



# MIAA Announces Audited Financial Results for 2019-2020 Fiscal Year

November 19, 2020

Dear Colleagues,

The audit firm of Marco Seidman, CPA PC conducted an independent third party audit of the Massachusetts Interscholastic Athletic Association's (MIAA) financial statements, which are comprised of the statements of financial position, the related statements of activities and cash flows, and the related notes to the financial statements.

This audit involved performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The auditor considered internal control relevant to the Association's preparation and fair representation of the financial statements in order to design appropriate audit procedures. The audit also included evaluation of the appropriateness of accounting policies used, the reasonableness of significant accounting estimates made by management, and the overall presentation of the financial statements.

In reporting to the MIAA Board of Directors, the auditors issued a "clean" opinion of the Association's financial statements. In their opinion, "The financial statements referred to above present fairly, in all material respects, the financial position of the Massachusetts Interscholastic Athletic Association, Inc. as of June 30, 2020 and June 30, 2019, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America." "We thank the accounting staff for their assistance during the audit. They should be commended for their accuracy and professionalism."

Mr. Seidman reported that the Association's net assets for fiscal year 2019-2020 decreased by approximately \$272,000, noting athletic event revenue and expenses were down significantly in the fourth quarter of the fiscal year. These decreases were primarily due to the cancellations of all spring sports tournaments as well as the girls' and boys' winter basketball and ice hockey state championships due to the COVID-19 pandemic. As a result of the spring cancellations, the Association also refunded the registration fees for all spring sports officials.

Marco Seidman, CPA PC also noted in the audited financial reports:

"The COVID-19 pandemic has had a significant effect on the Association's operations. In response, the Association has taken steps and implemented strategies to increase cash flow and mitigate COVID-19 losses. We continue to observe management's proactive response to the change in operations as we look forward to auditing the current year ending June 2021.

The Association:

- Pivoted to virtual settings for all webinars, coaches' education certification programming, and committee meetings. This transition provides continued service to the membership while also decreasing expenses.
- Benefitted from a PPP (Paycheck Protection Program) loan which is expected to be fully forgiven. For the current year, this has resulted in additional income of \$291,340.
- Secured an Economic Injury Disaster Loan (EIDL) subsequent to fiscal year end in the amount of \$150,000.
- Secured a line of credit in the amount of \$150,000.

Mr. Seidman urged the Association leadership to focus on strategies to identify and enhance new revenue streams in the coming year. This challenge is acknowledged and is the current priority of management and the Association's Finance Committee.

Since Massachusetts' original shutdown order in March, Association leaders have arranged uninterrupted service to its member schools. While many sports are on hold or delayed, and some sports are moving forward in a limited way, the Association's mission of "providing leadership and support for the conduct of interscholastic athletics" and "promoting lifelong and life-quality learning experiences to students" goes forward. The MIAA Office is open and adhering to the building occupation limits in the state guidelines. MIAA Executives and Support Staff, as always, respond promptly by phone and email.

We look forward to the day when our conference rooms are once again lively with our member constituents—discussing sports in our committee meetings, learning wellness best practices in our workshops and teaching leadership skills in our captains' workshops. We know you look forward to the same in your schools and athletic venues.

This year is all about promoting participation while doing what's best for the health and safety of the student-athletes we serve. Thank you for all you do to create, sustain and maximize these opportunities.

Your support is valued.

Respectfully,



Bill Gaine  
Executive Director

**EDUCATIONAL ATHLETICS**

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