the sole corporate member of RDI and Clarifi and controls who sits on the boards. GreenPath is able to exercise significant control over HPF, RDI and Clarifi and has an economic interest. Consequently, the accompanying consolidated financial statements include the accounts of GreenPath, HPF, RDI and Clarifi (collectively, the Organization). All significant inter-organization balances and transactions have been eliminated in the accompanying consolidated financial statements.

Cash and Cash Equivalents

The Organization considers all short-term investments purchased with an original maturity of three months or less to be cash equivalents. Restricted cash and cash equivalents consist of amounts that are restricted under agency contracts and therefore are segregated into separate accounts.

The Organization maintains its cash accounts in several commercial financial institutions. At times throughout the year, the Organization's cash deposited in financial institutions may exceed Federal Deposit Insurance Corporation insurance limits. The Organization reviews concentrations of cash deposits held with any individual depository and does not believe any significant concentration risk exists at December 31, 2020 and 2019.

Investments

Investment purchases are recorded at cost. Thereafter, investments are reported at their fair values in the statements of financial position. Net investment income is reported in the consolidated statements of activities and consists of interest and dividend income, realized and unrealized gains and losses, less investment management and custodial fees.

Accounts Receivable

Accounts receivable represents amounts to be received from various services, net of an allowance for doubtful accounts. All are due within one year. There are no restrictions on these receivables. An allowance for doubtful accounts is established based on specific assessment of all invoices that remain unpaid following normal customer payment periods and management's estimate of the collectability of accounts receivable according to prior experience.

GREENPATH, INC. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Local and Federal Government Contracts

Conditional local government grants and contract funds are recorded as revenue when earned. Revenue is earned when eligible expenditures, as defined in each contract, are made or service metrics are achieved. Funds received but not yet earned are shown as Deferred Revenue. Expenditures under government contracts are subject to review by the granting authority. To the extent, if any, that such a review reduces expenditures allowable under these contracts, the Organization will record such disallowance at the time the final assessment is made.

Contributions

Contributions are recognized as revenue in the period received or unconditionally promised, whichever is earlier. They are recorded as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions.

Program Service Fees

Program Service Fees are reported at the amount that reflects the consideration to which the Organization expects to be entitled in exchange for providing services to their program participants. These amounts are due from clients, third-party payors (including financial institutions and government programs). Fees are either collected at time of service (Clients) or billed to the participants and third-party payors several days after the services are performed. Revenue is recognized when program services are complete and performance obligations are satisfied.

In-Kind Contributions

Contribution of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period receive. The contributions presented on the accompanying consolidated statements of activities and changes in net assets include contributed materials and services valued at \$117,245 and \$38,802 for the years ended December 31, 2020 and 2019, respectively.

Client Funds Held in Trust

Client funds held in trust represents cash collected from clients to be used to meet certain client obligations. A corresponding liability is also included on the consolidated statements of financial position.

GREENPATH, INC. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment

Property and equipment purchases are recorded at cost. Contributed items are recorded at fair market value at the date of donation. Fixed assets include all property, leasehold improvements, furnishings, and equipment with a useful life of more than one year and a purchase price of more than \$2,500 for an item or related group of items. The estimated useful lives of property and equipment are as follows:

	<u>Depreciable Life</u>
Building	40 Years
Building and Land Improvements	15 Years
Leasehold Improvement	Term of Lease
Furniture and Fixtures	7 Years
Internally Developed Software	5 to 10 Years
Purchased Software	3 Years
Capitalized Equipment Leases	Term of Lease
Website	3 Years
Computer Hardware	3 to 5 Years

Leasehold improvements are being amortized over the shorter of the lease term or the useful life of the improvements.

Depreciation on buildings and equipment and amortization of land improvements, equipment and computer software are computed using the straight-line method over the estimated useful lives of the assets. Costs of maintenance and repairs are charged to expense when incurred.

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.

Net Assets

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 – We report contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions.

GREENPATH, INC. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Marketing and Promotional Cost

The Organization accounts for advertising costs by expensing the costs as incurred. Costs associated with advertising amounted to \$756,411 and \$491,554 for the years ended December 31, 2020 and 2019, respectively.

Estimates

The preparation of consolidated 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 and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and those differences could be material.

Functional Allocation of Expenses

The consolidated financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The Organization utilizes segments of the account structure in the Enterprise Resource Planning (ERP) system to assign direct costs to functions. Either the account main segment or the department segment can be identified as a direct expense for program, administrative or fundraising functions. Only expenses consistent with the function are posted to the main or department segments. Indirect costs are allocated to departments based on wage expense in each respective department and are therefore allocated to functions based on the proportional benefit.

GreenPath has shared service agreements with the affiliates. Labor costs are allocated to the entities based on staff time tracking and are reviewed monthly. Any shared service expenses between GreenPath and affiliates follow the above methodology in terms of using account main and department segments to assign direct costs to functional expenses for those affiliates.

Unique expenses that do not follow the above methodology would be the wages, payroll taxes, and benefits of certain executive staff. These staff expenses are allocated to a function based on job description rather than account main or department segments.

Interest-Rate Swap

GreenPath uses an interest-rate swap to mitigate interest-rate risk on notes payable. The related liability or asset is reported at fair value in the statements of financial position, and unrealized gains or losses are included in the consolidated statements of activities.

Concentration and Credit Risk

Credit risk associated with accounts receivable 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 financial institutions. Approximately 48% and 44% of the Organization's consolidated receivables for the years ended December 31, 2020 and 2019, respectively, are from the U.S. Department of Housing and Urban Development.

GREENPATH, INC. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the IRC. The Organization determined it was not required to record a liability related to uncertain tax positions.

Contingencies

The Organization is party to various legal actions associated with normal business activities, the aggregate effect of which, in management's opinion, would not have a material adverse effect on the financial condition or results of operations of the Organization.

Subsequent Events

The Organization has evaluated subsequent events through May 13, 2021, the date which the consolidated financial statements were available to be issued.

NOTE 2 LIQUIDITY AND AVAILABILITY

The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. The Organization has various sources of liquidity at its disposal, including cash and cash equivalents, receivables, equity and fixed income mutual fund investments, and a line of credit. The receivables are subject to time restrictions but will be collected within one year of the statement of financial position date.

In addition to financial assets available to meet general expenditures over the next 12 months, the Organization strives to operate with a balanced budget and in typical years anticipates collecting sufficient revenue to cover general expenditures. As part of liquidity management, the Organization invests cash in excess of daily requirements in various short-term investments.

Financial Assets at December 31:	2020	2019
Cash	\$ 3,570,122	\$ 4,185,556
Equity and Fixed Income Mutual Fund Investments	26,474,252	12,956,064
Accounts Receivable, Net	5,022,599	4,845,815
Total Financial Assets	\$ 35,066,973	\$ 21,987,435

GREENPATH, INC. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

NOTE 3 FAIR VALUE MEASUREMENTS AND DISCLOSURES

We report certain assets and liabilities at fair value in the consolidated 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. A three-tier hierarchy categorizes the inputs as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that we 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, we 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 our assessment of the quality, risk, or liquidity profile of the asset or liability.

The Organization's investment assets are classified within Level 1 because they are comprised of open-end mutual funds with readily determinable fair values based on daily redemption values.

The interest rate swap agreement is valued using a third party's proprietary discounted cash flow model, which considers past, present, and future assumptions regarding interest rates and market conditions to estimate the fair value of the agreement. This is classified within Level 2.

GREENPATH, INC. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

NOTE 3 FAIR VALUE MEASUREMENTS AND DISCLOSURES (CONTINUED)

The following presents assets and liabilities measured at fair value on a recurring basis at December 31:

	2020			Total
	Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	
Mutual Funds:				
U.S. Equities	\$ 8,556,457	\$ -	\$ -	\$ 8,556,457
International Equities	2,181,330	-	-	2,181,330
Taxable Fixed Income	15,736,465	-	-	15,736,465
Total	<u>\$ 26,474,252</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,474,252</u>
Interest Rate Swap Liability	<u>\$ -</u>	<u>\$ (299,884)</u>	<u>\$ -</u>	<u>\$ (299,884)</u>
	2019			
	Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	Total
Mutual Funds:				
U.S. Equities	\$ 4,397,428	\$ -	\$ -	\$ 4,397,428
International Equities	1,401,172	-	-	1,401,172
Taxable Fixed Income	7,157,464	-	-	7,157,464
Total	<u>\$ 12,956,064</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,956,064</u>
Interest Rate Swap Asset	<u>\$ -</u>	<u>\$ (56,973)</u>	<u>\$ -</u>	<u>\$ (56,973)</u>

Investment income for the years ended December 31 are as follows:

	2020	2019
Interest and Dividends	\$ 668,784	\$ 500,884
Realized Losses on Investments	(33,326)	(38,375)
Unrealized Gains on Investments	1,910,441	1,365,382
Investment Management Fees	(31,995)	(30,194)
Total	<u>\$ 2,513,904</u>	<u>\$ 1,797,697</u>

GREENPATH, INC. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

NOTE 4 INTANGIBLES

GreenPath intangibles related to Debt Management Programs (DMPs) are summarized as follows at December 31:

	<u>2020</u>	<u>2019</u>
Net Book Value - Beginning of Year	\$ 835,832	\$ 678,333
DMPs Acquired	-	668,977
Amortization	<u>(498,644)</u>	<u>(511,478)</u>
Net Book Value - End of Year	<u>\$ 337,188</u>	<u>\$ 835,832</u>

The amount of amortization expense to be incurred in 2021 amounts to \$300,023.

NOTE 5 MATL GRANT LOAN POOL

RDI was awarded a grant from the University of Montana to develop, manage, and operate the Montana Assistive Technology Loan (MATL) program to help Montanans with disabilities fund Assistive Technology devices and services. Annually on September 30, a loan pool valuation will be determined. At that time the initial loan pool combined with any additional loan pool funding thereafter, less loans outstanding and any portfolio decrease due to defaulted loans will be directed to an operating account for loan loss reserves, direct costs, and cost of administration of the program. At December 31, 2020 and 2019, the MATL grant loan pool amounted to \$1,341,506 and \$1,235,108, respectively, and has been recorded as an asset on the accompanying consolidated statements of financial position.

RDI is committed to continue the MATL program as long as there is funding available and until all outstanding loans have been repaid. If at any time the MATL program is discontinued, while there are still funds available to operate it, RDI will return the funds remaining in the permanent separate account to the University of Montana except for any funds being used for grant purposes, such as outstanding loans. As such, \$1,341,506 and \$1,235,108 has been recorded as a liability on the accompanying consolidated statements December 31, 2020 and 2019, respectively.

GREENPATH, INC. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

NOTE 6 PROPERTY AND EQUIPMENT

The principal categories of property and equipment may be summarized as follows:

	<u>2020</u>	<u>2019</u>
Land and Improvements	\$ 3,733,235	\$ 3,733,235
Buildings and Improvements	23,406,205	23,400,330
Office Equipment	3,024,456	2,990,499
Computer Hardware	4,130,998	3,890,801
Software and Licenses	15,641,590	17,813,757
Capital Lease	1,824,282	1,824,282
Vehicles	1,000	1,000
Work In Progress	460,078	546,311
Total Cost	<u>52,221,844</u>	<u>54,200,215</u>
Less: Accumulated Depreciation and Amortization	<u>(23,203,675)</u>	<u>(23,295,042)</u>
Property and Equipment, Net	<u>\$ 29,018,169</u>	<u>\$ 30,905,173</u>

Depreciation and amortization expense on land improvements, buildings, equipment, and software totaled \$3,293,485 and \$2,865,569 for the years ended December 31, 2020 and 2019, respectively.

NOTE 7 LEASE COMMITMENTS

GreenPath leases equipment from unrelated parties under three noncancellable capital leases. Monthly lease payments under the capital leases, which expire through October 2022, total \$37,989 with imputed interest ranging from 3.51% to 5.45%.

The Organization has noncancellable operating leases for branch offices, computers, and miscellaneous office equipment expiring on various dates through 2029.

Future minimum lease payments are as follows:

<u>Year Ending December 31,</u>	<u>Capital Leases</u>	<u>Operating Leases</u>
2021	\$ 401,867	\$ 1,117,118
2022	325,886	872,245
2023	-	253,261
2024	-	212,647
2025	-	185,096
Thereafter	-	642,462
Total Minimum Lease Payments	<u>727,753</u>	<u>\$ 3,282,829</u>
Less: Amount Representing Interest	<u>24,135</u>	
Capital Lease Obligation	<u>\$ 703,618</u>	

GREENPATH, INC. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

NOTE 7 LEASE COMMITMENTS (CONTINUED)

Rent expense was \$1,195,531 and \$1,204,383, for the years ended December 31, 2020 and 2019, respectively.

Leased property under capital leases at December 31 includes the following:

	2020	2019
Equipment	\$ 1,824,282	\$ 1,824,282
Less: Accumulated Amortization	1,145,986	729,210
Net Book Value	\$ 678,296	\$ 1,095,072

NOTE 8 LINE OF CREDIT

GreenPath has a bank line of credit agreement providing for maximum borrowings of \$3,000,000. Borrowings are secured by all of Green Path and HPF's assets (excluding client trust funds) and bears interest at the bank's LIBOR rate index plus 1.75% (1.89% and 3.45% at December 31, 2020 and 2019, respectively) and a maturity date of December 31, 2021. There was no outstanding balance as of December 31, 2020 and 2019.

NOTE 9 CARES ACT PAYCHECK PROTECTION PROGRAM LOAN

On April 11, 2020, GreenPath received a loan from PNC Bank in the amount of \$6,100,400 to fund payroll, rent, utilities, and interest on mortgages and existing debt through the Paycheck Protection Program Flexibility Act of 2020 (the PPP Loan). The original loan agreement was written prior to the PPP Flexibility Act of 2020 (June 5) and was due over 24 months with the initial payment 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 bears interest at a fixed rate of 1.0% per annum, 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 determined by the lender or, if GreenPath fails to apply for forgiveness within 10 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, GreenPath will be required to pay interest on the PPP Loan at a rate of 1.0% per annum, with principal and interest payments required through the maturity date in April 2022.

On February 3, 2021 GreenPath, after meeting requirements, applied for forgiveness. As of May 13, 2021, the application is still under review by the U.S. Small Business Administration.

GREENPATH, INC. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

NOTE 10 LONG-TERM DEBT

In December 2019, GreenPath renewed and extended both its main office building mortgage and the related interest rate swap agreement, discussed in Note 11, to a new maturity of February 1, 2024, details provided under description below.

GreenPath notes payable as of December 31:

<u>Description</u>	<u>2020</u>	<u>2019</u>
Headquarter Office Building Mortgage dated February 2016, bearing interest of LIBOR plus 70% of floating index borrowing spread of 1.05% (aggregating 1.50% and 2.23% at December 31, 2020 and 2019, respectively). Payable in monthly principal installments of approximately \$74,000 plus interest with balloon payment of \$7,214,326 due February 1, 2024. The agreement requires the Organization to maintain certain financial ratios.	\$ 10,001,402	\$ 10,861,436
Software Term Note dated January 2017, bearing interest of LIBOR plus 1.75% (aggregating 1.89% and 3.45% at December 31, 2020 and 2019, respectively). Payable in monthly principal installments of \$8,271 plus interest and maturing December 1, 2021.	99,176	198,500
Capital Leases for Equipment (see Note 7)	703,618	1,125,195
Total	<u>10,804,196</u>	<u>12,185,131</u>
Less: Unamortized Loan Origination Costs	(62,145)	(68,258)
Less: Current Maturities of Long-term Debt	<u>(1,364,559)</u>	<u>(1,380,935)</u>
Long-Term Debt, Excluding Current Maturities	<u>\$ 9,377,492</u>	<u>\$ 10,735,938</u>

The amounts of long-term debt, including capital leases, coming due for the five years following December 31, 2020 and thereafter are as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2021	\$ 1,364,559
2022	1,223,477
2023	923,680
2024	<u>7,292,480</u>
Total	<u>\$ 10,804,196</u>

Interest expense totaled \$310,049 and \$352,518 for the years ended December 31, 2020 and 2019, respectively, of which \$6,113 and \$6,112 was related to the amortization of loan origination costs in 2020 and 2019, respectively.

GREENPATH, INC. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

NOTE 10 LONG-TERM DEBT (CONTINUED)

GreenPath has been approved by its mortgage bank for a four year extension on its Headquarter Office Building Mortgage through February 1, 2028 and, effective January 29, 2021, has entered into an overlay interest rate swap agreement through such date reducing its interest rate to 2.26%.

NOTE 11 INTEREST RATE SWAP AGREEMENT

GreenPath entered into an interest rate swap agreement (interest rate swap) to receive variable rate interest and pay fixed rate interest for a period consistent with the term of the debt.

The interest rate swap is a fixed rate agreement in the notional amount of \$11,142,428 which amortizes over time. The interest rate swap has a termination date of February 1, 2024. The fixed rate paid by GreenPath is set at 2.29% and was effective August 1, 2019 (Previously 2.31%).

The interest rate swap has been marked to fair market value based upon a valuation by an investment bank. The change in value for the effective cash flow hedge of \$242,911 and \$162,106 has been included in net assets without donor restrictions for the years ended December 31, 2020 and 2019, respectively.

NOTE 12 NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes at December 31:

	<u>2020</u>	<u>2019</u>
Subject to Expenditure for a Specified Purpose	<u>\$ 1,493,113</u>	<u>\$ -</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of the passage of time or other events specified by the donors as follows for the years ended December 31:

	<u>2020</u>	<u>2019</u>
Satisfaction of Purpose Restrictions	<u>\$ 1,714,259</u>	<u>\$ -</u>

NOTE 13 BENEFIT PLANS

The Organization has a 401(a) profit sharing pension plan (401(a) plan) for employees. Employer contributions to the plan are based on a percentage of each employee's salary. Organization contributions net of forfeitures totaled \$1,073,258 and \$1,213,421 for the years ended December 31, 2020 and 2019, respectively.

The Organization has made the decision to terminate the 401(a) plan effective July 1, 2021, the process of termination is commencing. Upon termination of the 401(a) plan the employer contribution activities will move into the Organization's existing 403b plan.

GREENPATH, INC. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

NOTE 14 BUSINESS COMBINATIONS

GreenPath completed one business combination during 2019 as part of its growth strategy. The acquisition completed was accounted for using the acquisition method of accounting under auditing standards generally accepted in the United States of America.

Effective March 1, 2019, GreenPath completed an Asset Transfer Agreement with Clarifi. The following table summarizes the amounts of the assets acquired at the transfer date:

Recognized Amounts of Identifiable Assets Acquired
and Liabilities Assumed:

Intangible Assets Related to Debt Management Programs	\$ 668,977
Contribution of Net Assets Without Donor Restrictions	<u>\$ 668,977</u>

Effective March 1, 2019, GreenPath and Clarifi executed an affiliation agreement whereby GreenPath became the sole corporate member of Clarifi. The acquisition was made for the purpose expanding the credit management services offered by GreenPath in this geographic region. The following table summarizes the amounts of the assets acquired and liabilities assumed recognized at the acquisition date:

Recognized Amounts of Identifiable Assets
Acquired and Liabilities Assumed:

Cash and Cash Equivalents	\$ 1,659,679
Investments	1,746,917
Receivables	1,689,922
Other Assets	62,235
Client Funds Held in Trust	57,972
Property and Equipment	168,500
Total Assets	<u>5,385,225</u>

Accounts Payable	69,272
Accrued Payroll and Paid Time Off	325,992
Accrued Expenses and Other Liabilities	147,222
Deferred Income	2,356,589
Client Deposits	57,972
Total Liabilities	<u>2,957,047</u>

Contribution of Net Assets Without Donor Restrictions	<u>\$ 2,428,178</u>
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The identifiable net assets are recognized as a contribution on the accompanying consolidated statements of activities.

GREENPATH, INC. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

NOTE 15 CLIENT FUNDS HELD IN TRUST

The Organization has restricted funds which includes client funds held in trust. As of December 31, 2020 and 2019, the client funds were \$9,178,947 and \$9,495,987, respectively. A liability for the same is included on the accompanying consolidated statement of financial position as of December 31, 2020 and 2019.

NOTE 16 POOLED TRUST

During 2020 RDI became the trustee of the Montana Families Trust (the Trust), a pooled supplemental needs trust. The assets of the Trust are to be used for health, education, maintenance, and other supplementary care, not provided by other governmental sources, of the disabled individual beneficiaries in accordance with their life care plan. RDI has fiduciary responsibility over the Trust and approves distributions for which RDI is paid a minimum annual management fee of \$75, or 1% of each account balance, whichever is greater, up to a maximum fee of \$1,200. Also, upon the death of the primary beneficiary, RDI will receive 10% of remaining individual trust assets, if any, after paying state and federal taxes owed.

As of December 31, 2020, the Trust balance was \$3,284,732. A liability for the same is included on the accompanying consolidated statement of financial position as of December 31, 2020.

NOTE 17 RISK AND UNCERTAINTY

During 2020, the World Health Organization declared the spread of Coronavirus disease (COVID-19) a worldwide pandemic. The COVID-19 pandemic is having significant effects on global markets, supply chains, businesses, and communities. It is expected the COVID-19 will continue to impact the Organization's 2021 operations.

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.

GREENPATH, INC. AND ITS SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION – CONSOLIDATING SCHEDULE
DECEMBER 31, 2020
(SEE INDEPENDENT AUDITORS' REPORT)

ASSETS	<u>GP</u>	<u>HPF</u>	<u>Eliminations</u>	<u>Subtotal</u>	<u>RDI</u>	<u>Clarifi</u>	<u>Eliminations</u>	<u>Consolidated</u>
CURRENT ASSETS								
Cash	\$ 1,372,357	\$ 842,371	\$ -	\$ 2,214,728	\$ 224,599	\$ 1,130,795	\$ -	\$ 3,570,122
Investments	17,129,935	7,295,297	-	24,425,232	-	2,049,020	-	26,474,252
Accounts Receivable, Less Allowance for Uncollectible Amounts	4,417,379	955,158	(1,337,966)	4,034,571	132,522	972,239	(116,733)	5,022,599
Prepaid Expenses and Other Current Assets	1,091,085	53,853	-	1,144,938	19,718	81,725	-	1,246,381
Total Current Assets	<u>24,010,756</u>	<u>9,146,679</u>	<u>(1,337,966)</u>	<u>31,819,469</u>	<u>376,839</u>	<u>4,233,779</u>	<u>(116,733)</u>	<u>36,313,354</u>
OTHER ASSETS								
Intangible Assets	337,188	-	-	337,188	-	-	-	337,188
Client Funds Held in Trust	8,918,824	-	-	8,918,824	260,123	-	-	9,178,947
MATL Grant Restricted Funds	-	-	-	-	1,341,506	-	-	1,341,506
Pooled Trust	-	-	-	-	3,284,732	-	-	3,284,732
Total Other Assets	<u>9,256,012</u>	<u>-</u>	<u>-</u>	<u>9,256,012</u>	<u>4,886,361</u>	<u>-</u>	<u>-</u>	<u>14,142,373</u>
PROPERTY AND EQUIPMENT, Net of Accumulated Depreciation	<u>28,865,568</u>	<u>13,851</u>	<u>-</u>	<u>28,879,419</u>	<u>29,255</u>	<u>109,495</u>	<u>-</u>	<u>29,018,169</u>
Total Assets	<u>\$ 62,132,336</u>	<u>\$ 9,160,530</u>	<u>\$ (1,337,966)</u>	<u>\$ 69,954,900</u>	<u>\$ 5,292,455</u>	<u>\$ 4,343,274</u>	<u>\$ (116,733)</u>	<u>\$ 79,473,896</u>
LIABILITIES AND NET ASSETS								
CURRENT LIABILITIES								
Accounts Payable	\$ 723,591	\$ 553,883	\$ (738,666)	\$ 538,808	\$ 147,848	\$ 113,497	\$ (116,733)	\$ 683,420
Accrued Payroll and Paid Time Off	2,076,931	76,273	-	2,153,204	20,163	171,189	-	2,344,556
Accrued Expenses and Other Liabilities	269,704	607,895	(599,300)	278,299	4,809	(2,381)	-	280,727
Deferred Income	292,488	81,996	-	374,484	-	485,292	-	859,776
Current Portion of Notes Payable	981,534	-	-	981,534	-	-	-	981,534
Current Portion of Capital Lease Obligation	383,025	-	-	383,025	-	-	-	383,025
CARES Act Paycheck Protection Program Loan Payable	6,100,400	-	-	6,100,400	-	-	-	6,100,400
Total Current Liabilities	<u>10,827,673</u>	<u>1,320,047</u>	<u>(1,337,966)</u>	<u>10,809,754</u>	<u>172,820</u>	<u>767,597</u>	<u>(116,733)</u>	<u>11,633,438</u>
NONCURRENT LIABILITIES								
Notes Payable, at Principal, Less Unamortized Loan Origination Cost	9,056,899	-	-	9,056,899	-	-	-	9,056,899
Capital Lease Obligation	320,593	-	-	320,593	-	-	-	320,593
Client Funds Held in Trust	8,918,824	-	-	8,918,824	260,123	-	-	9,178,947
MATL Grant Restricted Funds	-	-	-	-	1,341,506	-	-	1,341,506
Pooled Trust	-	-	-	-	3,284,732	-	-	3,284,732
Interest Rate Swap Agreement	299,884	-	-	299,884	-	-	-	299,884
Total Liabilities	<u>29,423,873</u>	<u>1,320,047</u>	<u>(1,337,966)</u>	<u>29,405,954</u>	<u>5,059,181</u>	<u>767,597</u>	<u>(116,733)</u>	<u>35,115,999</u>
NET ASSETS								
Without Donor Restriction	31,527,450	7,840,483	-	39,367,933	185,774	3,311,077	-	42,864,784
With Donor Restrictions	1,181,013	-	-	1,181,013	47,500	264,600	-	1,493,113
Total Net Assets	<u>32,708,463</u>	<u>7,840,483</u>	<u>-</u>	<u>40,548,946</u>	<u>233,274</u>	<u>3,575,677</u>	<u>-</u>	<u>44,357,897</u>
Total Liabilities and Net Assets	<u>\$ 62,132,336</u>	<u>\$ 9,160,530</u>	<u>\$ (1,337,966)</u>	<u>\$ 69,954,900</u>	<u>\$ 5,292,455</u>	<u>\$ 4,343,274</u>	<u>\$ (116,733)</u>	<u>\$ 79,473,896</u>

GREENPATH, INC. AND ITS SUBSIDIARIES
STATEMENT OF ACTIVITIES – CONSOLIDATING SCHEDULE
YEAR ENDED DECEMBER 31, 2020
(SEE INDEPENDENT AUDITORS' REPORT)

	GP	HPF	Eliminations	Subtotal	RDI	Clarifi	Eliminations	Consolidated
REVENUE								
Program Fees	\$ 34,288,673	\$ 2,487,766	\$ 2,375	\$ 36,778,814	\$ 405,607	2,079,314	\$ (80,631)	\$ 39,183,104
Public Support:								
Grants - Housing	2,403,568	-	-	2,403,568	-	-	-	2,403,568
Grants - Other	5,185,270	98,500	78,256	5,362,026	413,344	2,027,385	(100,000)	7,702,755
Net Investment Income (Loss)	1,434,604	932,739	-	2,367,343	(359)	146,920	-	2,513,904
Miscellaneous Income	136,567	360	-	136,927	14,188	28,412	-	179,527
Net Assets Released from Restriction	1,434,830	-	-	1,434,830	32,500	246,929	-	1,714,259
Total Revenue	<u>44,883,512</u>	<u>3,519,365</u>	<u>80,631</u>	<u>48,483,508</u>	<u>865,280</u>	<u>4,528,960</u>	<u>(180,631)</u>	<u>53,697,117</u>
FUNCTIONAL EXPENSES								
Program Expenses	36,410,451	1,517,365	(100,000)	37,827,816	625,910	3,626,903	-	42,080,629
General and Administrative	3,341,041	296,901	-	3,637,942	212,360	463,601	-	4,313,903
Fundraising	1,288,898	60,539	-	1,349,437	4,464	296,319	-	1,650,220
Total Functional Expenses	<u>41,040,390</u>	<u>1,874,805</u>	<u>(100,000)</u>	<u>42,815,195</u>	<u>842,734</u>	<u>4,386,823</u>	<u>-</u>	<u>48,044,752</u>
CHANGE IN FAIR VALUE OF INTEREST RATE SWAP AGREEMENT	<u>(242,911)</u>	<u>-</u>	<u>-</u>	<u>(242,911)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(242,911)</u>
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	3,600,211	1,644,560	180,631	5,425,402	22,546	142,137	(180,631)	5,409,454
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS								
Grants - Other	2,615,843	-	-	2,615,843	80,000	511,529	-	3,207,372
Net Assets Released From Restrictions	<u>(1,434,830)</u>	<u>-</u>	<u>-</u>	<u>(1,434,830)</u>	<u>(32,500)</u>	<u>(246,929)</u>	<u>-</u>	<u>(1,714,259)</u>
CHANGE IN NET ASSETS	4,781,224	1,644,560	180,631	6,606,415	70,046	406,737	(180,631)	6,902,567
Net Assets - Beginning of Year	<u>27,927,239</u>	<u>6,195,923</u>	<u>-</u>	<u>34,123,162</u>	<u>163,228</u>	<u>3,168,940</u>	<u>-</u>	<u>37,455,330</u>
NET ASSETS - END OF YEAR	<u>\$ 32,708,463</u>	<u>\$ 7,840,483</u>	<u>\$ 180,631</u>	<u>\$ 40,729,577</u>	<u>\$ 233,274</u>	<u>\$ 3,575,677</u>	<u>\$ (180,631)</u>	<u>\$ 44,357,897</u>

GREENPATH, INC. AND ITS SUBSIDIARIES
STATEMENT OF CASH FLOWS – CONSOLIDATING SCHEDULE
YEAR ENDED DECEMBER 31, 2020
(SEE INDEPENDENT AUDITORS' REPORT)

	GP	HPF	Eliminations	Subtotal	RDI	Clarifi	Eliminations	Consolidated
CASH FLOWS FROM OPERATING ACTIVITIES								
Change in Net Assets	\$ 4,781,224	\$ 1,644,560	\$ -	\$ 6,425,784	\$ 70,046	\$ 406,737	\$ -	\$ 6,902,567
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:								
Depreciation and Amortization	3,130,624	103,126	-	3,233,750	5,088	54,647	-	3,293,485
Amortization of Identifiable Intangible Assets	498,644	-	-	498,644	-	-	-	498,644
Interest Expense - Amortization Loan Origination Costs	6,113	-	-	6,113	-	-	-	6,113
Write-Off of Uncollectible Accounts Receivable	7,908	1,970	-	9,878	3,728	7,600	-	21,206
Net Unrealized Gain on Investments	(1,087,916)	(749,424)	-	(1,837,340)	-	(73,101)	-	(1,910,441)
Net Realized (Gain) Loss on Investments	15,205	18,679	-	33,884	-	(558)	-	33,326
Net Change in Fair Value of Interest Rate Swap Agreement	242,911	-	-	242,911	-	-	-	242,911
(Increase) Decrease in Assets:								
Accounts Receivable	254,799	414,431	(616,270)	52,960	(78,242)	(239,441)	66,733	(197,990)
Prepaid Expenses and Other Current Assets	(122,062)	(122)	-	(122,184)	(16,400)	9,981	-	(128,603)
Client Funds Held in Trust	-	-	-	-	-	1,155	-	1,155
Increase (Decrease) in Liabilities:								
Accounts Payable	272,048	53,670	86,712	412,430	(1,351)	(109,818)	(66,733)	234,528
Accrued Payroll and Paid Time Off	(526,316)	(36,270)	-	(562,586)	8,166	(128,501)	-	(682,921)
Accrued Expenses and Other Liabilities	114,863	(531,210)	529,558	113,211	1,588	(6,754)	-	108,045
Deferred Income	(320,917)	(6,550)	-	(327,467)	(94,500)	(286,248)	-	(708,215)
Client Deposits	-	-	-	-	-	(1,155)	-	(1,155)
Net Cash Provided (Used) by Operating Activities	<u>7,267,128</u>	<u>912,860</u>	<u>-</u>	<u>8,179,988</u>	<u>(101,877)</u>	<u>(365,456)</u>	<u>-</u>	<u>7,712,655</u>
CASH FLOWS FROM INVESTING ACTIVITIES								
Purchase of Property, Equipment, and Intangible Assets	(1,435,539)	-	-	(1,435,539)	-	-	-	(1,435,539)
Proceeds from Sale of Property and Equipment	-	-	-	-	-	29,058	-	29,058
Sale of Investments	6,023,770	1,258,245	-	7,282,015	-	1,868,152	-	9,150,167
Purchases of Investments	(16,388,663)	(2,460,339)	-	(18,849,002)	-	(1,942,238)	-	(20,791,240)
Net Cash Used by Investing Activities	<u>(11,800,432)</u>	<u>(1,202,094)</u>	<u>-</u>	<u>(13,002,526)</u>	<u>-</u>	<u>(45,028)</u>	<u>-</u>	<u>(13,047,554)</u>
CASH FLOWS FROM FINANCING ACTIVITIES								
Proceeds from CARES Act Paycheck Protection Program Loan	6,100,400	-	-	6,100,400	-	-	-	6,100,400
Principal Payments on Notes Payable	(959,358)	-	-	(959,358)	-	-	-	(959,358)
Payments on Capital Leases	(421,577)	-	-	(421,577)	-	-	-	(421,577)
Net Cash Provided by Financing Activities	<u>4,719,465</u>	<u>-</u>	<u>-</u>	<u>4,719,465</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,719,465</u>
NET INCREASE (DECREASE) IN CASH	<u>186,161</u>	<u>(289,234)</u>	<u>-</u>	<u>(103,073)</u>	<u>(101,877)</u>	<u>(410,484)</u>	<u>-</u>	<u>(615,434)</u>
Cash - Beginning of Year	<u>1,186,196</u>	<u>1,131,605</u>	<u>-</u>	<u>2,317,801</u>	<u>326,476</u>	<u>1,541,279</u>	<u>-</u>	<u>4,185,556</u>
CASH - END OF YEAR	<u><u>\$ 1,372,357</u></u>	<u><u>\$ 842,371</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,214,728</u></u>	<u><u>\$ 224,599</u></u>	<u><u>\$ 1,130,795</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 3,570,122</u></u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION								
Interest Paid	<u><u>\$ 310,597</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 310,597</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 310,597</u></u>



**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
GreenPath, Inc. and its Subsidiaries
Farmington Hills, Michigan

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 consolidated financial statements of GreenPath, Inc. and its Subsidiaries (the Organization), which comprise the consolidated statement of financial position as of December 31, 2020 and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated May 13, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the consolidated 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 consolidated 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 consolidated 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 consolidated 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 consolidated 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 result 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

Toledo, Ohio
May 13, 2021



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE, AND
REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY THE UNIFORM GUIDANCE**

Board of Directors
GreenPath, Inc. and its Subsidiaries
Farmington Hills, Michigan

Report on Compliance for Each Major Federal Program

We have audited GreenPath, Inc. and its Subsidiaries' (the 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, 2020. The Organization's major federal programs are identified in the summary of auditors' 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.

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 December 31, 2020.

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 a 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. 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.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the consolidated financial statements of the Organization as of and for the year ended December 31, 2020, and have issued our report thereon dated May 13, 2021, which contained an unmodified opinion on those consolidated financial statements. Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the consolidated financial statements as a whole.



CliftonLarsonAllen LLP

Toledo, Ohio
May 13, 2021

GREENPATH, INC. AND ITS SUBSIDIARIES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 30, 2020
(SEE INDEPENDENT AUDITORS' REPORT)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Entity Identification Number	Total Federal Expenditures	Passed through to Subrecipients
U.S. Department of Housing and Urban Development Direct Programs				
GreenPath, Inc. as an Intermediary (HUD- Intermediary/ Comp & HECM)	14.169	N/A	\$ 2,407,360	\$ 100,000
Total U.S. Department of Housing and Urban Development Direct Programs			2,407,360	100,000
U.S. Department of Treasury				
Rural Dynamics as a direct recipient				
Tax Counseling for the Elderly, 10.2019-09.2020	21.006	N/A	8,210	-
Tax Counseling for the Elderly, 10.2020-09.2021	21.006	N/A	512	-
Total Tax Counseling for the Elderly			8,722	-
U.S. Department of Treasury Direct Programs				
Rural Dynamics as a direct recipient				
Volunteer Income Tax Assistance (VITA Matching Grant Program) 08.2018-07.2020	21.009	N/A	93,059	-
Volunteer Income Tax Assistance (VITA Matching Grant Program) 10.2020-09.2021	21.009	N/A	14,709	-
Passed through United Way of Greater Philadelphia and Southern New Jersey				
Passed through the Volunteer Income Tax Assistance Program-Clarifi as a Sub-Grantee	21.009	18587	37,500	-
Total Volunteer Income Tax Assistance			145,268	-
Total U.S. Department of Treasury			153,990	-
Corporation for National and Community Service Direct Programs				
Rural Dynamics as a direct recipient				
AmeriCorp VISTA project 09.15.2019-09.14.2020	94.013	N/A	31,573	-
AmeriCorp VISTA project 09.15.2020-09.14.2021	94.013	N/A	14,364	-
Total Corporation for National and Community Service Direct Programs			45,937	-
U.S. Department of Health and Human Services				
Passed through University of Montana Passed through the Montana Assistive Technology Loan (MATL) Program 2020-Rural Dynamics as a Sub-Grantee	94.469	NONE	42,354	-
Total U.S. Department of Health and Human Services			42,354	-
Total Expenditures of Federal Awards			\$ 2,649,641	\$ 100,000

See accompanying Notes to Schedule of Expenditures of Federal Awards.

GREENPATH, INC. AND ITS SUBSIDIARIES
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
DECEMBER 30, 2020

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of GreenPath Inc., under programs of the federal government for the year ended December 31, 2020 and the Affiliated Organization for the seven-months ended December 31, 2020. The information in this Schedule is presented in accordance with the requirements of 2 CFR 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. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE 3 INDIRECT COST RATE

The Organization has elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**GREENPATH, INC. AND ITS SUBSIDIARIES
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 30, 2020**

Section I – Summary of Auditors’ Results

Financial Statements

- | | | |
|--|------------|-------------------------|
| 1. Type of auditors’ report issued: | Unmodified | |
| 2. Internal control over financial reporting: | | |
| • Material weakness (es) identified? | _____ yes | ___ X ___ no |
| • Significant deficiency (ies) identified that are not considered to be material weaknesses? | _____ yes | ___ X ___ none reported |
| 3. Noncompliance material to financial statements noted? | _____ yes | ___ X ___ no |

Federal Awards

- | | | |
|---|------------|--------------|
| 1. Internal control over major programs: | | |
| • Material weakness (es) identified? | _____ yes | ___ X ___ no |
| • Significant deficiency (ies) identified that are not considered to be material weakness (es)? | _____ yes | ___ X ___ no |
| 2. Type of auditors’ report issued on compliance for major programs: | Unmodified | |
| 3. 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)

14.169

Name of Federal Program or Cluster

Housing Counseling Assistance Program

Dollar threshold used to distinguish between type A and type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

___ X ___ yes _____ no

**GREENPATH, INC. AND ITS SUBSIDIARIES
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2020**

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)

**GREENPATH, INC. AND ITS SUBSIDIARIES
SUMMARY OF PRIOR YEAR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 2020**

FINDINGS—FINANCIAL STATEMENT AUDIT

There were no financial statement findings in the prior year.

FINDINGS— FEDERAL AWARD PROGRAMS AUDITS

There were no federal award program audit findings in the prior year.

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