



**Governing Board Meeting
Wednesday, September 29 2021**



NOTICE OF MEETING

The regular meeting of the Governing Board of the Davidson Academy will be held starting at 2 p.m. on Wednesday, September 29, 2021.

This public meeting will be held via videoconference and there will be no physical location for the meeting. Members of the public wishing to hear and observe the meeting may do so using the following link: <https://davidsongifted.zoom.us/j/87409153528>

Public comment for this meeting will be received via email, videoconference participation, and telephone. Those wishing to provide public comment via email may email their public comments to boardcomments@davidsonacademy.unr.edu. All public comments received via email before and during the meeting will be forwarded to the Governing Board of the Davidson Academy for their consideration and will be included in the public record as minutes but will not be read aloud during the meeting. Those wishing to provide live public comment via videoconference may do so using the following link: <https://davidsongifted.zoom.us/j/87409153528>. Those wishing to provide live public comment via telephone may dial (253) 215-8782 and use participant code 874 0915 3528.

AGENDA

2 p.m.

A. ROLL CALL*

B. WELCOME AND INTRODUCTIONS*

C. PUBLIC COMMENTS*

The public may comment on any subject that is not on the agenda that is pertinent to the Davidson Academy. Each speaker will be limited to three minutes. Public comment relating to an agenda item will be taken during discussion of that item. Comment will be limited to three minutes, but speaking time may be reduced at the discretion of the chair of the meeting, if there are a large number of speakers on a given subject. No comments will be restricted based upon viewpoint.

D. APPROVAL OF AGENDA (for possible action)

The public is notified that the Governing Board may take items on the agenda out of order; combine two or more agenda items for consideration; remove an item from the agenda; or delay discussion relating to an item on the agenda

E. APPROVAL OF MINUTES: Meeting of August 17, 2021 (for possible action) [| TAB 1 |](#)

F. REPORTS*

1. ACADEMY DIRECTOR*

a. General Program Updates [| TAB 2 | | TAB 3 | | TAB 4 | | TAB 5 |](#)

2. DIRECTOR OF ONLINE LEARNING*

a. General Program Updates [| TAB 6 |](#)

3. MEDIA AND OUTREACH*

[| TAB 7 |](#)

G. GENERAL BUSINESS

1. VICE PRESIDENT AND CHIEF FINANCIAL OFFICER | [TAB 8](#) || [TAB 9](#) || [TAB 10](#) |

- a. Presentation of independent auditor's report for the fiscal year ended June 30, 2021
(for possible action)

H. PUBLIC COMMENTS*

The public may comment on any subject that is not on the agenda that is pertinent to the Davidson Academy. Each speaker will be limited to three minutes. Public comment relating to an agenda item will be taken during discussion of that item. Comment will be limited to three minutes, but speaking time may be reduced at the discretion of the chair of the meeting, if there are a large number of speakers on a given subject. No comments will be restricted based upon viewpoint.

I. ADJOURNMENT (for possible action)
Meeting Dates for 2021

- Monday, November 8, 2021

CERTIFICATE OF POSTING OF THIS AGENDA

I hereby certify that In accordance with NRS 241.020, on or before Friday, September 24, 2021, at 9:00 a.m., a copy of this agenda was delivered to the post office used by the Davidson Academy addressed to each person who has requested to receive copies of Davidson Academy Governing Board meeting agendas; a copy of this agenda was emailed to each person who agreed to receive copies of Davidson Academy Governing Board meeting agendas by electronic mail; and a copy has been posted online at Notice.NV.gov and at the Academy's website (<http://www.DavidsonAcademy.UNR.edu/>). A physical copy was posted at the Davidson Academy, Reno NV, per Section 2 of AB 253.

/s/ Aimee Fredericks
Governing Board Clerk
Email: afredericks@davidsonacademy.unr.edu
Phone: 775-682-5800

Governing Board: Bob Davidson, Roger Davidson, Hon. Brian Krolicki, Mark Herron, Loralyn Lovell McCarthy Sandoval, Richard Trachok, and Annette Whittemore; Ex-Officio: Dr. Kristen McNeill, Jhone Ebert, and Hon. Brian Sandoval

Note: The Governing Board may take items on the agenda out of order; combine two or more agenda items for consideration; remove an item from the agenda; or delay discussion relating to an item on the agenda.

Those items followed by an asterisk (*) are items on the agenda upon which the Governing Board will take no action.

Members of the public who are disabled and require special accommodations or assistance at the meeting are requested to call Colleen Harsin at 775-682-5800 at least 24 hours prior to the meeting.

Copies of the packets containing support material for this agenda are available at no charge on the Davidson Academy website at <http://DavidsonAcademy.UNR.edu>. Copies may also be obtained by sending a request via email to charsin@davidsonacademy.unr.edu or by contacting Aimee Fredericks by mail at Davidson Academy, 9665 Gateway Drive, Ste. B, Reno, NV 89521, or by telephone at 775-682-5800.

Meeting agendas and minutes are available on the Academy's website (<http://www.DavidsonAcademy.UNR.edu/>).

Minutes of the Meeting

The Davidson Academy Governing Board

August 17, 2021

CALL TO ORDER

The special meeting of the Governing Board of the Davidson Academy was called to order at 2:03 p.m. This public meeting was held by videoconference. Members of the public were invited to provide comments by telephone, through the videoconference, or by email.

A. ROLL CALL

Roll call was completed by the chair of the meeting, Mark Herron. In attendance were Roger Davidson, Lauralyn McCarthy-Sandoval, Brian Krolicki, and Brian Sandoval. Also present, Academy Director, Colleen Harsin; Director of Online Learning, Dr. Stacy Hawthorne; Legal Counsel, Ann Alexander; and Clerk of the Board, Holly Lorge'. Not present were Bob Davidson, Kristen McNeill, Jhone Ebert, Annette Whittemore and Richard Trachok. Following completion of roll call, a quorum was confirmed.

B. WELCOME AND INTRODUCTION

Mark Herron welcomed board members and members of the public in attendance.

C. PUBLIC COMMENT

Mr. Herron provided instructions concerning public comment as stated under item C of the meeting agenda.

Mr. Herron stated that the meeting is being held without a physical location, but in compliance with Nevada legislation, was available for visual participation and audio call-in for public comments. He referenced the public comment details provided in the agenda and confirmed that public comments, if made, would be received by email or by telephone. No comments were received.

D. APPROVAL OF AGENDA

Mr. Herron requested a motion for approval of the agenda. Motion was made and seconded for approval of the meeting agenda. Motion carried unanimously.

E. APPROVAL OF MINUTES

Mark Herron requested approval of the minutes for the meeting of May 24, 2021, on page 4 of the board book. Motion was made and seconded for approval of the minutes as submitted. There was no discussion and the motion carried unanimously.

F. REPORTS

1. Vice President and Chief Financial Officer

a. Report on plan to operate the Davidson Academy Online as an independent (private school)

Mr. Herron began his report by sharing how the Davidson Academy Online (DAO) program began in 2015 as a limited version of what is in place now. This was started as a trial for school years of 2015-2016 and 2016-2017. In 2017 the Davidson Academy Online program was added to the Davidson Academy Reno public school as a full-time parallel distance learning program offering academic credit under common accreditation.

Mr. Herron continued by stating that in consultation with the Nevada Department of Education it was determined that Nevada students in the online program would receive per pupil state funding support and would not pay tuition for DAO. Those students outside of Nevada would pay tuition, although noting that the Davidson Institute offered financial assistance where necessary.

Mr. Herron shared that offering the DAO program has had advantages, and challenges. Operating as a Nevada public school across state lines was groundbreaking, and the Institute has been appreciative of support from Nevada Department of Education. Factors such as compulsory attendance requirements, seat time and calendar restrictions, and other public education laws in different states has made it cumbersome for families outside of Nevada to enroll in an out-of-state online public school program as currently structured and remain in compliance with local laws.

Mr. Herron commented that there is now opportunity for growth in the U.S., Canada and ultimately, internationally, for working with profoundly gifted students in a full-time online learning environment. After careful consideration and planning the goal is to convert the current online program to a private, independent school, beginning with the 2022-2023 school year. This would be a program of the Davidson Institute separate from the Davidson Academy Reno campus. Mr. Herron noted that the Davidson Academy Reno campus is organized as an unincorporated division of the Davidson Academy Institute which is a 501(c)(3) public charity.

Mr. Herron added that the timing of this is particularly relevant as the operations and application for 2022-2023 will open in September, and there is a need to accurately describe the nature of the DAO to prospective students and their families.

Mr. Herron noted that the state of Oregon has the most conducive laws and regulations for an independent school. The plan is to create a special purpose entity in Oregon as part of the Davidson Institute while operating DAO and offering a range of classes, programs and services leading to high school diploma as it does currently. However, as an independent (private) school, DAO would not be required to offer certain programs and services that public schools are mandated to provide.

Mr. Herron commented that this report brought before the Board today is as an information item, not an action item. Mr. Herron reminded the Board that upon reviewing Board Minutes of 2015, the Board did not take action to start the DAO program, and Board action is not necessary to remove the program from under the Davidson Academy public school. Mr. Herron continued that the audit for the fiscal year just concluded in June and the audit report will be presented in September. Mr. Herron expects the auditors to add a footnote to that audit report addressing what was just described.

Mr. Krolicki asked Mr. Herron about budget implications to Davidson Academy Reno itself with this upcoming separation. Mr. Herron replied that DAO accounts for 40% of the budget as combined between Reno campus/Online program. At the current state, the separation will be financially beneficial to Reno campus.

Mr. Krolicki also asked about aspects of this separation from a human resource perspective. Mr. Herron pointed out there is a clear dividing line between resources receiving state support for Reno campus, being careful how to allocate costs. The downside is there won't be opportunity for sharing staffing resources as in the past. Mr. Herron stated that they will be reaching out to Jhone Ebert's office for further guidance on moving forward.

Ms. Sandoval asked about any potential effects on the 'brick and mortar' students. Dr. Hawthorne answered that she and Ms. Harsin have discussed this, with the analogy of this being an amicable separation, and both wanting to provide opportunities when appropriate, without crossing any boundaries, reassuring the main goal of no negative impact for students.

Mr. Sandoval asked about how this change will affect Nevadans who are attending online. Mr. Herron stated that there is no current plan to charge Nevada students tuition.

G. GENERAL BUSINESS

Mr. Herron asked the Board to consider moving the day or time of the next two board meeting dates of September 20 and November 8, as this was a suggestion from Board members who have conflicting schedules. An email will be sent out on the subject of possible day or time change regarding next two Board meetings.

H. PUBLIC COMMENT

Mr. Herron reminded everyone of the process for public comment. No comments were received.

I. ADJOURNMENT

There being no further business to come before the board in public meeting, Mr. Herron asked for a motion to adjourn. Motion was made, seconded and carried unanimously. The meeting adjourned at 2:25 p.m.

Holly Lorge

Respectfully submitted by Holly Lorge, Clerk of the Board

UNAPPROVED

Academy Director

The Davidson Academy Governing Board Updates

September 29, 2021

Steve Sisolak
Governor
Jhone M. Ebert
Superintendent
of Public Instruction



Southern Nevada Office
2080 E. Flamingo Rd., Suite 210
Las Vegas, NV 89119-0811
(702) 486-6458
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DEPARTMENT OF EDUCATION
700 E. Fifth Street | Carson City, Nevada 89701-5096
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June 10, 2021

Ms. Colleen M. Harsin, Director
The Davidson Academy of Nevada
P.O. Box 9119
Reno, NV 89507

SUBJECT: Pupil Enrollment and Attendance Audit – Preliminary
School Year 2020 – 2021 (Q1 – Q4); Audit No. 21-2673-180

Dear Ms. Harsin:

We completed our preliminary review of The Davidson Academy of Nevada for the pupil enrollment and attendance express spot audit. We conducted the audit by comparing the output of the average daily enrollment in PowerSchool to the Master Registers. The backup documentation from PowerSchool supported the average daily enrollment number in PowerSchool for the days tested.

Through our audit process, we could verify that the average daily enrollment of The Davidson Academy of Nevada for the following quarters was:

- 1st Quarter: 169.00
- 2nd Quarter: 169.00
- 3rd Quarter: 168.24
- 4th Quarter single-day (May 3rd): 166*

* Note: Quarterly average daily enrollment for the 4th quarter reporting period will be reviewed and noted on a separate letter, after it has been submitted to NDE by the school.

In order to finalize the audit report, please submit a written acknowledgement of this report by June 24, 2021 to:

Nevada Department of Education
Audit Office
700 E. Fifth Street, Suite 107
Carson City, NV 89701

June 9, 2021
Ms. Colleen M. Harsin, Director
The Davidson Academy of Nevada
Page 2

If we do not receive the above information on the date above, we will close out the audit and you will receive a final copy of the audit report in a couple of weeks.

Please convey our appreciation to your staff for the cooperation and assistance given to our auditors. Should you have any questions, please contact me at 775-687-9231 or Shemeles Mojo, Auditor-in-Charge, at 571-277-0775.

Sincerely,



Michael Shafer
Chief Auditor

MS/sm

Enclosures: University School Preliminary Report

cc: Aimee Fredericks, Admissions and Records Manger, The Davidson Academy of Nevada
Larry Kramp, IT Manager, The Davidson Academy of Nevada

**Nevada Department of Education
Pupil Enrollment and Attendance Audit
UNIVERSITY SCHOOL PRELIMINARY REPORT**

SCHOOL SPOT CHECK RESULTS

University School: The Davidson Academy of Nevada			
Dates Tested	ADE in PowerSchool	Master Register Enrollment Confirmed in Audit	Variance
September 8, 2020	169	169	0
September 14, 2020	169	169	0
September 28, 2020	169	169	0
October 9, 2020	169	169	0
November 6, 2020	169	169	0
December 11, 2020	169	169	0
January 19, 2021	169	169	0
February 8, 2021	169	169	0
March 29, 2021	167	167	0
April 2, 2021	167	167	0
April 19, 2021	167	167	0
May 3, 2021	166	166	0

Steve Sisolak
Governor
Jhone M. Ebert
Superintendent
of Public Instruction



Southern Nevada Office
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Las Vegas, NV 89119-0811
(702) 486-6458
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700 E. Fifth Street | Carson City, Nevada 89701-5096
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June 22, 2021

Ms. Colleen M. Harsin, Director
The Davidson Academy of Nevada
P.O. Box 9119
Reno, NV 89507
Email: charsin@davidsonacademy.unr.edu

Mr. Bob Davidson, Governing Board President
The Davidson Academy of Nevada
Email: boardpresident@davidsonacademy.unr.edu

RE: Pupil Enrollment and Attendance Audit
School Year 2020 – 2021 (Q1 – Q4); Audit No. 21-2673-180

Dear Ms. Harsin and Mr. Davidson:

Enclosed is the final report of our Pupil Enrollment and Attendance Audit of the Davidson Academy of Nevada for the 1st, 2nd, 3rd, & 4th quarters of the 2020 – 2021 school year. Your response to the preliminary report has been incorporated into this report.

We appreciate the cooperation and courtesies extended to us during the course of the audit. If you have any questions, please contact me at 775-687-9231.

Sincerely,

A handwritten signature in blue ink that reads "Michael Shafer".

Michael Shafer
Chief Auditor

MS/sm

Enclosures: Pupil Enrollment and Attendance Audit

cc via email: Aimee Fredericks, Admissions & Records Manager, Davidson Academy
Larry Kramp, IT Manager, Davidson Academy
Adam Drost, Program Analyst, LCB
Jaimarie Mangoba, Program Analyst, LCB
Tiffany Greenameyer, Budget Officer, Budget Division, GFO
Lynn Hoffman, Director-District Support Services, Student Investment Division, NDE

THE DAVIDSON ACADEMY OF NEVADA

PUPIL ENROLLMENT AND ATTENDANCE AUDIT

SCHOOL YEAR 2020 – 2021 (Q1 – Q4)



Student Investment Division* Audit Office * Carson City, Nevada
Audit No: 21-2673-180

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INTRODUCTION

Organization

The Davidson Academy of Nevada

Reno, Nevada

Grades: 4 – 12

Locations: 1

Program

Distributive School Account (DSA)

Objectives

The purpose of the examination was:

- To determine if the School's average daily enrollment (ADE) on a specific date matched the number of pupils contained on the master register.

Background

In Nevada Revised Statutes (NRS) Chapter 387.121, the "Nevada Plan" for equitably apportioning public school education funding among the state's school districts, charter schools, and university school fulfills the Legislature's declaration of providing a "reasonably equal educational opportunity" to each Nevada child. This state guarantee results in the provision of financial support on an average daily enrollment basis unique for each school district and is based upon certain cost and equity considerations. The number of pupils upon which the financial support is to be determined is based on the average daily enrollment of a school district. This enrollment figure is further modified by a "hold harmless" provision pursuant to NRS 387.1223. The Nevada Department of Education (NDE) is charged with the administration of the Distributive School Account (DSA) from which education funding is provided to Nevada's public schools. As part of its oversight functions, NDE reviews the reports submitted by the school districts, the charter schools, and the university school. Audit procedures include verifying the reported pupil enrollment information and determining the extent of compliance with the select provisions of the laws and regulations pertaining to enrollment and attendance.

The statutes (laws) addressing financial support of school systems, the system of public instruction, and pupil enrollment and accounting are contained in NRS 386, 387, and 388. The regulations included in the Nevada Administrative Code (NAC) 386, 387, and 388 are also pertinent.

Effective July 1, 1999, the Nevada Legislature enacted NRS 387.304, requiring NDE to conduct an annual audit of the count of pupils for apportionment purposes reported by each school district. In addition, NRS 387.1238 allows for the verification of "reports of enrollment and daily attendance submitted by any school district, charter school, or university school for profoundly gifted pupils for apportionment purposes."

PUPIL ENROLLMENT AND ATTENDANCE AUDIT

Enrollment Verification

Our audit procedures included comparing the output of the School's ADE in Infinite Campus to the master register for a selection of School session dates shown in the table below. The School Spot Check Results identify the School and the dates that were selected for review.

Results:

Through our audit process, we could verify the average daily enrollment at the University School was:

- 1st Quarter: 169.00
- 2nd Quarter: 169.00
- 3rd Quarter: 168.24
- 4th Quarter single-day (May 3rd): 166*

* Note: Quarterly average daily enrollment for the 4th quarter reporting period will be reviewed and noted on a separate letter, after it has been submitted to NDE by the school.

- There were no exceptions to the enrollment for apportionment.

School Spot Check Results

School Tested: **The Davidson Academy of Nevada**

Dates Tested	ADE in PowerSchool	Master Register Enrollment Confirmed in Audit	Variance
September 8, 2020	169	169	0
September 14, 2020	169	169	0
September 28, 2020	169	169	0
October 9, 2020	169	169	0
November 6, 2020	169	169	0
December 11, 2020	169	169	0
January 19, 2021	169	169	0
February 8, 2021	169	169	0
March 29, 2021	167	167	0
April 2, 2021	167	167	0
April 19, 2021	167	167	0
May 3, 2021	166	166	0

Results:

No discrepancies were noted for the items reviewed.

RESPONSE FROM CHARTER SCHOOL



June 21, 2021

Michael Shafer, Chief Auditor
Nevada Department of Education
Audit Office
700 E. Fifth Street, Suite 107
Carson City, NV 89701

Dear Mr. Shafer,

Please consider this letter as acknowledgment of the preliminary Pupil Enrollment and Attendance Audit report prepared for the Davidson Academy for the 2020-2021 school year. We have reviewed the preliminary report dated June 10, 2021, and are in agreement with the information presented. Please proceed with finalizing the report as presented. We look forward to receiving a final copy of the audit report once completed.

If you have any questions, or need additional information, please do not hesitate to contact me directly at 775-682-5803 or [charsin@davidsonacademy.unr.edu](mailto:charsin@ davidsonacademy.unr.edu).

As always, all best,

Colleen M. Harsin
Director

P.O. Box 9119 • Reno, Nevada 89507
(775) 682-5800 • www.DavidsonAcademy.unr.edu

Steve Sisolak
Governor
Jhone M. Ebert
Superintendent
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July 2, 2021

Ms. Colleen M. Harsin, Director
The Davidson Academy of Nevada
P.O. Box 9119
Reno, NV 89507
Email: [charsin@davidsonacademy.unr.edu](mailto:charsin@ davidsonacademy.unr.edu)

Mr. Bob Davidson, Governing Board President
The Davidson Academy of Nevada
Email: boardpresident@davidsonacademy.unr.edu

RE: Pupil Enrollment and Attendance Audit
School Year 2020 – 2021 (Q4); Audit No. 21-2673-296

Dear Ms. Harsin and Mr. Davidson:

Through our audit procedures, we could confirm the Q4 ADE for The Davidson Academy of Nevada is 166.47. There were no audit adjustments to your Q4 number. We do not require a response to this letter. However, if you choose to do so, we ask the response be provided to us no later than two calendar weeks from the date of this letter.

We appreciate the cooperation and courtesies extended to us during the course of the audit. If you have any questions, please contact me at 775-687-9231.

Sincerely,

A handwritten signature in blue ink that reads "Michael Shafer".

Michael Shafer
Chief Auditor

MS/sm

cc via email: Aimee Fredericks, Admissions & Records Manager, Davidson Academy
Larry Kramp, IT Manager, Davidson Academy
Julie Waller, Program Analyst, LCB
Adam Drost, Program Analyst, LCB
Jaimarie Mangoba, Program Analyst, LCB
Tiffany Greenameyer, Budget Officer, Budget Division, GFO
Susan Brown, Budget Analyst, Division of Budget and Planning, DOA

Colleen Harsin

From: Laura Hutchinson <lhutchinson@doe.nv.gov>
Sent: Thursday, July 1, 2021 11:27 AM
To: Colleen Harsin
Subject: RE: Confirmation - Emergency Response Plan Portal

Thank you! Have a great summer

Laura Hutchinson
 Education Programs Professional
 SafeVoice and School Safety Coordinator
 Office for a Safe and Respectful Learning Environment
 Nevada Department of Education
 Office: 775-687-9134
 Cell: 775-527-2299



CONFIDENTIALITY - This message and accompanying documents are covered by the electronic communications Privacy Act, 18 U.S.C. §§ 2510-2521, may be covered by the Family Educational Rights and Privacy Act (FERPA) 20 U.S.C. § 122g; 34 CFR Part 99 and may contain confidential information or Protected Information intended for the specified individual(s) only. If you are not the intended recipient or an agent responsible for delivering it to the intended recipient, you are hereby notified that you have received this document in error and that any review, dissemination, copying, or the taking of any action based on the contents of this information is strictly prohibited. Violations may result in administrative, civil, or criminal penalties. If you have received this communication in error, please notify sender immediately by e-mail, and delete the message. The Nevada Department of Education will not accept any liability in respect of such communication that violates our e-mail policy.

From: Colleen Harsin <charsin@davidsonacademy.unr.edu>
Sent: Thursday, July 1, 2021 9:36 AM
To: Laura Hutchinson <lhutchinson@doe.nv.gov>
Subject: FW: Confirmation - Emergency Response Plan Portal

Hello,
 Attached, please see the Notice of Completion regarding the updated EOP submitted via the Emergency Response Plan Portal today. We are also posting both the Notice and our EOP on our public website today as well.

Thank you for your guidance on this. Please let me know if anything additional is needed on this at this time.

All best,
 Colleen

Colleen M. Harsin / Director
charsin@davidsonacademy.unr.edu

Davidson Academy

Office: (775) 682-5803 / Fax: (775) 682-5801

P.O. Box 9119 Reno, Nevada 89507 (pacific time zone)

DavidsonAcademy.unr.edu & DavidsonGifted.org

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Thank you for submitting your entry. A copy is included below for your records.

Emergency Response Plan Portal

Date Submitted 07/01/2021

Type of Entity School

Entity/Facility Name Davidson Academy

Point of Contact Colleen Harsin

POC Email charsin@davidsonacademy.unr.edu

POC Phone Number 7756825800

Select Plan Type

Jurisdiction

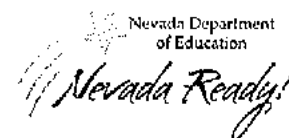
File Attachments

DA EOP Final 7_1_2021.pdf (2404k)

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Nevada Department of Education
2021-22 District Certification for Path Forward Distance Education



Purpose: This Certification for Path Forward Programs of Distance Education form is for the use of district superintendents to provide full-time or hybrid distance education to pupils during the 2021-22 school year as requested by parents/guardians and/or necessitated by individual students' medical needs.

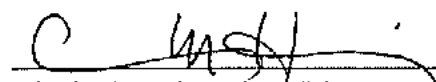
Certification:

I, Colleen M. Harsin, do hereby certify that I have read and understand the minimum requirements of a Path Forward Program of Distance Education and the Guidance for 2021-22 School Year Reopening.

Davidson Academy will incorporate our Plan for the Path Forward Program of Distance Education into the federally required LEA Plan for Safe Return to In-Person Instruction and Continuity of Services, which will be uploaded to ePAGE no later than July 14, 2021. Districts that do not receive ARP ESSER funds via the Title I methodology do not have to complete LEA Plans for Safe Return and instead will submit a memo to the Nevada Department of Education briefly describing their Path Forward Program of Distance Education no later than July 14, 2021.

Davidson Academy will meet the following minimum requirements when implementing a Path Forward Program of Distance Education:

- ☒ All students will have an ability to access and participate in distance education at the request of their parent/guardian through a process to be established by the district. Such access may include access to the technology necessary to participate in distance education, such as access to a computer and internet connectivity, or a plan to provide accommodations for students without access to such technology;
- ☒ Any student who has documentation from a medical professional related to a condition that would be compromised by attending school in-person or is quarantined on the advice of local public health officials will receive access to distance education. Such access may include access to the technology necessary to participate in distance education, such as access to a computer and internet connectivity, or a plan to provide accommodations for students without access to such technology;
- ☒ Use a consistent method in Infinite Campus for recording contact with students participating in distance education, which may include students demonstrating regular weekly progress in their classwork that can be verified through a learning management system;
- ☒ Each student participating full-time in distance education will be contacted via electronic means or by telephone by a licensed teacher or licensed substitute teacher at least once per instructional day; if a student's confirmed lack of access to a telephone or internet service results in an inability to be contacted, a licensed teacher or licensed substitute teacher will record attempted contact via other means (e.g., home visit) once per week and maintain a record of attempts;
- ☒ The program of instruction will provide appropriate education for English Learners, students with Individualized Education Programs, and students with 504 Plans;
- ☒ Licensed teachers and/or licensed substitutes will be accessible to students through the internet or by telephone during the school's regularly scheduled instructional hours; *(as required by NRS 388C)* and
- ☒ Students will receive access to the nutrition services to which they are entitled.


 District Superintendent/ Director

July 14, 2021

Date



MEMORANDUM

TO: AMELIA THIBAUT, EXECUTIVE ASSISTANT TO THE SUPERINTENDENT OF PUBLIC INSTRUCTION
STATE OF NEVADA DEPARTMENT OF EDUCATION

FROM: COLLEEN M. HARSIN, DIRECTOR

SUBJECT: PATH FORWARD PROGRAM OF DISTANCE EDUCATION

DATE: 7/14/2021

CC: JESSICA TODTMAN, CHIEF STRATEGY OFFICER

The Path Forward Program of Distance Education adopted by the Davidson Academy for the 2021-2022 school year was developed to address the needs of all Academy students in the context of the requirements certified via the 2021-22 District Certification for Path Forward Distance Education provided to the Nevada State Department of Education, July 14, 2021.

The Davidson Academy Online campus will continue to provide high-quality full-time distance education to the students enrolled with that campus. Online campus students are in daily, synchronous, live sessions with their teachers throughout the school year.

New and returning Reno campus students were offered the opportunity to transfer to the Online campus for the 2021-2022 school year if they indicated a preference for accessing a full-time distance education option. They were invited to complete surveys expressing their views on returning to in-person learning (with the understanding that COVID-10 mitigation requirements and guidelines set by the CDC and the State of Nevada will be in place). They were also provided the option to be contacted directly to discuss their questions and/or concerns prior to making a decision about whether or not to transfer to the Online campus by July 1, 2021.

The Davidson Academy Reno campus is consistently reviewing key information from the Centers for Disease Control Prevention (CDC) and the Washoe County Health District COVID-19 Dashboard to inform planning and mitigation strategies, including re-instating hybrid learning options. There is a 1:1 ratio of laptops to students at the Reno campus, and the Davidson Academy ensures that each student has access to the necessary technology to effectively engage in a hybrid learning environment in the event that COVID-19 mitigation strategies require it.

Please contact me directly for further details as needed, [charsin@davidsonacademy.unr.edu](mailto:charsin@ davidsonacademy.unr.edu) of 775-682-5803.

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Davidson Academy
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Office of Admissions



Massachusetts Institute of Technology
77 Massachusetts Avenue, Bldg E38-200
Cambridge, MA 02139

000674

Phone: 617.253.3400
Fax: 617.687.9184
mitadmissions.org

June 2021

Ms. Elizabeth Walenta
The Davidson Academy of Nevada
PO Box 9119
Reno, NV 89507-9119

Dear Ms. Walenta,

Each academic year we ask students admitted to MIT to share the name of a teacher who has been especially influential in their development. It is a remarkable achievement and a great honor to change a life, so we congratulate you on being named this year by Derek Chien.

Most importantly, thank you for your time, patience, expertise, love, discipline, and all the other qualities which have made such an important impact on your students. All of society benefits from the wonderful work you do.

Congratulations again on your excellent work! We at MIT are deeply grateful.

Sincerely,

A handwritten signature in black ink, appearing to read 'Stu'.

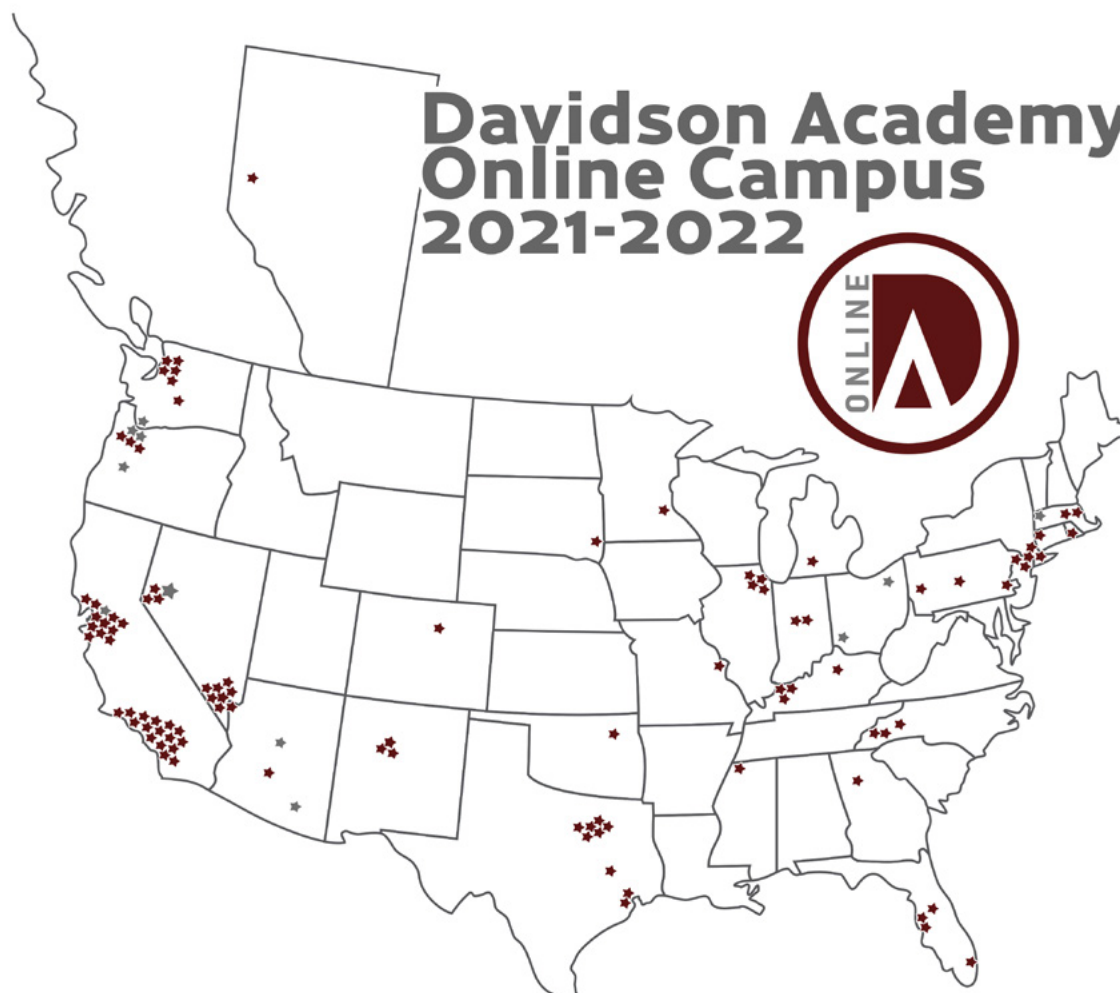
Stu Schmill
Dean of Admissions and Student Financial Services

cc: The Davidson Academy of Nevada

Davidson Academy Online Director The Davidson Academy Governing Board Updates September 29, 2021

2021-22 Enrollment

The map below shows where our students and staff live. Students are represented by rosewood stars while staff are represented by gray.



Here is a glimpse of our growth and enrollment by grade level.

Year	Count	YoY Growth	Growth from Y1
2017	21		
2018	34	61.90%	61.90%
2019	46	35.29%	119.05%
2020	79	71.74%	276.19%
2021	96	21.52%	357.14%

Grade	Count	Percent
SC	8	8.33%
6	3	3.13%
7	15	15.63%
8	20	20.83%
9	22	22.92%
10	13	13.54%
11	10	10.42%
12	5	5.21%

Online Courses

We now have 74 unique courses available for online students. Core classes, including World Language, have three hours of synchronous, live sessions each week. Electives have live sessions of up to two hours on Fridays.

All online courses (other than our advanced math series) have received A-G approval from the University of California system.

	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
English					
Critical Reading and Writing	1	1	1	2	2
Composition and Analysis	1	1	1	2	3
Introduction to Research & Communications					1
Rhetoric and Literary Analysis	1	1	1	3	2
American Literature		1	1	1	1
British Literature			1	1	1
Advanced Rhetoric				1	1
Total courses	3	4	5	6	7
% Growth Year 1		33.33%	66.67%	100.00%	133.33%
Total sections	3	4	5	10	11
% Growth Year 1		33.33%	66.67%	233.33%	266.67%

	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
History					
Early Civilizations	1	1	1	2	2
Modern History	1	1	1	2	3
Cyber Society				1	0
History of the US	1	1	1	2	2
American Government		1	1	1	1
Asian Studies			1	1	1
Imperialism & Post-Colonialism					1
Total courses	3	4	5	6	7
% Growth Year 1		33.33%	66.67%	100.00%	133.33%
Total sections	3	4	5	9	9
% Growth Year 1		33.33%	66.67%	200.00%	200.00%

	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
Math					
Algebra	1	1	1	1	1
Geometry	1	1	1	2	2
Algebra II	1	2	1	2	2
Algebra II/Pre-Calculus				1	1
Pre-Calculus	1	1	2	1	1
Calculus	1	1	2	1	1
Calculus II		1	1	1	1
Calculus I/II				1	1
Calculus III			0.5	1	2
Linear Algebra					0.5
Introduction to Proofs					0.5
Special Topics in Math					1
Statistics					1
Total courses	5	6	7	9	13
% Growth Year 1		20.00%	40.00%	80.00%	160.00%
Total sections	5	7	8.5	11	15
% Growth Year 1		40.00%	70.00%	120.00%	200.00%

	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
Science					
Environmental Science			1		1
Middle School Biology	1	1		1	
Physical Science	1	2	1	2	2
Biology	1	1	2	2	2
Chemistry		1	1	2	2
Physics	1		1	1	2
Advanced Biology				1	1
Advanced Chemistry			1	1	1
Advanced Physics				1	
Total courses	4	4	6	8	7
% Growth Year 1		0.00%	50.00%	100.00%	75.00%
Total sections	4	5	7	11	11
% Growth Year 1		25.00%	75.00%	175.00%	175.00%

	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
Electives					
3D Modeling					0.5
ACCEPT					1
Advanced Biology Lab				0.5	0.5
Advanced Chemistry Lab				0.5	0.5
Animation		0.5	0.5	0.5	
Art				1	1
Astronomy	0.5	0.5	0.5		
Bible as Literature					0.5
Chinese Martial Arts Film				0.5	
Cognition, Behavior, and Society				0.5	0.5
College Seminar			0.5	1	1
Creative Writing	0.5	0.5	0.5	0.5	0.5
Data Science					0.5
Financial Literacy		0.5	0.5	0.5	1
Fitness	0.5	0.5	0.5	0.5	1
Forensic Science			0.5	0.5	0.5
Gender in East Asia					0.5
Ground School Aviation					0.5
Health	0.5		0.5	0.5	1
Horror Fiction					0.5
Knowledge and Reality				0.5	0.5
Linguistics					0.5
Music Theory			0.5		0.5
Music Theory II					0.5
Mythology	0.5			0.5	0.5
Organic Chemistry and Biochemistry				0.5	0.5
Personal Identity			0.5	0.5	0.5
Photography			0.5	0.5	0.5
Plane Geometry					
Science Fiction	0.5	0.5			
Science of Happiness	0.5				
Speech and Debate				1	1
STEM Mentors		1	1	1	1
Technology	0.5	0.5	0.5	0.5	
Technology II	0.5	0.5			
Women's Studies				0.5	0.5
Writing Center		1	1	1	
Writing Workshop				1	1
Total courses	9	10	14	22	29
% Growth Year 1		11.11%	55.56%	144.44%	222.22%
Total year-long sections	4.5	6	8	13.5	16.5
% Growth Year 1		33.33%	77.78%	200.00%	266.67%

	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
World Language					
Chinese I		1	1	1	1
Chinese II			1	1	1
Chinese III				0.5	0.5
Chinese IV				0.5	0.5
Chinese V					0.5
Chinese VI					0.5
Spanish Fundamentals		1	1	1	2
Intermediate Spanish		1	1	1	1
Advanced Spanish I				0.5	0.5
Advanced Spanish II				0.5	0.5
Hispanophone Literature & History				0.5	
Spanish Practicum				0.5	
Advanced Latin Reading: Prose					1
Total courses	0	3	4	10	11
% Growth Year 2			33.33%	233.33%	266.67%
Total year-long sections	0	3	4	7	8
% Growth Year 2			33.33%	133.33%	166.67%

Total courses	24	31	41	61	74
% Growth over Year 1		29.17%	70.83%	154.17%	208.33%
% Growth Year over Year		29.17%	32.26%	48.78%	21.31%

Total sections all courses	19.5	29	37.5	61.5	70.5
% Growth over Year 1		48.72%	92.31%	215.38%	261.54%
% Growth Year over Year		48.72%	29.31%	64.00%	14.63%

Media and Outreach

The Davidson Academy Governing Board Updates

September 29, 2021

Media Updates/ Notable Website Mentions

A. Reno academy tops list of nation's best public high schools

<https://www.kolotv.com/2021/09/21/reno-academy-tops-list-nations-best-public-high-schools/>

September 20, 2021 – KOLO 8 News (Feature on the Davidson Academy, including interviews with Reno campus director Colleen Harsin and online campus instructor James Bondarchuk. Also recognizes Davidson Academy's ranking as the top public school in the U.S. by Niche.com)

B. Niche.com Davidson Academy Rankings

<https://www.niche.com/k12/the-davidson-academy-reno-nv/rankings/>

September 2021 – Niche (Numerous accolades recognizing the Davidson Academy, including):

1. Best Public High Schools in America (#1 of 19,984)
2. Best Public Middle Schools in America (#1 of 25,343)
3. Best Online High Schools in America (#2 of 424)
4. Best Public High School Teachers in America (#2 of 19,722)
5. Best Public Middle School Teachers in America (#1 of 24,806)
6. Best Magnet High Schools in America (#1 of 884)

C. New Jersey teen wins top math contest

<https://www.raytheonintelligenceandspace.com/news/feature/new-jersey-teen-wins-top-math-contest>

August 24, 2021 – Raytheon Intelligence & Space (Feature on Davidson Academy Online Campus graduate Marvin Mao for winning MATHCOUNTS competition. Mentions him taking calculus at the school)

D. Amazing Kids: Mathcounts Winner Marvin Mao

<https://www.youtube.com/watch?v=304MMw2iNZQ>

July 12, 2021 – ABC's LIVE with Kelly and Ryan (Marvin Mao was interviewed and quizzed on LIVE with Kelly and Ryan. Marvin was named a MATHCOUNTS national champion earlier this year)

E. Blackboard Announces Winners of 2021 Catalyst Awards

<https://www.prnewswire.com/news-releases/blackboard-announces-winners-of-2021-catalyst-awards-301318851.html>

June 23, 2021 – Blackboard (Davidson Academy Online team recognized as a 2021 Blackboard Catalyst Awards winner in the Training & Professional Development category)

F. Davidson Academy Reno campus student Samantha Glover was featured in a number of news stories for her bill to abolish "Period Poverty" by requiring free menstrual products at public high schools and middle schools in Nevada.

1. Period Poverty from essay to law

June 8, 2021– KOLO 8 News

<https://www.kolotv.com/2021/06/09/period-poverty-essay-law/>

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2. Reno teen behind bill for free feminine products in public schools

June 1, 2021– KTVU Las Vegas

https://www.fox5vegas.com/election_hq/reno-teen-behind-bill-for-free-feminine-products-in-public-schools/article_49bd8592-c362-11eb-82d8-772e36ae3537.html

G. 10 Nevada High School Students Named “National Cyber Scholars” After Winning Nationwide Competition

[https://doe.nv.gov/News_Media/Press_Releases/2021/10_Nevada_High_School_Students_Named_%E2%80%9CNational_Cyber_Scholars%E2%80%9D_After_Winning_Nationwide_Competition\(1\)/](https://doe.nv.gov/News_Media/Press_Releases/2021/10_Nevada_High_School_Students_Named_%E2%80%9CNational_Cyber_Scholars%E2%80%9D_After_Winning_Nationwide_Competition(1)/)

May 27, 2021 – Nevada Department of Education (Davidson Academy Reno campus student Claire Burkhardt was named a “National Cyber Scholar” after winning a nationwide competition! Claire is one of only 10 students in Nevada to be recognized)

New Davidson Academy Website

A new Davidson Academy website (<https://www.davidsonacademy.unr.edu/>) was launched in July 2021, with a goal to provide visitors with a clear and updated look at our Reno campus and Online campus. The website provides updated information on admissions, eligibility, student life, news and more.

A new blog was also launched on the website, and includes the following posts:

- A. [What does Profoundly Gifted Mean?](#)
- B. [10 Characteristics of Profoundly Gifted Students](#)
- C. [Choosing the Right School for Your Gifted Child](#)
- D. [Ability Grouping for Gifted Students](#)
- E. [Underachievement in Gifted Students](#)

With the Davidson Academy’s Online campus shifting to independent in 2021, a new corresponding website will launch in late 2021.

Website Metrics (May 13, 2021 – Sept. 20, 2021)

Key Takeaways

- A. Davidson Academy Online Campus application was opened in July 2020 as a one-time offer due to the pandemic. This led to a huge spike in traffic. With this month excluded, overall traffic is up 28% year-over-year.
- B. Traffic coming from search engines (i.e. Google) is up 3%.
- C. Improvements over the previous period in number of sessions per user (up 1.26%), pages/session (up 6%), Avg. Session Duration (up 7%)

Key Performance Indicators (Y/Y)

All Traffic Sessions

37,970

↓ -12.7%

Organic Sessions

20,360

↑ 3.1%

Start App Pageviews

91

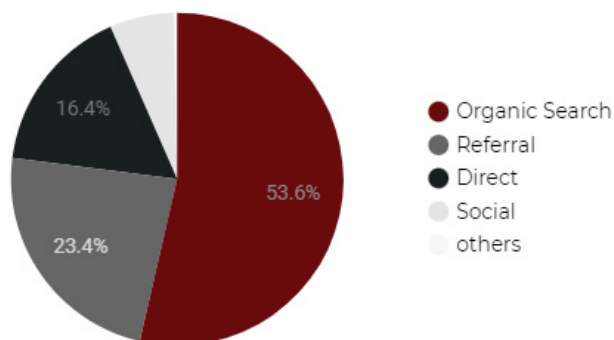
Institute Links

1,381

Newsletter Links

36

Website Visits by Source



Organic Sessions by City

	City	Session...	% Δ
1.	Reno	2,780	19.3% ↑
2.	Las Vegas	793	-1.9% ↓
3.	(not set)	752	14.3% ↑
4.	San Francisco	429	55.4% ↑
5.	New York	396	38.5% ↑
6.	Sparks	364	54.9% ↑
7.	Los Angeles	357	6.9% ↑
8.	Chicago	271	-12.3% ↓
9.	Sacramento	241	67.4% ↑
10.	Nashville	233	95.8% ↑

Organic search: search engines such as Google

Direct: directly visiting our website

Referral: Arriving on our website via a link from another website, such as NAGC or a news article

Social: Social Media such as Facebook and Twitter

New Keywords in Top 3 Rankings

Keyword	Pos.	Prev. Pos.
online courses for gifted students	2	9
academy for gifted students	2	5
online classes for gifted students	2	4
online programs for gifted students	2	4
schools for profoundly gifted students	1	6

Ongoing Outreach

A. Blackboard's BbWorld21

- "Teaching Online in the Before Times: Combating the Myth of Online Inferiority" presentation on July 22

B. Digital Learning Annual Conference (DLAC)

- Dr. Stacy Hawthorne, Dr. Jessica Potts, & Tracy Sangster from Davidson Academy online campus presentation at 2021 DLAC Program June 14-16

C. Digital Learning Collaborative Webinar

- Dr. Jessica Potts a panelist on the webinar, "Build Your Schools' Resilience as a Pathway to Innovation and Equity" September 23

Davidson Academy

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Davidson Academy eNewsletter

distributed every other month to 6,000 recipients

- September 2021 (*to go out following application launch*)
- [June 2021](#)

eNews-Update

Often prominently features the Davidson Academy; distributed every other month to more than 15,000 recipients

- [August 2021](#)
- [June 2021](#)

Social Media

- Instagram – <https://www.instagram.com/thedavidsonacademy/>
- Facebook – <https://www.facebook.com/TheDavidsonAcademy/>
- Twitter – <https://twitter.com/TheDavidsonAcad>
- YouTube – <https://www.youtube.com/user/DavidsonAcademyNV>

Vice President and Chief Financial Officer The Davidson Academy Governing Board Updates September 29, 2021



PERSONAL & CONFIDENTIAL

September 23, 2021

Mr. Mark Herron
The Davidson Academy of Nevada
9665 Gateway Drive, Suite B
Reno, Nevada 89521

To the Governing Board of The Davidson Academy of Nevada:

We have audited the financial statements of The Davidson Academy of Nevada (the School) for the year ended June 30, 2021, and have issued our report dated September 22, 2021. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter dated April 14, 2021. Professional standards also require that we communicate to you the following information related to our audit.

SIGNIFICANT AUDIT FINDINGS

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the School are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2021. We noted no transactions entered into by the School during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements was:

- Management's estimate of the prepaid rent contributed for the use and occupancy of the School's facilities, which was determined based on the final construction costs of the leasehold improvements of the Jot Travis Building plus the stated amount of the annual lease payments in the Academy's lease agreement.

We evaluated the key factors and assumptions used to develop the aforementioned estimates in determining they are reasonable in relation to the financial statements taken as a whole.

The disclosures in the financial statements are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Mr. Mark Herron
September 23, 2021
Page 2

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Attached is a copy of all the adjustments made to the financial statements at June 30, 2021, including those provided by management as post-closing adjustments. Management represented that the adjustments have been posted to the School's books.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. No such disagreements arose during the course of our audit.

Management Representations

We have requested and received certain representations from management that are included in the management representation letter dated September 22, 2021.

Management Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the School's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the School's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Information in Documents Containing Audited Financial Statements

With respect to the budgetary comparison, required supplemental information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with *Government Accounting Standards*, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. Such information has been compared and reconciled to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

The management's discussion and analysis is not a required part of the financial statements but is supplemental information required by the Government Accounting Standards Board. We applied certain limited procedures, which consisted primarily of inquiries with management regarding the methods of measurement and presentation of the supplemental information.

Mr. Mark Herron
September 23, 2021
Page 3

CLOSING

We will be pleased to respond to any questions you have about the foregoing. We appreciate the opportunity to continue to be of service to The Davidson Academy of Nevada.

This information is intended solely for your use and management of the School and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,



HOLTHOUSE CARLIN & VAN TRIGT LLP

ATTACHMENT

ADJUSTING JOURNAL ENTRIES

Account	Description	Debit	Credit
Adjusting Journal Entries			
Adjusting Journal Entries JE # 101			
To properly expense annual support and maintenance costs (and adjust depreciation and accumulated depreciation), related to the Academy's DAPS software			
31910	A/D - Computer Equipment	749.00	
9352	Software Maint/Support	7,500.00	
31100	Computer Equipment		7,500.00
9790	Depreciation		749.00
Total		<u>8,249.00</u>	<u>8,249.00</u>
Adjusting Journal Entries JE # 102			
PBC post-closing adjustment to accrue for Educational Testing and Competitions expenses that were incurred during FY 2021			
9321	Educ Testing & Competitions	1,498.00	
421	Accounts Payable		1,498.00
Total		<u>1,498.00</u>	<u>1,498.00</u>



September 22, 2021

Holthouse Carlin & Van Trigt LLP

11444 W. Olympic Boulevard, 11th Floor

Los Angeles, California 90064

This representation letter is provided in connection with your audit of the financial statements of the governmental activities and each major fund of The Davidson Academy of Nevada (the School), a division of the Davidson Institute for Talent Development, a Nevada non-profit organization, as of and for the year ended June 30, 2021, for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of the date of this letter, the following representations made to you during your audit.

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated April 14, 2021, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP.
2. The financial statements referred to above are fairly presented in conformity with U.S. GAAP.
3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
5. Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
6. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.

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7. All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
8. The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
9. Material concentrations have been appropriately disclosed in accordance with U.S. GAAP.
10. Guarantees, whether written or oral, under which the School is contingently liable, have been properly recorded or disclosed in accordance with U.S. GAAP.

Information Provided

11. We have provided you with:
 - a. Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - b. Additional information that you have requested from us for the purpose of the audit.
 - c. Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
 - d. Minutes of the meetings of the governing board or summaries of actions of recent minutes for which minutes have not yet been prepared.
12. All material transactions have been recorded in the accounting records and are reflected in the financial statements.
13. We have disclosed to you the factors that we believe mitigate the risk that the financial statements may be materially misstated as a result of fraud.
14. We have no knowledge of any fraud or suspected fraud that affects the School and involves:
 - a. Management,
 - b. Employees who have significant roles in internal control, or
 - c. Others where the fraud could have a material effect on the financial statements.
15. We have no knowledge of any allegations of fraud or suspected fraud affecting the School's financial statements communicated by employees, former employees, grantors, regulators, or others.
16. We have no knowledge of any instances of noncompliance or suspected noncompliance with laws and regulations whose effects should be considered when preparing financial statements.
17. We have disclosed to you all known actual or possible litigation, claims, and assessment whose effects should be considered when preparing the financial statements.

18. We have disclosed to you the identity of the School's related parties and all the related party relationships and transactions of which we are aware.
19. The School has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
20. We are responsible for compliance with laws, regulations, and provisions of contracts and grant agreements applicable to us.
21. As part of your audit, you prepared the draft financial statements and related notes. We have designated an individual with suitable skill, knowledge, or experience to oversee your services and have made all management decisions and performed all management functions. We have reviewed, approved, and accepted responsibility for those financial statements and related notes.
22. We have complied with all restrictions on resources (including donor restrictions) and all aspects of contractual and grant agreements that would have a material effect on the financial statements in the event of noncompliance. This includes complying with donor requirements to maintain a specific asset composition necessary to satisfy their restrictions.
23. The financial statements properly classify all funds and activities.
24. There were no employees terminated within 45 days subsequent to year-end, and therefore the full amount of the compensated absences liability has been appropriately disclosed as long term.
25. The School collects and holds funds on behalf of student organizations, which are accounted for in the student activities fund.
26. Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
27. Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
28. Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
29. All funds that meet the quantitative criteria in GASB Statement Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to the financial statement users.
30. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us; and, to the best of our knowledge, we have disclosed to you all laws, regulations and provisions of contracts and grant agreements that we have identified may have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
31. The Davidson Academy of Nevada is a division of the Davidson Institute for Talent Development (the Institute). The Institute is an exempt organization under Section 501(c)(3) of the Internal Revenue Code. Any activities of which we are aware that would jeopardize the Institute's tax-exempt status, and all activities subject to tax on unrelated business income or excise or other tax, have been disclosed to you. All required filings with tax authorities of the Institute are up-to-date.

32. We acknowledge our responsibility for presenting the Budgetary Comparison Schedule – Governmental Fund (Budgetary Comparison), as required supplementary information, in accordance with GASB Statement No. 34, and we believe the Budgetary Comparison, including its form and content, is fairly presented in accordance with GASB Statement No. 34. The methods of measurement and presentation of the Budgetary Comparison have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
33. The Budgetary Comparison, included as required supplemental information, reflects the final budget for the year ended June 30, 2021, as approved by the governing board on May 26, 2020.
34. Reimbursements paid to the Davidson Group for payroll costs are reasonably stated and represent time spent by employees on School programs or other functions.
35. We have properly identified and allocated all online school costs between the School and the Institute for the year ended June 30, 2021.
36. We have properly allocated payroll-related expenses between instruction and administrative and between the School and related parties of the School.
37. Management represents that internal use software costs associated with the School's web design, attendance software, email delivery system and student application process have been appropriately capitalized and expensed in accordance with GASB Statement No. 51.
38. We are responsible for evaluating whether conditions or events that are known or reasonably knowable indicate substantial doubt about the School's ability to continue as a going concern. We performed such evaluation as of June 30, 2021 and have updated our evaluation to consider events occurring subsequent to year-end. As of the date of this letter, we are not aware of any events or conditions that raise substantial doubt about the School's ability to meet its obligation as they become due.
39. We have represented to you that management has assessed the potential effects of the current condition resulting from the coronavirus outbreak on the School's ability to continue as a going concern for at least one year after the date the financial statements are available to be issued. The School's resumption and continuation of normal operations is subject to events beyond its control, including the effectiveness of governmental and local officials' efforts and the availability of vaccines to halt the spread of COVID-19. Based on the School's expected cash flows, management believes that sufficient working capital will be available to maintain its planned level of operations amid the COVID-19 pandemic. Failure by the School to successfully accomplish these objectives could have a material adverse effect on the School's financial position, operations, and cash flows.

Sincerely,

The Davidson Academy of Nevada

Mark R. Herron

Mark R. Herron (Sep 22, 2021 16:35 PDT)

Mark R. Herron, President & CEO
The Davidson Group

Karin Dixon

Karin Dixon, Vice President, Finance &
Administration, The Davidson Group

Davidson Academy

1164 N. Virginia Street, Second Floor, Reno, Nevada 89503 • (775) 682-5800 • FAX (775) 682-5801
www.davidsonacademy.unr.edu






Davidson Management Representatin Letter

Final Audit Report

2021-09-22

Created:	2021-09-22
By:	Karin Dixson (kdixson@davdgrp.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAx4m7T2454rKOe7Vr7mH7y7HEvnaEgESI

"Davidson Management Representatin Letter" History

-  Document created by Karin Dixson (kdixson@davdgrp.com)
2021-09-22 - 10:08:32 PM GMT- IP address: 104.53.80.241
-  Document emailed to Mark R. Herron (mherron@davdgrp.com) for signature
2021-09-22 - 10:09:18 PM GMT
-  Email viewed by Mark R. Herron (mherron@davdgrp.com)
2021-09-22 - 10:33:44 PM GMT- IP address: 13.52.61.199
-  Document e-signed by Mark R. Herron (mherron@davdgrp.com)
Signature Date: 2021-09-22 - 11:35:25 PM GMT - Time Source: server- IP address: 108.194.164.166
-  Agreement completed.
2021-09-22 - 11:35:25 PM GMT



THE DAVIDSON ACADEMY OF NEVADA
(A DIVISION OF THE DAVIDSON INSTITUTE
FOR TALENT DEVELOPMENT)
FINANCIAL STATEMENTS,
SUPPLEMENTARY SCHEDULES
AND
INDEPENDENT AUDITOR'S REPORTS
JUNE 30, 2021



THE DAVIDSON ACADEMY OF NEVADA

(A DIVISION OF THE DAVIDSON INSTITUTE FOR TALENT DEVELOPMENT)

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JUNE 30, 2021

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INDEPENDENT AUDITOR'S REPORT

To the Governing Board of
The Davidson Academy of Nevada:

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of The Davidson Academy of Nevada (the School), a division of the Davidson Institute for Talent Development, a Nevada nonprofit corporation, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the School's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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 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 financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and each major fund of The Davidson Academy of Nevada as of June 30, 2021, and the respective changes in its net position for the year then ended in accordance with accounting principles generally accepted in the United States of America.



Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management Discussion and Analysis on pages 3 through 8 and the Budgetary Comparison Schedule – Statement of Activities Governmental Fund on page 25 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of the financial reporting to place the basic financial statements in an appropriate operational, economic, or historical context. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated September 22, 2021 on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.

Holthouse Carlin & Van Trigt LLP

Los Angeles, California
September 22, 2021

THE DAVIDSON ACADEMY OF NEVADA

(A DIVISION OF THE DAVIDSON INSTITUTE FOR TALENT DEVELOPMENT)

MANAGEMENT DISCUSSION AND ANALYSIS

JUNE 30, 2021

UNAUDITED – SEE INDEPENDENT AUDITOR'S REPORT

The Davidson Institute for Talent Development (the Institute) is a Nevada nonprofit corporation whose mission is to recognize and support profoundly intelligent young people and to provide opportunities for them to develop their talents. As a result of this mission, the Institute opened a public university school for profoundly gifted students in August 2006, The Davidson Academy of Nevada (the School), a division of the Davidson Institute for Talent Development.

This section of the annual financial report presents our discussion and analysis of the School's financial performance during the fiscal year ended June 30, 2021 and should be read in conjunction with the School's financial statements, which immediately follow this section.

FINANCIAL HIGHLIGHTS

- In the fourteenth year of operation, 2020-2021, the School had a net position of \$1,056,054, a decrease of \$373,800 from the prior year.
- The Davidsons, founders of the School, provided contributions of \$3,025,000 and were the largest source of operating revenue during the year.
- The School also received government funding from the State of Nevada through the Department of Education's Distributive School Account (DSA) of \$1,304,401 during the 2020-2021 operating year.
- Enrollment increased at the School by 58 students, a 32.4% increase, compared to the prior year. Total enrollment for the 2020/2021 school year was 158 students at the Reno campus and 79 students enrolled in the online campus. The Average Daily Enrollment (ADE) count was 168 students as reported by the State.
- The School had no long-term debt as of June 30, 2021.
- During the 2020-2021 operating year, the School continued to use a combination of onsite and online learning due to the COVID-19 pandemic. During this period, staffing remained stable, technology expenses increased, and travel for students and staff decreased. As of the date of this report, in-person instruction has resumed at the Reno campus with appropriate safety protocols in place.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the School's basic financial statements. The School's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other required supplemental information in addition to the basic financial statements.

Government-Wide Financial Statements The government-wide financial statements are designed to provide readers with a broad overview of the School's finances, in a manner similar to a private-sector business. The government-wide financial statements consist of a statement of net position (page 9) and a statement of activities (page 10).

THE DAVIDSON ACADEMY OF NEVADA

(A DIVISION OF THE DAVIDSON INSTITUTE FOR TALENT DEVELOPMENT)

MANAGEMENT DISCUSSION AND ANALYSIS

JUNE 30, 2021

UNAUDITED – SEE INDEPENDENT AUDITOR'S REPORT

The statement of net position presents information on what the School owns (assets) and what the School owes (liabilities) to determine the School's net position. The difference between what the School owns and owes, or assets and liabilities, respectively, is called net position. Assets are comprised of three categories: 1) current assets, 2) other noncurrent assets, and 3) capital assets. Current assets are items such as cash and/or items that can easily be converted into cash or have a benefit lasting less than one year. Noncurrent assets include the School's prepaid rent expense for the Jot Travis building at the University of Nevada, Reno. Capital assets are items such as facilities, property, equipment, intangible assets, and other items that are used in operations beyond a single fiscal year. Liabilities are also comprised of two categories: 1) current liabilities, and 2) long-term liabilities. Current liabilities are obligations, notes, or other debt that are payable within the next fiscal year. Long-term liabilities are payable beyond the next fiscal year. Increases or decreases in net position may serve as a useful indicator of whether the financial position of the School is improving or deteriorating.

The statement of activities presents information showing how the School's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused compensated absences such as accrued vacation).

The government-wide financial statements outline functions of the School that are partially supported by the State of Nevada per-pupil DSA funding. The governmental activities of the School include instruction, support services, operation and maintenance of the facility.

Fund Financial Statements A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Contributions from the Davidson's are the School's largest source of funding and totaled \$3,025,000 for the fiscal year ended June 30, 2021, and are included in donations in the accompanying statement of activities. The School also received \$1,304,401 in governmental funds from the State of Nevada during the fiscal year ended June 30, 2021.

Governmental Funds Governmental funds are used to account for essentially the same functions reported as government activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the School's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the School's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenue, expenditures and change in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. These reconciliations are on pages 12 and 14, respectively.

Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and change in fund balance for the general fund, which is considered

THE DAVIDSON ACADEMY OF NEVADA

(A DIVISION OF THE DAVIDSON INSTITUTE FOR TALENT DEVELOPMENT)

MANAGEMENT DISCUSSION AND ANALYSIS

JUNE 30, 2021

UNAUDITED – SEE INDEPENDENT AUDITOR'S REPORT

to be a major fund. The basic governmental fund financial statements can be found on pages 11 through 14 of this report.

Student Activities Fund The student activities fund is used to account for funds raised and earned by the various clubs and activities that are part of the School. Net assets held in this fund are restricted to student activities.

Notes to Financial Statements The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found starting on page 16.

Other Information In addition to the basic financial statements and accompanying notes, this report also presents certain required supplemental information concerning the School's budget process. The School adopts an annual budget and a budgetary comparison to actual results is included in the supplemental information section of this report on page 25.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve as a useful indicator of a government's financial position. In the case of the School, assets exceeded liabilities by \$1,056,054 as of June 30, 2021.

The largest portion of the School's net position consists of prepaid rent which is included in current, other assets and noncurrent assets in the accompanying information below. The following presents a summary of the School's net position for the fiscal years ended June 30, 2021 and 2020:

	As of June 30, 2021	As of June 30, 2020
Assets		
Current and other assets	\$ 417,930	\$ 387,046
Prepaid rent, noncurrent	980,842	1,177,010
Capital assets, net	209,060	171,879
Total assets	\$ 1,607,832	\$ 1,735,935
Liabilities		
Current liabilities	\$ 320,644	\$ 127,918
Noncurrent liabilities	231,134	178,163
Total liabilities	\$ 551,778	\$ 306,081
Net position		
Invested in capital assets	\$ 209,060	\$ 171,879
Restricted	1,184,039	1,403,697
Unrestricted	(337,045)	(145,722)
Total net position	\$ 1,056,054	\$ 1,429,854

THE DAVIDSON ACADEMY OF NEVADA

(A DIVISION OF THE DAVIDSON INSTITUTE FOR TALENT DEVELOPMENT)

MANAGEMENT DISCUSSION AND ANALYSIS

JUNE 30, 2021

UNAUDITED – SEE INDEPENDENT AUDITOR'S REPORT

Change in Net Position The School's total revenues for the fiscal year ended June 30, 2021 were \$5,019,820. The total costs of all programs and services were \$5,393,620. The following is a summary of the changes in net position for the fiscal years ended June 30, 2021 and 2020:

	Fiscal Year Ended June 30, 2021	Fiscal Year Ended June 30, 2020
Revenues		
General revenues		
Unrestricted donations	\$ 3,095,746	\$ 2,954,585
State funding – Nevada	1,300,943	1,156,550
Academy online tuition	602,387	262,183
Restricted donations	17,286	25,092
State funding – prior year	3,458	2,418
State funding – GATE and supplies funding	-	1,398
Total revenues	5,019,820	4,402,226
Expenses		
Regular instruction	249,579	484,011
Regular instruction – salaries and benefits	2,623,183	1,977,079
General administration	515,392	495,023
General administration – salaries and benefits	1,755,099	1,528,365
Facilities	199,753	205,171
Depreciation and amortization	50,614	41,708
Total expenses	5,393,620	4,731,357
Change in net position	\$ (373,800)	\$ (329,131)

Included in expenses is (i) the amortization of the prepaid rent use of the School's facility totaling \$196,168 and (ii) depreciation and amortization of \$50,614. These non-cash expenses result in a negative impact of \$246,782 on net position. The following are significant current year transactions that had an impact on the Statement of Net Position.

- The School had a 32.4% increase in student population with a gain of 23 students at the Reno campus and addition of 35 students enrolled in the online campus. DSA funding was based on actual Average Daily Enrollment (ADE) of 168 students.
- Instruction salaries increased by approximately \$68,000 due to wage increases and by \$425,000 due to the addition of seven new instruction positions for the Reno and online campus. Non-instruction related salaries, which are included in general administration salaries in the accompanying statement of activities, increased by approximately \$178,000 due to the addition of two positions and wage increases for staff employed in assessment, guidance, curriculum design, administration, public relations, accounting, security, and safety.

THE DAVIDSON ACADEMY OF NEVADA

(A DIVISION OF THE DAVIDSON INSTITUTE FOR TALENT DEVELOPMENT)

MANAGEMENT DISCUSSION AND ANALYSIS

JUNE 30, 2021

UNAUDITED – SEE INDEPENDENT AUDITOR'S REPORT

FINANCIAL ANALYSIS OF THE SCHOOL'S FUNDS

As noted earlier, the School uses fund accounting to comply with finance-related legal requirements.

Governmental Funds The reporting of the School's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the School's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the School's net resources available for spending at the end of the fiscal year.

The financial performance of the School as a whole is reflected in its governmental funds. As the School completed the year on June 30, 2021, its governmental funds reported a total unreserved fund balance (deficit) of \$(105,911).

BUDGETARY HIGHLIGHTS

State of Nevada funding was within 6.6% of the budgeted amount. In terms of expenditures, actual salaries and employee benefits expenses were 2.9% lower than budgeted. The actual expenditure for Group Health insurance was 18% lower than the budgeted amount due to fewer claims for 2020/2021 and a lower than anticipated negotiated premium increase. Overall expenditures were 7% lower than budget. This is largely attributed to mandatory COVID-19 closures that restricted operations. Student testing, travel for competition related events, and public relation conferences were all impacted.

A schedule showing the original and final budget amounts compared to the School's actual financial activity is provided on page 25 as required supplementary information.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets As of June 30, 2021, the School had invested \$209,060 in net capital assets, including classroom equipment, computers, furniture, leasehold improvements, and software and website costs. The School incurred \$50,614 of depreciation and amortization expense during the year. This depreciation and amortization amount represents an increase of \$8,906 from the prior year. Depreciation and amortization expense is calculated on a straight-line basis over the estimated economic useful lives of the assets and amortization expense over the lesser of the life of the lease or the leasehold improvements. Additional information on capital assets can be found in the notes to financial statements starting on page 20.

Capital assets are not reported in the governmental funds financial statements because they are not current financial resources, but they are reported in the accompanying statement of net position.

The School had no long-term obligations financed by a financial institution as of June 30, 2021.

THE DAVIDSON ACADEMY OF NEVADA

(A DIVISION OF THE DAVIDSON INSTITUTE FOR TALENT DEVELOPMENT)

MANAGEMENT DISCUSSION AND ANALYSIS

JUNE 30, 2021

UNAUDITED – SEE INDEPENDENT AUDITOR'S REPORT

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

In the 2007 session of the Nevada Legislature, legislation was passed that provides for DSA funding to the School from the State of Nevada on a per-student basis. The School estimates annual student enrollment based on the number of students expected to continue in the School and new students accepted (based on applications received and approved) and indicating their intent to attend. The amount of per-student DSA funding is determined by the average daily student enrollment reported by the School to the State of Nevada Department of Education (Nevada DOE), which is reported daily and paid to the School on a quarterly basis.

The School estimates a 5.9% increase in enrollment over the next year (2021-2022) and an estimated increase in approved expenses of 10%-12% due to the continued expansion of the online campus, IT additions and upgrades, and overall increases in wages, benefits, and operating costs.

REQUESTS FOR INFORMATION

This report is designed to provide an overview of the School's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Vice President, Finance & Administration, The Davidson Academy, 9665 Gateway Drive, Suite B, Reno, NV 89521.

THE DAVIDSON ACADEMY OF NEVADA

(A DIVISION OF THE DAVIDSON INSTITUTE FOR TALENT DEVELOPMENT)

STATEMENT OF NET POSITION

AS OF JUNE 30,

2021

Assets

Current assets

Cash	\$ 199,482
Accounts receivable	1,502
Prepaid expenses and current portion of prepaid rent	216,946

Total current assets	417,930
-----------------------------	----------------

Prepaid rent, net of current portion	980,842
---	----------------

Capital assets, net of accumulated depreciation and amortization of \$497,193

Office furniture and equipment	20,483
Computer equipment	80,893
Leasehold improvements	49,111
Software and website	58,573

Net capital assets	209,060
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Total assets	\$ 1,607,832
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Liabilities and Net Position

Current liabilities

Accounts payable and accrued liabilities	\$ 63,485
Deferred tuition revenue	257,159

Total current liabilities	320,644
----------------------------------	----------------

Noncurrent liabilities

Compensated absences, noncurrent	231,134
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Total noncurrent liabilities	231,134
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Total liabilities	\$ 551,778
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Net position

Invested in capital assets	\$ 209,060
Restricted	1,184,039
Unrestricted	(337,045)

Total net position	\$ 1,056,054
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See accompanying notes to financial statements.

THE DAVIDSON ACADEMY OF NEVADA

(A DIVISION OF THE DAVIDSON INSTITUTE FOR TALENT DEVELOPMENT)

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2021	Expenses	Program Revenues	Total
Function/Program			
Governmental activities			
Instruction			
Regular instruction	\$ 249,579	\$ -	\$ 249,579
Regular instruction - salaries and benefits	2,623,183	-	2,623,183
Total instruction	2,872,762	-	2,872,762
Support			
General administration	515,392	-	515,392
General administration - salaries and benefits	1,755,099	-	1,755,099
Facilities	199,753	-	199,753
Depreciation and amortization	50,614	-	50,614
Total support	2,520,858	-	2,520,858
Total governmental activities	\$ 5,393,620	\$ -	\$ 5,393,620
General revenues			
Donations, restricted and unrestricted			3,113,032
State funding			1,300,943
Online campus tuition, net of financial aid and scholarships totaling \$146,040			602,387
State funding - Nevada prior year			3,458
Total general revenues			5,019,820
Change in net position			(373,800)
Net position - beginning of year			1,429,854
Net position - end of year			\$ 1,056,054

See accompanying notes to financial statements.

THE DAVIDSON ACADEMY OF NEVADA

(A DIVISION OF THE DAVIDSON INSTITUTE FOR TALENT DEVELOPMENT)

BALANCE SHEET - GOVERNMENTAL FUND**AS OF JUNE 30, 2021****General Fund****Assets**

Current Assets

Cash	\$	199,482
Accounts receivable		1,502
Prepaid expenses		20,778

Total current assets 221,762

Total assets \$ 221,762

Liabilities and Fund Balance

Liabilities

Accounts payable and accrued liabilities	\$	63,485
Deferred tuition revenue		257,159

Total liabilities 320,644

Fund balance

Fund balance reserved for restricted use	7,029
Fund balance unreserved and undesignated	(105,911)

Total fund balance (98,882)

Total liabilities and fund balance \$ 221,762

See accompanying notes to financial statements.

THE DAVIDSON ACADEMY OF NEVADA

(A DIVISION OF THE DAVIDSON INSTITUTE FOR TALENT DEVELOPMENT)
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUND
TO THE STATEMENT OF NET POSITION

AS OF JUNE 30, 2021

General Fund

Total fund balance - total governmental fund

\$ (98,882)

Capital assets, net of accumulated depreciation and amortization, used in governmental activities are not financial resources and therefore are not reported in the fund (Note 4).

209,060

Prepaid rent is not readily available for use and therefore is not reported in the fund (Note 3).

1,177,010

Noncurrent compensated absences are not due and payable in the current period and therefore are not reported in the fund (Note 7).

(231,134)

Net position of governmental activities - governmental fund

\$ 1,056,054

See accompanying notes to financial statements.

THE DAVIDSON ACADEMY OF NEVADA

(A DIVISION OF THE DAVIDSON INSTITUTE FOR TALENT DEVELOPMENT)

STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE - GOVERNMENTAL FUND

AS OF JUNE 30, 2021

General Fund

Revenues

Donations, restricted and unrestricted	\$ 3,113,032
State sources - Nevada	1,300,943
Online campus tuition, net of financial aid and scholarships totaling \$146,040	602,387
State funding - DSA prior year adjustment	3,458

Total revenues	5,019,820
-----------------------	------------------

Expenditures

Instruction	
Regular instruction	249,579
Regular instruction - salaries and benefits	2,591,507

Total instruction	2,841,086
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Support services	
General administration	515,392
General administration - salaries benefits	1,733,906
Capital asset purchases	87,795
Facilities	3,585

Total support services	2,340,678
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Total expenditures	5,181,764
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Change in fund balance	(161,944)
-------------------------------	------------------

Fund balance - beginning of year	63,062
----------------------------------	--------

Fund balance - end of year	\$ (98,882)
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See accompanying notes to financial statements.

THE DAVIDSON ACADEMY OF NEVADA

(A DIVISION OF THE DAVIDSON INSTITUTE FOR TALENT DEVELOPMENT)
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGE IN FUND BALANCE - GOVERNMENTAL FUND
TO THE STATEMENT OF ACTIVITIES

AS OF JUNE 30, 2021

General Fund

Total change in fund balance - governmental fund	\$ (161,944)
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Amounts reported for *governmental activities* in the statement of net position are different because:

Capital outlays to purchase capital assets are reported in governmental funds as expenditures. However, for *governmental activities* those costs are shown in the statement of net position and allocated over their useful lives as annual depreciation and amortization expense in the statement of activities.

Capital outlays during fiscal 2021	87,795
Less: depreciation and amortization expense	(50,614)
Net expenditures for capital assets	37,181

Certain items reported in the statement of activities, including amortization of prepaid rent, do not require the use of current financial resources and therefore are not reported as expenditures in the governmental fund.

(196,168)

Certain liabilities, including noncurrent compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in the governmental fund.

(52,869)

Change in net position of governmental activities - governmental fund	\$ (373,800)
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See accompanying notes to financial statements.

THE DAVIDSON ACADEMY OF NEVADA

(A DIVISION OF THE DAVIDSON INSTITUTE FOR TALENT DEVELOPMENT)

STATEMENT OF FIDUCIARY NET POSITION

AS OF JUNE 30, 2021

Student Activities Fund

Assets

Cash	\$	56,655
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Total assets	\$	56,655
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Liabilities

Due to student clubs	\$	56,655
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Total liabilities	\$	56,655
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See accompanying notes to financial statements.

THE DAVIDSON ACADEMY OF NEVADA

(A DIVISION OF THE DAVIDSON INSTITUTE FOR TALENT DEVELOPMENT)

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2021

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of The Davidson Academy of Nevada (the School), a division of the Davidson Institute for Talent Development (the Institute), a Nevada nonprofit corporation, have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Reporting Entity The School was organized to operate as a public university school for profoundly gifted pupils pursuant to Nevada Revised Statutes (NRS) chapter 388C and is located on the campus of the University of Nevada, Reno (UNR). During the 2020-2021 academic year which extends from August through May, the School provided instruction to 158 students ranging in age from 10 through 18 years old.

During the 2017-2018 academic year, the School began operating an online campus, as a division of the School, with the goal of serving profoundly gifted pupils who reside outside the State of Nevada. The School charges out-of-state students of the online campus an annual tuition and receives funding from the State of Nevada for in-state students. During the 2020-2021 academic year, which extends from August through May, the School provided instruction to 79 online students ranging in grade from 8th – 12th grade.

The School received funding from the State of Nevada during the year ended June 30, 2021 and must comply with the reporting requirements of this funding source. However, the School is not included in any other governmental “reporting entity” as defined in GASB pronouncements, since its Governing Board has decision making authority, the power to designate management, the ability to significantly influence operations and primary accountability for fiscal matters.

Government-Wide Financial Statements The basic financial statements include both government-wide (based on the School as a whole) and fund financial statements. The government-wide financial statements (the Statement of Net Position and Statement of Activities) report information on all activities of the School, which include the governmental activities and student club activities. The governmental activities comprise of all activities of the School.

In the government-wide Statement of Net Position, the governmental activities column is reflected on a full accrual, economic resource basis that recognizes all long-term assets and receivables. The School’s net position is reported in three parts: net investment in capital assets, restricted, and unrestricted net position.

The government-wide Statement of Activities reports both the gross and net cost of the School’s functions. The functions are also supported by the general government revenues (distributive school funds not legally restricted for specific programs, etc.). The Statement of Activities reduces gross expenses (including depreciation) by revenues.

THE DAVIDSON ACADEMY OF NEVADA

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NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2021

Basic Financial Statements – Fund Financial Statements

- i) ***Governmental Fund*** The financial transactions of the School are reported in the General Fund financial statements. The General Fund is the primary operating fund of the School and accounts for all revenues and expenses of the School. The General Fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues and expenditures/expenses. The School's resources are allocated to and accounted for in the General Fund based upon the purposes for which they are intended and the means by which spending activities are controlled.
- ii) ***Fiduciary Fund*** The Student Activities Fund is used to account for assets held in a trustee capacity or as an agent for individuals and therefore are not available to support the School. Since by definition these assets are being held for the benefit of a third party, and cannot be used to address activities or obligations of the School, these funds are not incorporated into the government-wide financial statements.

Measurement Focus

- i) ***Government-Wide Financial Statements*** The government-wide financial statements are reported using the economic resource measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flow.
- ii) ***Fund Financial Statements*** Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized as soon as they are both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The School considers all revenue available if it is collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for interest on general long-term debt that has not matured which is recognized when due.

The accounts of the School are organized and operated on the basis of funds and account groups. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Account groups consist of the School's accounts grouped together for classification purposes in financial reporting. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

Interest income is subject to accrual. Other receipts become measurable and available when cash is received by the School and are recognized as revenue at that time.

The Student Activities Fund is used to report assets held in a trustee or agency capacity for others and therefore are not available to support the School. The reporting focus is on net position and changes in net position, and is reported using accounting principles applicable to those similar to businesses in the private sector.

THE DAVIDSON ACADEMY OF NEVADA
(A DIVISION OF THE DAVIDSON INSTITUTE FOR TALENT DEVELOPMENT)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

Budgetary Data An annual budget is adopted for the governmental fund and is prepared using the modified accrual basis of accounting.

The Governing Board has voluntarily established the policy, as a sound business practice, that expenditures may not exceed combined state and private funding based on the adopted budget and subsequent amendments. The budget presented in the supplementary data represents the budget of the School as approved by the Governing Board at June 30, 2021.

During the fiscal year ended June 30, 2021, state funding was within approximately 6.6% of the budgeted amount. Other revenues, consisting primarily of donations from the Davidson's (Governing Board and the Founders), were less than originally budgeted due to a positive variance in actual expenditures versus budgeted expenditures.

Contributions Contributions received are recorded as unrestricted, temporarily restricted or permanently restricted support depending on the existence and nature of any donor restrictions. Gifts and contributions are recorded at fair value.

Contributions for which donors have not stipulated restrictions, as well as contributions for which donors have stipulated restrictions but which are met within the same reporting period, are reported as unrestricted support.

Tuition Revenue and Expense Recognition Revenue from tuition and other income is recognized ratably over the term of the school year, which is from August to May. The School records deferred revenue based on tuition and fees received prior to the period of academic service.

Prepaid Expenses Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses in the accompanying statement of net position (Note 3).

Capital Assets Capital assets, which include leasehold improvements, furniture, equipment and intangible assets, are reported in the government-wide financial statements. Such assets are recorded at historical cost, or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the estimated fair value at the date of donation.

It is the policy of the School to capitalize all capital assets costing more than \$5,000. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized.

Capital assets are depreciated and amortized using the straight-line method over the following estimated useful lives:

Description	Life
Furniture and equipment	5-7 years
Leasehold improvements	Lesser of life or lease term
Intangible assets	3-5 years

THE DAVIDSON ACADEMY OF NEVADA

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NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2021

Tax-Exempt Status The School is a division of the Davidson Institute for Talent Development (the Institute), a Nevada nonprofit corporation, which has received a determination letter from the Internal Revenue Service stating that it qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and, accordingly, no provision for federal income taxes is recorded in the accompanying financial statements. In addition, the School does not have any income which it believes would subject the Institute to unrelated business income taxes. Accordingly, there is no provision for income taxes in the accompanying financial statements.

The Institute has adopted the accounting principles generally accepted in the United States of America (U.S. GAAP) for income taxes, which provides guidance for how uncertain income tax positions should be recognized, measured, presented and disclosed in the financial statements. The Institute is required to evaluate the income tax positions taken or expected to be taken to determine whether the positions are "more-likely-than-not" to be sustained upon examination by the applicable tax authority. The Institute has determined that the application of the accounting topic for income taxes does not impact the operations of the School.

The Institute files informational and income tax returns in the United States and the State of Nevada, which include the activity of the School. The Institute files its tax returns on a fiscal year and is no longer subject to income tax examinations by tax authorities for the years before 2016. No examinations are currently pending.

Compensated Absences Compensated absences consist of School employees' accrued paid time off. These absences are accumulated and the liabilities are reported on the government-wide financial statements (Note 7).

Estimates The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Significant estimates include prepaid rent contributed for the use and occupancy of the School's facilities. Actual results may differ from those estimates.

Concentrations of Business and Credit Risk The School's cash and cash equivalents are maintained in various bank accounts. The School has exposure to credit risk to the extent that its cash and cash equivalents exceed amounts covered by federal deposit insurance. The School believes that its credit risk is not significant.

The School received 60% of its revenue from a single donor (the Founders) and 26% of its revenue from the State of Nevada during the year ended June 30, 2021.

2. CASH

At June 30, 2021, the School had a cash balance in the amount of \$199,482. Accounts at this institution are insured by the Federal Deposit Insurance Corporation up to \$250,000.

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(A DIVISION OF THE DAVIDSON INSTITUTE FOR TALENT DEVELOPMENT)

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2021

3. PREPAID EXPENSES

At June 30, 2021, prepaid expenses consisted of prepaid rent of \$1,177,010 and \$20,778 of miscellaneous prepaid expenses (Note 5).

4. CAPITAL ASSETS

Capital asset balances and activities for the year ended June 30, 2021 were as follows:

	Balance, 7/1/20	Additions	Retirements	Balance, 6/30/21
Office furniture and equipment	\$ 83,236	\$ 22,195	\$ -	\$ 105,431
Computer equipment	424,029	-	-	424,029
Leasehold improvements	110,444	-	-	110,444
Software and website	-	65,600	-	65,600
Total, at cost	617,709	87,795	-	705,504
Less: accumulated depreciation and amortization	(445,830)	(50,614)	-	(496,444)
Capital assets, net	\$ 171,879	\$ 37,181	\$ -	\$ 209,060

5. OPERATING LEASES

Jot Travis Building Lease Following the relocation to the Jot Travis building on the UNR campus in 2009, the School entered into a lease agreement for permanent facilities effective December 20, 2007 for a term of 20 years with annual rent of \$1. UNR received a contribution from the Davidson's which earmarked up to \$5,000,000 for leasehold improvements specifically for the use of the School. The sole rental and consideration for the use and occupancy of the facility over the term of the lease is the final construction cost of the improvements totaling \$3,727,194 plus \$1 per year. Rental expense under this lease is calculated as the annual amortization of the final construction cost of improvements over the term of the lease as of move in, which was one year subsequent to entering the lease. Rental expense amounted to \$196,169, which includes \$1 of the required annual payment and the amortization of prepaid rent for the year ended June 30, 2021.

The following is a schedule of future minimum rental payments and recognition of the prepaid rent under the above operating leases as of June 30, 2021:

Fiscal Year Ending June 30,	Cash	Prepaid Rent Expense	Total
2022	\$ 1	\$ 196,168	\$ 196,169
2023	1	196,168	196,169
2024	1	196,168	196,169
2025	1	196,168	196,169
2026	1	196,168	196,169
Thereafter	1	196,170	196,171
Total lease payments	\$ 6	\$ 1,177,010	\$ 1,177,016

THE DAVIDSON ACADEMY OF NEVADA

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NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2021

6. RELATED PARTY TRANSACTIONS

A related party processes and pays payroll expenses on behalf of the School. During the fiscal year 2021, the School incurred \$4,378,282 in salaries and employee related costs to the related party, of which \$26,594 remained unpaid as of June 30, 2021.

In April 2020, the Institute formed Online Resources AZ, LLC (ORAZ) (a related party of the School, wholly-owned by the Institute). ORAZ facilitates the payroll, HR, benefits, workers' compensation and regulatory compliance functions for out-of-state employees who work remotely as instructors for the School's online campus. During the fiscal year 2021, the School incurred \$625,290 in salaries and employee related costs to ORAZ, of which \$64,139 remained unpaid as of June 30, 2021.

The School participates in a 401(k) Plan through a related party (the Plan) which covers employees meeting certain qualifications. Under the terms of the Plan, employees may elect to contribute a portion of compensation up to the maximum allowable as determined by the Internal Revenue Service. Currently, the Plan does not provide for employer matching.

The Founders of the School annually provide the largest source of revenue. During the fiscal year ended June 30, 2021, the Founders made contributions of \$3,025,000 to the School (Note 1).

7. COMPENSATED ABSENCES

The current portion of compensated absences is defined as those benefits that would be liquidated with available expendable resources as a result of employees who have terminated employment within 45 days subsequent to year-end. The current portion of the cost of compensated absences is recorded as a payroll expenditure.

The long-term portions of these costs are reflected as a liability included in long-term liabilities of the School. The additions and uses of compensated absences were as follows:

Balance, 7/1/20	Additions	Uses	Balance, 6/30/21
\$ 178,265	\$ 566,474	\$ (513,605)	\$ 231,134

8. DONATED ASSETS AND SERVICES

Donated assets are reflected as contributions in the accompanying financial statements at their estimated value at date of receipt. The School did not receive any significant donated assets during the year ended June 30, 2021. No amounts have been reflected in the financial statements for donated services during the year since none met the recognition criteria.

THE DAVIDSON ACADEMY OF NEVADA

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NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2021

9. STATE FUNDING

The Nevada Legislature provides for DSA funding to the School from the State of Nevada on a per-student basis. The School estimates annual student enrollment based on the number of students expected to continue in the School and new students accepted (based on applications received and approved) and indicating their intent to attend.

The amount of per-student DSA funding is determined by the average daily student enrollment reported by the School to the Nevada DOE, which is reported daily and paid to the School on a quarterly basis. The School received \$1,304,401 in State funding based on student enrollment during the year ended June 30, 2021.

10. CONTRIBUTIONS AND FUNDRAISING

Contributions Contributions are amounts received from the public and other sources as additional support of the School. In-kind contributions, if any, are valued at their estimated value at the time of the contribution. Contributions consisted of the following amounts:

During the year ended June 30,	2021
Cash - unrestricted	\$ 3,095,746
Cash - restricted	17,286
Total contributions	\$ 3,113,032

11. RISK MANAGEMENT AND CONTINGENCIES

The School is exposed to various risks of loss related to torts, thefts of, damage to and destruction of assets, errors and omissions, and natural disasters for which the School carries commercial insurance. Settlement amounts have not exceeded insurance coverage for the past year. In addition, there were no reductions in insurance coverage from those in the prior year.

The School receives funding from the State of Nevada as a public university school. Periodic audits of this program are required, the results of which could result in a refund of payments received. Management believes that any such refund would be immaterial and no such provision has been made in the accompanying financial statements.

Effects of the COVID-19 Outbreak During fiscal year 2020, there was a global outbreak of a new strain of coronavirus, COVID-19. The global and domestic response to the COVID-19 outbreak continues to impact the operation of the school. To date, certain responses to the COVID-19 outbreak have included mandates from federal, state and/or local authorities to mitigate the spread of the virus, which have adversely impacted global commercial activity and have contributed to significant volatility in financial markets. Although in-person education was temporarily suspended due to COVID-19, the School was able to continue the 2020 – 2021 school year using an online platform. In August 2021, the students and staff returned to in-person learning at the Reno campus with the appropriate safety protocols in force. The online school's operations have not been materially or adversely disrupted by the COVID-19 outbreak. While Nevada and other states

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NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2021

continue to modify restrictions, the School is unable to predict the extent to which COVID-19 may impact its future results of activities, cash flows and financial condition, if there is any impact at all.

12. SUBSEQUENT EVENTS

The School has evaluated subsequent events that have occurred through the date of the independent auditor's report, which is the date that the financial statements were available to be issued, and determined that there were no subsequent events or transactions, except as discussed in Note 11 and as described below, that required recognition or disclosure in the financial statements.

Davidson Academy Online, LLC In August 2021, the Institute created Davidson Academy Online, LLC, an Oregon limited liability company. The Institute is the sole member of Davidson Academy Online, LLC. Beginning on July 1, 2022, Davidson Academy Online, LLC intends to operate as an independent school registered in the state of Oregon. At that time, the Institute anticipates that the activities of the online campus will operate and be reported separately from the School's financial statements. During the 2021-2022 academic year, the online school will continue to operate as a Nevada public school, and the activities of the online campus will be included in the School's 2021-2022 financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

THE DAVIDSON ACADEMY OF NEVADA

(A DIVISION OF THE DAVIDSON INSTITUTE FOR TALENT DEVELOPMENT)

BUDGETARY COMPARISON SCHEDULE - STATEMENT OF ACTIVITIES GOVERNMENTAL FUND

UNAUDITED - SEE INDEPENDENT AUDITOR'S REPORT

	Budgetary Amounts			Variance
FOR THE YEAR ENDED JUNE 30, 2021	Original	Final	Actual	Positive (Negative) Final to Actual
Revenues				
State sources	\$ 1,220,000	\$ 1,220,000	\$ 1,300,943	\$ 80,943
Tuition	650,000	650,000	602,387	(47,613)
State sources - Nevada prior year	-	-	3,458	3,458
Other	3,765,000	3,765,000	3,113,032	(651,968)
Total revenues	5,635,000	5,635,000	5,019,820	(615,180)
Expenditures				
Instruction				
Regular instruction	377,845	377,845	249,579	128,266
Regular instruction - salaries and benefits	2,716,300	2,716,300	2,623,183	93,117
Total instruction	3,094,145	3,094,145	2,872,762	221,383
Support services				
General administration	642,500	642,500	515,392	127,108
General administration - salaries and benefits	1,793,625	1,793,625	1,755,099	38,526
Facilities	220,935	220,935	199,753	21,182
Depreciation and amortization	45,590	45,590	50,614	(5,024)
Total support services	2,702,650	2,702,650	2,520,858	181,792
Total expenditures	5,796,795	5,796,795	5,393,620	403,175
Excess of expenditures over revenues	(161,795)	(161,795)	(373,800)	(212,005)
Net change in fund balance	(161,795)	(161,795)	(373,800)	(212,005)
Fund balance - beginning of year	1,429,854	1,429,854	1,429,854	-
Fund balance - end of year	\$ 1,268,059	\$ 1,268,059	\$ 1,056,054	\$ (212,005)

See independent auditor's report.



INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Governing Board of
The Davidson Academy of Nevada:

Report on Financial Statements

We have audited, 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, the financial statements of the governmental activities and each major fund of The Davidson Academy of Nevada (the School), which collectively comprise the School's basic financial statements as listed in the table of contents as of and for the year ended June 30, 2021 and the related notes to the financial statements, and have issued our report thereon dated September 22, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School'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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was 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 School's financial statements are free of 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 determination of financial statement amounts. 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 results of that testing, and not to provide an opinion on the effectiveness of the School'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.

Holthouse Carlin & Van Trigt LLP

Los Angeles, California
September 22, 2021