

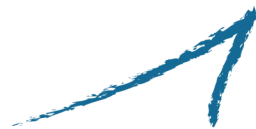
**THE FRANCES AND HENRY RIECKEN  
FOUNDATION, INC.**

**Princeton, New Jersey**

**FOREIGN ASSISTANCE TO AMERICAN SCHOOLS AND  
HOSPITALS ABROAD GRANT (ASHA)**

**PROGRAM SPECIFIC AUDIT**

**For the Period October 1, 2018  
Through September 30, 2022**



**insero&co**

Certified Public Accountants | Business Advisors

---

# ***THE FRANCES AND HENRY RIECKEN FOUNDATION, INC.***

## **FOREIGN ASSISTANCE TO AMERICAN SCHOOLS AND HOSPITALS ABROAD (ASHA) PROGRAM SPECIFIC AUDIT**

### **TABLE OF CONTENTS**

Independent Auditors' Report	1-2
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	3-4
Independent Auditors' Report on Compliance for a Federal Program and Report on Internal Control Over Compliance When Using the Program-Specific Audit Option to Satisfy Uniform Guidance Audit Requirements	5-7
Schedule of Expenditures of Federal Awards	8
Notes to Schedule of Expenditures of Federal Awards	9
Schedule of Findings and Questioned Costs	10

## **INDEPENDENT AUDITORS' REPORT**

Board of Directors  
The Frances and Henry Riecken Foundation, Inc.  
Princeton, New Jersey

### **Report on the Audit of the Schedule of Expenditures of Federal Awards**

#### **Opinion**

We have audited the Schedule of Expenditures of Federal Awards for the U.S. Agency for International Development Foreign Assistance to American Schools and Hospitals Abroad program of The Frances and Henry Riecken Foundation, Inc. (the Organization) for the period October 1, 2018 through September 30, 2022 and the related notes (the Schedule).

In our opinion, the Schedule referred to above presents fairly, in all material respects, the expenditures of federal awards for the U.S. Agency for International Development Foreign Assistance to American Schools and Hospitals Abroad program of The Frances and Henry Riecken Foundation, Inc. for the period October 1, 2018 through September 30, 2022, in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of the Schedule section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **Responsibilities of Management for the Schedule**

Management is responsible for the preparation and fair presentation of the Schedule 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 a Schedule that is free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibilities for the Audit of the Schedule**

Our objectives are to obtain reasonable assurance about whether the Schedule as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the Schedule.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the Schedule, whether due to fraud, or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the Schedule.
- Obtain an understanding of internal control relevant to the audit 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 Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the Schedule.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Respectfully submitted,



Insero & Co. CPAs, LLP  
Certified Public Accountants

Ithaca, New York  
May 23, 2023

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

Board of Directors  
The Frances and Henry Riecken Foundation, Inc.  
Princeton, New Jersey

We have performed a program-specific audit, in accordance with the auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), of the Schedule of Expenditures of Federal Awards for the U.S. Agency for International Development Foreign Assistance to American Schools and Hospitals Abroad program of The Frances and Henry Riecken Foundation, Inc. (the Organization) for the period October 1, 2018, through September 30, 2022, and the related notes (the Schedule), and have issued our report thereon dated May 23, 2023.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the Schedule, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the Schedule, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Organization's Schedule is free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the Schedule. 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 Organization'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 Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,

A handwritten signature in black ink that reads "Insero & Co. CPAs, LLP". The signature is written in a cursive, slightly slanted style.

Insero & Co. CPAs, LLP  
Certified Public Accountants

Ithaca, New York  
May 23, 2023

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR A  
FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE  
WHEN USING THE PROGRAM-SPECIFIC AUDIT OPTION TO SATISFY  
UNIFORM GUIDANCE AUDIT REQUIREMENTS**

Board of Directors  
The Frances and Henry Riecken Foundation, Inc.  
Princeton, New Jersey

**Report on Compliance for U.S. Agency for International Development Foreign Assistance to  
American Schools and Hospitals Abroad (ASHA)**

**Opinion on Compliance for the ASHA Program**

We have audited the U.S. Foundation of The Frances and Henry Riecken Foundation Inc.'s (the Organization) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on its ASHA program for the period October 1, 2018 through September 30, 2022.

In our opinion, the Organization complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its ASHA program for the period October 1, 2018 through September 30, 2022.

**Basis for Opinion on the ASHA Program**

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Award* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Organization and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the ASHA program. Our audit does not provide a legal determination of the Organization's compliance with the compliance requirements referred to above.

## **Responsibilities of Management for Compliance**

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts, or grant agreements applicable to the ASHA program.

## **Auditors' Responsibilities for the Audit of Compliance**

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Organization's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Organization's compliance with the requirements of the federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance whether due to fraud or error and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.



## **Report on Internal Control Over Compliance**

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Respectfully submitted,



Insero & Co. CPAs, LLP  
Certified Public Accountants

Ithaca, New York  
May 23, 2023

# ***THE FRANCES AND HENRY RIECKEN FOUNDATION, INC.***

## **FOREIGN ASSISTANCE TO AMERICAN SCHOOLS AND HOSPITALS ABROAD (ASHA) PROGRAM SPECIFIC AUDIT SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE PERIOD OCTOBER 1, 2018 THROUGH SEPTEMBER 30, 2022**

<b>Federal Grantor/ Program Title</b>	<b>Federal ALN #</b>	<b>Passed - Through Grantor #</b>	<b>Passed Through to Subrecipients</b>	<b>Total Federal Expenditures</b>
<b>U.S. Agency for International Development</b>				
Direct Program:				
Foreign Assistance to American Schools and Hospitals Abroad (ASHA) - AID-ASHA-G-17-00001	98.006	N/A	\$ -	\$ 235,407
Foreign Assistance to American Schools and Hospitals Abroad (ASHA) - AID-ASHA-G-17-00009	98.006	N/A	-	294,975
<b>Total Expenditures of Federal Awards</b>			<b>\$ -</b>	<b>\$ 530,382</b>

*See Independent Auditors' Report and Notes to Schedule of Expenditures of Federal Awards*

# ***THE FRANCES AND HENRY RIECKEN FOUNDATION, INC.***

## **FOREIGN ASSISTANCE TO AMERICAN SCHOOLS AND HOSPITALS ABROAD (ASHA) PROGRAM SPECIFIC AUDIT**

### **NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE PERIOD OCTOBER 1, 2018 THROUGH SEPTEMBER 30, 2022**

***Note 1***     **Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) presents the federal award activity of The Frances and Henry Riecken Foundation, Inc. (the Organization) under programs of the federal government for the period October 1, 2018 through September 30, 2022. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Organization, it is not intended to, and does not, present the financial position or changes in net assets of the Organization.

***Note 2***     **Summary of Significant Accounting Policies**

The basis of accounting varies by federal program consistent with the underlying regulations pertaining to each program. The information is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

***Note 3***     **Indirect Costs**

Indirect costs are included in the reported expenditures to the extent they are included in the federal financial reports used as the source for the data presented. The Organization has elected not to use the 10% de minimis indirect cost rate allowed under Uniform Guidance.

# ***THE FRANCES AND HENRY RIECKEN FOUNDATION, INC.***

## **FOREIGN ASSISTANCE TO AMERICAN SCHOOLS AND HOSPITALS ABROAD (ASHA) PROGRAM SPECIFIC AUDIT SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE PERIOD OCTOBER 1, 2018 THROUGH SEPTEMBER 30, 2022**

### **Section I Summary of Auditors' Results:**

#### **Financial Statements**

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?  yes  no

Significant deficiency(ies) identified that are not considered to be material weakness(es)?  yes  none reported

Noncompliance material to financial statements noted?  yes  no

#### **Federal Awards**

Internal control over major programs:

Material weakness(es) identified?  yes  no

Significant deficiency(ies) identified that are not considered to be material weakness(es)?  yes  none reported

Type of auditors' report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with §510(a) of Uniform Guidance?  yes  no

Identification of major programs:

<u>ALN Numbers</u>	<u>Name of Federal Program or Cluster</u>
<u>98.006</u>	<u>Foreign Assistance to American Schools and Hospitals Abroad (ASHA)</u>

Dollar threshold used to distinguish between Type A and Type B Programs: \$ 750,000

Auditee qualified as low-risk?  yes  no

**Section II - Financial Statement Findings:** None

**Section III - Uniform Guidance Findings:** None

***THE FRANCES AND HENRY RIECKEN  
FOUNDATION, INC.***

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
SEPTEMBER 30, 2022**

None.

***THE FRANCES AND HENRY RIECKEN  
FOUNDATION, INC.***

**CORRECTIVE ACTION PLAN  
SEPTEMBER 30, 2022**

None.