

SPACE SCIENCE INSTITUTE
FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

**SPACE SCIENCE INSTITUTE
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YEARS ENDED DECEMBER 31, 2020 AND 2019**

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Space Science Institute
Boulder, Colorado

We have audited the accompanying financial statements of Space Science Institute (the Institute), a nonprofit institute, which comprise the statements of financial position as of December 31, 2020 and 2019, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the 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 auditors' 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 Space Science Institute as of December 31, 2020 and 2019, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 22, 2021 on our consideration of Space Science Institute's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to solely 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 Space Science Institute's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Space Science Institute's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Denver, Colorado
June 22, 2021

**SPACE SCIENCE INSTITUTE
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2020 AND 2019**

	2020	2019
ASSETS		
CURRENT ASSETS		
Cash	\$ 700,842	\$ 453,797
Accounts Receivable, Grants and Contracts	818,805	1,311,013
Prepaid Expenses and Deposits	130,376	120,144
Total Current Assets	1,650,023	1,884,954
PROPERTY AND EQUIPMENT		
Furniture and Equipment	886,353	900,023
Accumulation Depreciation	(680,715)	(662,184)
Property and Equipment, Net	205,638	237,839
Total Assets	\$ 1,855,661	\$ 2,122,793
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable	\$ 247,637	\$ 370,483
Accrued Salary and Related Expenses	430,621	364,277
Unexpended Grant Revenues	321,924	317,758
Line of Credit	300,000	475,000
Short-Term Note Payable	22,011	14,357
Total Current Liabilities	1,322,193	1,541,875
LONG-TERM NOTE PAYABLE	79,390	101,485
Total Liabilities	1,401,583	1,643,360
NET ASSETS		
Without Donor Restrictions	451,573	473,688
With Donor Restrictions	2,505	5,745
Total Net Assets	454,078	479,433
Total Liabilities and Net Assets	\$ 1,855,661	\$ 2,122,793

See accompanying Notes to Financial Statements.

**SPACE SCIENCE INSTITUTE
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2020**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>2020</u>
SUPPORT AND REVENUE			
Grant Income	\$ 7,853,354	\$ -	\$ 7,853,354
Contributions	26,236	750	26,986
Exhibit and Workshop Income	150	-	150
Interest Income	155	-	155
Net Assets Released from Restrictions	3,990	(3,990)	-
Total Support and Revenue	<u>7,883,885</u>	<u>(3,240)</u>	<u>7,880,645</u>
EXPENSES			
Science Research Programs	3,866,515	-	3,866,515
Science Education Programs	2,108,293	-	2,108,293
Management and General	1,924,995	-	1,924,995
Development	6,197	-	6,197
Total Expenses	<u>7,906,000</u>	<u>-</u>	<u>7,906,000</u>
CHANGE IN NET ASSETS	(22,115)	(3,240)	(25,355)
Net Assets - Beginning of Year	<u>473,688</u>	<u>5,745</u>	<u>479,433</u>
NET ASSETS - END OF YEAR	<u>\$ 451,573</u>	<u>\$ 2,505</u>	<u>\$ 454,078</u>

See accompanying Notes to Financial Statements.

**SPACE SCIENCE INSTITUTE
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2019**

	Without Donor Restrictions	With Donor Restrictions	2019
SUPPORT AND REVENUE			
Grant Income	\$ 8,339,015	\$ -	\$ 8,339,015
Contributions	30,611	-	30,611
Exhibit and Workshop Income	6,643	-	6,643
Interest Income	335	-	335
Net Assets Released from Restrictions	-	-	-
Total Support and Revenue	8,376,604	-	8,376,604
EXPENSES			
Science Research Programs	4,276,955	-	4,276,955
Science Education Programs	1,991,029	-	1,991,029
Management and General	1,861,742	-	1,861,742
Development	6,526	-	6,526
Total Expenses	8,136,252	-	8,136,252
CHANGE IN NET ASSETS	240,352	-	240,352
Net Assets - Beginning of Year	233,336	5,745	239,081
NET ASSETS - END OF YEAR	\$ 473,688	\$ 5,745	\$ 479,433

See accompanying Notes to Financial Statements.

**SPACE SCIENCE INSTITUTE
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2020**

	Program Services			Supporting Services			2020
	Science Research Programs	Science Education Programs	Total Program Services	Management and General	Development	Total Supporting Services	
Salaries, Professional	\$ 2,437,729	\$ 307,026	\$ 2,744,755	\$ 324,485	\$ 1,745	\$ 326,230	\$ 3,070,985
Salaries, Support	105,061	477,149	582,210	562,381	1,225	563,606	1,145,816
Staff Benefits	375,558	238,582	614,140	266,798	706	267,504	881,644
Pension Plan	176,510	70,188	246,698	90,755	280	91,035	337,733
Payroll Taxes	193,887	58,625	252,512	85,820	223	86,043	338,555
Total Salaries and Related Expenses	3,288,745	1,151,570	4,440,315	1,330,239	4,179	1,334,418	5,774,733
Bank Charges	-	-	-	1,153	-	1,153	1,153
Computing Expenses	11,256	18,236	29,492	55,591	-	55,591	85,083
Consultant Fees	-	6,948	6,948	14,051	-	14,051	20,999
Depreciation	14,903	-	14,903	53,006	-	53,006	67,909
Dues and Subscriptions	-	-	-	5,788	-	5,788	5,788
Duplication, Communication, and Reporting	12,297	26,734	39,031	397	-	397	39,428
Equipment	41,500	20,644	62,144	40,797	-	40,797	102,941
Equipment - Capitalized	(25,967)	-	(25,967)	-	-	-	(25,967)
Equipment rental - Leases	-	-	-	3,543	-	3,543	3,543
Insurance	-	-	-	29,595	-	29,595	29,595
Interest	-	-	-	24,933	100	25,033	25,033
Materials and Supplies	1,718	6,504	8,222	20,429	-	20,429	28,651
Meetings and Workshops Expense	-	-	-	821	-	821	821
Moving Expense	-	-	-	362	-	362	362
Museum Exhibits - Fabrication	-	52,172	52,172	-	-	-	52,172
Museum Exhibits - Tour costs	-	28,356	28,356	-	-	-	28,356
Occupancy	-	-	-	222,325	-	222,325	222,325
Other Direct Costs	12,100	121,446	133,546	-	-	-	133,546
Participant Support costs	-	-	-	-	-	-	-
Postage and Shipping	-	-	-	3,247	39	3,286	3,286
Professional Services	-	-	-	33,700	-	33,700	33,700
Publication	17,172	70	17,242	-	-	-	17,242
Public Relations	-	-	-	-	-	-	-
Recruitment	-	-	-	14,861	-	14,861	14,861
Repairs and Maintenance	279	-	279	7,381	-	7,381	7,660
Staff Development	-	-	-	20,224	-	20,224	20,224
Subcontracts - Education	-	399,658	399,658	-	-	-	399,658
Subcontracts - Education, Evaluation	-	251,687	251,687	-	-	-	251,687
Subcontracts - Flight Operations	-	-	-	-	-	-	-
Subcontracts - Research	462,581	-	462,581	-	-	-	462,581
Taxes and Licenses	-	-	-	2,331	1,879	4,210	4,210
Telecommunications	-	-	-	24,941	-	24,941	24,941
Travel	29,931	24,268	54,199	15,280	-	15,280	69,479
Subtotal	577,770	956,723	1,534,493	594,756	2,018	596,774	2,131,267
Total Expenses	\$ 3,866,515	\$ 2,108,293	\$ 5,974,808	\$ 1,924,995	\$ 6,197	\$ 1,931,192	\$ 7,906,000

See accompanying Notes to Financial Statements.

**SPACE SCIENCE INSTITUTE
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2019**

	Program Services			Supporting Services			2019
	Science Research Programs	Science Education Programs	Total Program Services	Management and General	Development	Total Supporting Services	
Salaries, Professional	\$ 2,526,011	\$ 284,241	\$ 2,810,252	\$ 292,091	\$ 457	\$ 292,548	\$ 3,102,800
Salaries, Support	63,793	348,622	412,415	515,843	1,667	517,510	929,925
Staff Benefits	310,482	190,154	500,636	284,583	383	284,966	785,602
Pension Plan	225,182	58,988	284,170	74,472	175	74,647	358,817
Payroll Taxes	205,130	50,072	255,202	66,191	153	66,344	321,546
Total Salaries and Related Expenses	3,330,598	932,077	4,262,675	1,233,180	2,835	1,236,015	5,498,690
Bank Charges	-	-	-	1,211	-	1,211	1,211
Computing Expenses	10,084	9,037	19,121	18,782	-	18,782	37,903
Consultant Fees	-	3,082	3,082	2,888	-	2,888	5,970
Depreciation	19,580	-	19,580	20,823	-	20,823	40,403
Dues and Subscriptions	-	-	-	324	-	324	324
Duplication, Communication, and Reporting	17,630	22,412	40,042	1,036	69	1,105	41,147
Equipment	47,320	11,479	58,799	46,289	-	46,289	105,088
Equipment - Capitalized	(36,360)	-	(36,360)	-	-	-	(36,360)
Equipment rental - Leases	-	-	-	3,487	-	3,487	3,487
Insurance	-	-	-	37,272	-	37,272	37,272
Interest	-	-	-	25,798	100	25,898	25,898
Materials and Supplies	1,647	45,180	46,827	18,353	-	18,353	65,180
Meetings and Workshops Expense	5,440	-	5,440	4,819	-	4,819	10,259
Moving Expense	-	-	-	34,863	-	34,863	34,863
Museum Exhibits - Fabrication	-	17,805	17,805	-	-	-	17,805
Museum Exhibits - Tour costs	-	42,685	42,685	-	-	-	42,685
Occupancy	-	-	-	289,812	-	289,812	289,812
Other Direct Costs	260	42,158	42,418	-	-	-	42,418
Participant Support costs	-	5,859	5,859	-	-	-	5,859
Postage and Shipping	-	-	-	2,337	-	2,337	2,337
Professional Services	-	-	-	36,509	-	36,509	36,509
Publication	22,892	-	22,892	-	-	-	22,892
Public Relations	-	-	-	5,000	-	5,000	5,000
Recruitment	-	-	-	14,026	-	14,026	14,026
Repairs and Maintenance	-	-	-	4,500	-	4,500	4,500
Staff Development	-	-	-	11,969	-	11,969	11,969
Subcontracts - Education	-	476,108	476,108	-	-	-	476,108
Subcontracts - Education, Evaluation	-	311,572	311,572	-	-	-	311,572
Subcontracts - Flight Operations	78,267	-	78,267	-	-	-	78,267
Subcontracts - Research	549,884	-	549,884	-	-	-	549,884
Taxes and Licenses	-	-	-	1,302	3,522	4,824	4,824
Telecommunications	-	-	-	23,756	-	23,756	23,756
Travel	229,713	71,575	301,288	23,406	-	23,406	324,694
Subtotal	946,357	1,058,952	2,005,309	628,562	3,691	632,253	2,637,562
Total Expenses	\$ 4,276,955	\$ 1,991,029	\$ 6,267,984	\$ 1,861,742	\$ 6,526	\$ 1,868,268	\$ 8,136,252

See accompanying Notes to Financial Statements.

**SPACE SCIENCE INSTITUTE
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2020 AND 2019**

	<u>2020</u>	<u>2019</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ (25,355)	\$ 240,352
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation	67,909	40,403
Changes in Operating Assets:		
Accounts Receivable	492,208	297,072
Prepaid Expenses and Deposits	(10,232)	44,462
Changes in Operating Liabilities:		
Accounts Payable	(122,846)	(402,159)
Accrued Salary and Related Expenses	66,344	(33,374)
Unexpended Grant Revenues	4,166	85,908
Net Cash Provided by Operating Activities	<u>472,194</u>	<u>272,664</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Equipment	(35,708)	(39,549)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Line of Credit	4,050,000	3,870,096
Repayments of Line of Credit	(4,225,000)	(3,895,096)
Repayments of Note Payable	(14,441)	(3,435)
Net Cash Used by Financing Activities	<u>(189,441)</u>	<u>(28,435)</u>
NET CHANGE IN CASH	<u>247,045</u>	<u>204,680</u>
Cash - Beginning of Year	<u>453,797</u>	<u>249,117</u>
CASH - END OF YEAR	<u>\$ 700,842</u>	<u>\$ 453,797</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash Paid During the Year for Interest	<u>\$ 25,033</u>	<u>\$ 25,898</u>
Acquisition of Leasehold Improvements through Note Payable	<u>\$ -</u>	<u>\$ 119,277</u>

See accompanying Notes to Financial Statements.

**SPACE SCIENCE INSTITUTE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of Space Science Institute (the Institute) is presented to assist in understanding the Institute's financial statements. The financial statements and notes are representations of management, who is responsible for the integrity and objectivity of the financial statements. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Nature of Operations

The Institute is organized as a Colorado nonprofit corporation for the purposes of exploring and researching the space and earth environment and providing related educational opportunities. The Institute is comprised of scientists and educators whose services include the accumulation and dissemination of space and earth science information to private, government and public sectors.

Basis of Presentation

The financial statements are prepared on the accrual basis of accounting and are in conformity with Financial Accounting Standards Board (FASB) Accounting Standards Codification (the ASC). Under the ASC, the Institute is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. In addition, the Institute is required to present a statement of functional expense and a statement of cash flows.

Use of Estimates

The preparation of the financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. Actual results could differ from these estimates. The Institute believes the techniques and assumptions used in establishing these estimates are appropriate.

Cash

For the purpose of reporting cash flows, cash includes cash on hand and cash in the bank. At times, the Institute's bank balances may be in excess of Federal Deposit Insurance Corporation limits.

Accounts Receivable

Accounts receivable consists of expenditures not yet reimbursed from grants and contracts due to timing. The Institute does not believe an allowance for uncollectible accounts is necessary.

**SPACE SCIENCE INSTITUTE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment

Property and equipment purchased is recorded at cost or fair market value in the case of donated items. Expenditures for and contributions of equipment with a value greater than \$3,000 and a useful life greater than three years are capitalized. Equipment purchased with federal funds is considered restricted until 90 days after the expiration of the specific project for which they were obtained.

Depreciation is computed using the straight-line method with estimated useful lives of three to seven years.

Management assesses the carrying value of long-lived assets for impairment when circumstances indicate such amounts may not be recoverable from future operations. Generally, assets to be held and used in operations are considered impaired if the sum of the expected undiscounted future cash flows is less than the carrying amount of the asset. If impairment is indicated, the loss is measured based on the amount by which the carrying value exceeds its fair market value. Management does not believe that any indicators of impairment existed; therefore, no impairment losses were incurred during the years ended December 31, 2020 and 2019.

Unexpended Grant Revenues

Amounts received from grants and contracts in excess of reimbursable costs earned represent unexpended grant revenues. These amounts are dependent upon the timing of cash receipts and cash disbursements and vary from year to year.

Grants, Fixed Contracts and Contributions

In accordance with the ASC, grants and fixed contracts are accounted for either as exchange transactions or contributions based on the beneficiary of the agreement. Grants and fixed contracts received that benefit the funder are considered exchange transactions and revenue is recognized as performance obligations are satisfied in connection with the agreement.

Grants, fixed contracts and contributions received that benefit the general public are recorded as support with donor restrictions or without donor restrictions, depending on the existence and/or nature of any donor restrictions. Amounts are recognized at fair value when the donor or grantor makes a promise to give to the Institute that is, in substance, unconditional. Conditional promises to give—that is, those with a measurable performance or other barrier and a right of return or release—are recorded when the conditions upon which they depend have been met. Until that time, they are reported on the statement of financial position as unexpended revenue. For donor-restricted conditional contributions whose restrictions are met in the same period in which the corresponding revenue is recognized, the revenue is reported as support without donor restrictions. All other contribution revenue that is originally restricted by the donor and for which the restriction is met in the same period is recorded as purpose restricted revenue and then released from restriction.

**SPACE SCIENCE INSTITUTE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Grants, Fixed Contracts and Contributions (continued)

The Institute received conditional grants, contracts and contributions approximating \$7.5 million that have not been recognized in the accompanying statement of activities as of December 31, 2020 because the conditions for revenue recognition have not been satisfied. Of the total conditional grants, contracts, and contributions, all amounts represent agreements that are conditioned upon the incursion of qualifying expenses under the award agreements.

Some grant agencies provide monies to the Institute on an advance basis. These monies are deposited into designated bank accounts, and revenue is recognized as funds are expended on the particular projects for which the funds are designated.

Exhibits

Exhibit income is derived from developing traveling exhibits and performing professional development workshops for educators, librarians, museum and science center staff and scientists. Any income earned while the project funding is still active is treated as program income as applicable. Disbursements for exhibits and all related expenses are expensed when incurred and are not capitalized. Expenditures of program income are made consistent with funding agency restrictions. Otherwise, the funds derived from the income are used consistent with the programmatic requirements for the Institution's nonprofit objectives.

In-Kind Donations

Donated goods and equipment are recorded at estimated fair market value as revenue and expenses or capitalized assets, depending on the nature of the donation. The contribution of services is recognized if the services received either create or enhance nonfinancial assets or require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. During the years ended December 31, 2020 and 2019, the Institute did not receive any material in-kind donations.

Net Assets

Net assets, revenues and support are classified based on the existence or absence of donor- or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets without donor restrictions are available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net Assets With Donor Restrictions – Net assets with donor restrictions are subject to donor- or certain grantor-imposed restrictions. Contributions restricted by donors are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the statements of activities as net assets released from restrictions.

**SPACE SCIENCE INSTITUTE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Expenses

Expenses are recognized in the period incurred. Costs paid in advance are deferred to the applicable period.

Functional Allocation of Expenses

The costs of providing the various programs and supporting services have been summarized on a functional basis in the accompanying financial statements. Accordingly, certain costs have been allocated among the program and supporting services benefited. Supporting services costs include those expenses that are not directly identifiable with another specific function but provide for the overall support of the Institute. Expenses directly attributable to a specific functional area of the Institute are reported as expenses of those functional areas. Certain other costs that benefit multiple functional areas have been allocated across program and supporting services as determined by management on an equitable basis based on time and effort recorded to various programs and tasks, and a federally approved indirect cost rate as further discussed in Note 5.

Income Taxes

The Institute is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Institute qualifies for the charitable contribution deduction under Section 170(b)(1)(A)(vi) and has been classified as a nonprofit other than a private foundation under Section 509(a)(1). However, income from activities not directly related to the Institute's tax-exempt purpose is subject to taxation as unrelated business income. The Institute had no unrelated business income during the years ended December 31, 2020 and 2019.

The Institute believes that it has conducted its operations in accordance with, and has properly maintained, its tax-exempt status and that it has taken no materially uncertain tax positions that qualify for recognition or disclosure in the financial statements.

Recently Issued and Adopted Accounting Pronouncements

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-02, *Leases (Topic 842)*, which is expected to increase transparency and comparability among organizations. The core principle of Topic 842 is that a lessee should recognize the assets and liabilities that arise from leases. The standard requires lessees to reflect most leases on their statement of financial position as lease liabilities with a corresponding right-of-use asset, while leaving presentation of lease expense in the statement of activities largely unchanged. The standard also eliminates the real-estate specific provisions that exist under current U.S. GAAP and modifies the classification criteria and accounting which lessors must apply to sales-type and direct-financing leases. The standard is effective for calendar year 2022, and early adoption is permitted. The Institute is evaluating the impact of ASU 2016-02 on its financial statements.

Management has evaluated other recently issued accounting pronouncements and does not believe that any of these pronouncements will have an impact on the Institute's financial statements.

**SPACE SCIENCE INSTITUTE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subsequent Events

The Institute has evaluated all subsequent events through June 22, 2021, which is the date the financial statements were available for issuance, and has determined there are no events requiring disclosure.

NOTE 2 LINE OF CREDIT AND NOTE PAYABLE

Line Of Credit

As of December 31, 2020, the Institute has an agreement with its primary banking institution for a \$1,000,000 revolving line of credit at the Bank Index (3.25% at December 31, 2020) plus 1.00%, resulting in a rate of 4.25%. Substantially all of the Institute's business assets serve as security for this line of credit. The line of credit expires on November 30, 2021.

As of December 31, 2019, the Institute had a \$700,000 revolving line of credit at the Bank Index (4.75% at December 31, 2019) plus 1.00%, resulting in a rate of 5.75%. Substantially all of the Institute's business assets serve as security for this line of credit. This line of credit expired on November 30, 2020, and was renewed as described above.

The outstanding balance on the line of credit as of December 31, 2020 and 2019 was \$300,000 and \$475,000, respectively.

Note Payable

The Institute executed a note payable for \$119,277 with its lessor to fund tenant improvement costs incurred 2019 in connection with a lease agreement executed in December 2018 (see Note 3). The terms of the note require monthly payments of \$1,834 beginning on October 1, 2019 through July 1, 2026. The note bears interest at a rate of 7.00%. The outstanding balance as of December 31, 2020 and 2019 was \$101,401 and \$115,842, respectively.

NOTE 3 COMMITMENTS AND CONTINGENCIES

Operating Leases

The Institute leases office space under two lease agreements that expire in August 2022 and August 2026. The leases provide for escalating monthly payments. During the years ended December 31, 2020 and 2019, the Institute incurred fixed lease expense of \$156,836 and \$162,115, respectively, under lease agreements. In addition, during the years ended December 31, 2020 and 2019, the Institute incurred variable lease costs for utilities, common area maintenance and real estate taxes of \$47,844 and \$133,199 respectively, under these lease agreements.

**SPACE SCIENCE INSTITUTE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019**

NOTE 3 COMMITMENTS AND CONTINGENCIES (CONTINUED)

The Institute also leases equipment under operating lease agreements. The leases expired in 2017 and 2018 and continued month-to-month or quarter-to-quarter thereafter. In reporting lease expense, the Institute also includes the cost of support agreements for certain leased equipment. During the years ended December 31, 2020 and 2019, the Institute incurred lease expenses of \$3,389 and \$3,389, respectively, under these agreements.

Future minimum lease payments for all operating leases through maturity are as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2021	\$ 161,208
2022	162,175
2023	159,752
2024	164,550
2025	169,499
Thereafter	106,194
Total	<u>\$ 923,378</u>

NOTE 4 DEFINED CONTRIBUTION RETIREMENT PLAN

The Institute maintains a Defined Contribution Retirement Plan covering all employees following the first anniversary of employment. Past service with similar institutes allows new hires to qualify immediately for enrollment. The Institute makes a contribution to the plan equal to 10% of eligible participants' compensation for those participants making the required participant plan contribution. The required participant plan contribution for eligible participants is equal to 5% of their compensation. In addition, eligible employees are allowed to make contributions above the 5% level, up to the annual Internal Revenue Service limits, that are not matched by the Institute. Total expense for the years ended December 31, 2020 and 2019 was \$337,733 and \$358,817, respectively.

NOTE 5 INDIRECT COST RATE

In 2020 and 2019, indirect costs were determined by a predetermined on-site rate of 43.75% and an off-site rate of 30.15%. In 2018, indirect costs were determined by a final on-site rate of 43.72% and an off-site rate of 29.67%. These rates were negotiated between the Institute and its federal cognizant agency. Indirect costs are allocated based on total direct costs, exclusive of capital equipment purchases, participant support, tuition, alteration, renovation costs and expenditures on each subcontract in excess of \$25,000. Fringe benefits are treated as direct costs and included in the base. The indirect cost recovery from grant sources during the years ended December 31, 2020 and 2019 was \$1,794,722 and \$1,815,815, respectively.

**SPACE SCIENCE INSTITUTE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019**

NOTE 6 CONCENTRATIONS

Support and Revenue

During the years ended December 31, 2020 and 2019, revenue derived from federal awards was 96% and 97%, respectively.

NOTE 7 AVAILABILITY AND LIQUIDITY

The Institute strives to maintain liquid financial assets sufficient to cover one year of general expenditures. The following table reflects the Institute's financial assets as of December 31, 2020 and 2019, reduced by amounts that are not available to meet general expenditures within one year of the statements of financial position date because of contractual restrictions. Amounts not available to meet general expenditures within one year may also include net assets with donor restrictions.

	<u>2020</u>	<u>2019</u>
Financial Assets at Year-End:		
Cash and Cash Equivalents	\$ 700,842	\$ 453,797
Accounts Receivable, Grants, and Contracts	<u>818,805</u>	<u>1,311,013</u>
Total Financial Assets	1,519,647	1,764,810
Less Amounts not Available to be Used within One Year:		
Net Assets with Donor Restrictions	2,505	5,745
Less Net Assets with Purpose Restrictions Expected to be Met in Less than One Year	<u>-</u>	<u>(3,170)</u>
Total Less Amounts not Available to be Used	<u>2,505</u>	<u>2,575</u>
Financial Assets Available to Meet General Expenditures Over the Next 12 Months	<u>\$ 1,517,142</u>	<u>\$ 1,762,235</u>

In addition, the Institute has a \$1,000,000 and \$700,000 line of credit available as of December 31, 2020 and 2019, respectively, to meet cash flow needs. As of December 31, 2020 and 2019, there is \$700,000 and \$225,000, respectively, available under the line of credit.

**SPACE SCIENCE INSTITUTE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019**

NOTE 8 NET ASSETS WITH DONOR RESTRICTIONS

The Institute's net assets with donor restrictions consisted of the following as of December 31, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Subject to Expenditure for Specified Purpose or Future Period:		
Science Enhancement Fund	\$ 1,761	\$ 5,150
Education and Public Outreach	744	595
Total Net Assets with Donor Restrictions	<u>\$ 2,505</u>	<u>\$ 5,745</u>

Net assets totaling \$3,990 in 2020 and \$-0- in 2019 were released from restrictions as a result of the Institute incurring expenditures satisfying the related restricted purposes.

NOTE 9 RELATED PARTY TRANSACTIONS

For the years ended December 31, 2020 and 2019, the Institute received contributions without donor restrictions from employees and board members of \$24,961 and \$29,329, respectively. As of December 31, 2020 and 2019, \$2,505 and \$5,745, respectively, remained in net assets with donor restrictions relating to related party contributions with donor restrictions received by the Institute in previous periods.

NOTE 10 RISK AND UNCERTAINTIES – GLOBAL PANDEMIC

The COVID-19 global pandemic is having significant effects on global markets, supply chains, businesses, and communities. Specific to the Institute, COVID-19 may impact various parts of its 2021 operations and financial results that could result in a reduction of related revenues and expenses. Management believes the Institute is taking appropriate actions to mitigate any potential negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as these events occurred subsequent to year-end and are still developing.

SPACE SCIENCE INSTITUTE
SINGLE AUDIT REPORT
YEAR ENDED DECEMBER 31, 2020

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**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
Space Science Institute
Boulder, Colorado

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Space Science Institute, which comprise the statement of financial position as of December 31, 2020, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 22, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Space Science Institute's internal control over financial reporting (internal control) as a basis for designing 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 Space Science Institute's internal control. Accordingly, we do not express an opinion on the effectiveness of Space Science Institute'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. 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 Space Science Institute's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Denver, Colorado
June 22, 2021



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

Board of Directors
Space Science Institute
Boulder, Colorado

Report on Compliance for Each Major Federal Program

We have audited Space Science Institute's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the Space Science Institute's major federal program for the year ended December 31, 2020. The Space Science Institute's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for Space Science Institute's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Space Science Institute's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of Space Science Institute's compliance.

Opinion on Major Federal Program

In our opinion, Space Science Institute complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2020.

Report on Internal Control Over Compliance

Management of Space Science Institute is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Space Science Institute's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Space Science Institute's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

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

We have audited the financial statements of Space Science Institute as of and for the year ended December 31, 2020, and have issued our report thereon dated June 22, 2021, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.



CliftonLarsonAllen LLP

Denver, Colorado
June 22, 2021

**SPACE SCIENCE INSTITUTE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2020**

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
Research and Development Awards				
NASA				
Direct				
NASA@ My Library: A National Earth and Space Science Initiative that Connects NASA, Public Libraries, and their Communities	43.001	-	\$ 390,752	\$ 2,042,484
Reconnection Outflows: Role of Instabilities in Producing Turbulence and Particle Energization in the Magnetosphere	43.001	-	83,906	212,119
Improved Climatology of Lower and Middle Atmospheric Gravity Wave Activity at Mars	43.001	-	49,233	178,185
Gravity, Rotation, Ages, and Magnetism of Solar-like Stars and Red Giants Observed by Kepler and K2	43.001	-	-	134,238
Laboratory Investigation of the Role of Energetic Electron Beams in Wave Generation in the Solar Corona and in the Heliosphere	43.001	-	33,903	129,978
Investigation of the Effects of Surface Roughness on Lunar Infrared Spectra	43.001	-	61,654	119,821
Accessing the Full Potential of Asteroseismology with Kepler, K2 and TESS: Reconciling Modeling Conflicts Between Classic and Seismic Observables	43.001	-	-	117,861
Characterizing the Earth's Radiation Environment: A Flux Model of the Inner Magnetosphere	43.001	-	-	115,402
Analyzing the Web of Correlations and Time Lags Between the Solar Wind and the Inner Magnetosphere: Systems Science with CCA	43.001	-	-	112,792
Analyzing the Plasmas Upstream and Downstream of Interplanetary Shocks: Turbulence and Compressed Structure	43.001	-	-	110,166
Coordinated Investigation of the Link Between ULF Waves and Geoelectric Fields that Drive Geomagnetically Induced Currents	43.001	-	73,807	108,703
Photochemistry Resulting from a Large Cometary Impact on Neptune	43.001	-	6,461	96,650
Radiation Belt Dynamics During Large Scale, Monochromatic ULF Wave Events	43.001	-	45,454	88,844
The Atmospheric Dust Load and the Dust Cycle at the InSight Landing Site	43.001	-	-	77,178
Vertical Distribution of Water Vapor in the Martian Atmosphere	43.001	-	4,195	72,773
Characterizing MHD Fast Mode Waves Outside the Plasmasphere	43.001	-	-	70,217

See Notes to Schedule of Expenditures of Federal Awards.

SPACE SCIENCE INSTITUTE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2020

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
Research and Development Awards (Continued)				
NASA (Continued)				
Direct (Continued)				
Carbon, Oxygen, and Sulfur Chemistry on Venus in Three Dimensions: Time, Altitude, and Latitude	43.001	-	\$ 8,177	\$ 69,847
Laboratory Experiments to Evaluate the Role of Shear Alfven Wave Parametric Instabilities in the Origin and Evolution of the Solar Wind	43.001	-	-	68,220
Observational Studies of Venus Photochemistry and Atmospheric Dynamics	43.001	-	-	59,179
Properties and Dynamics of ULF Waves in the Ion Foreshock	43.001	-	-	52,074
Coupled Tropospheric-Stratospheric Seasonal Photochemical Model for Saturn	43.001	-	-	51,966
Determining the Cause of Interplanetary Shock-Associated Radiation Belt Dropouts	43.001	-	-	49,909
The Distribution, Properties, and Implications of Mars Mesospheric Aerosols	43.001	-	-	45,805
High Precision Astrometry of Saturn and Jupiter	43.001	-	-	44,249
Investigating Proton Bernstein Instabilities in Space Plasmas	43.001	-	-	42,513
Using AVIRIS-NG Data to Assess the Role of Mining Activities in Affecting Water Quality in Gujurat and Rajasthan, India	43.001	-	-	40,836
Rocks and Roughness: Accounting for Anisothermality on Bennu in OSIRIS-REx Spectral Datasets	43.001	-	26,701	34,858
Modeling Magnetic Reconnection and Particle Acceleration in the Magnetotail and at the Magnetopause	43.001	-	-	33,364
Development of a Stellar Model-Fitting Pipeline for Asteroseismic Data from the TESS Mission	43.001	-	-	30,120
Re-Calibration of the MGS TES Spectrometer Dataset	43.001	-	23,993	28,383
The Formation of Benzene and Complex Organic Molecules in the Auroral and Non-Auroral Regions of Saturn	43.001	-	-	22,640
Spectral Synthesis for Large-Scale Stellar Surveys, Asteroseismology and Galactic Archaeology	43.001	-	-	21,031
Pyroclastic Mantles Associated with Lunar Domes and Other Volcanic Features	43.001	-	-	16,470

See Notes to Schedule of Expenditures of Federal Awards.

**SPACE SCIENCE INSTITUTE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2020**

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
Research and Development Awards (Continued)				
NASA (Continued)				
Direct (Continued)				
Creating an Improved Multiannual Dust Climatology Dataset for Mars	43.001	-	\$ -	\$ 15,201
The Dynamics and Structure of Multiscale Current Systems During Dipolarization Events	43.001	-	-	14,387
Understanding Wave-Particle Interactions between Solar Wind Plasma Waves and Heavy Ions	43.001	-	-	6,505
The Brightest Blazars	43.001	-	-	6,442
Direct Imaging and Interferometry of Proto-planets at the Epoch of Disk Clearing	43.001	-	-	6,277
Extreme AO Imaging and Integral Field Spectroscopy of Young Planet-Forming Disks	43.001	-	-	332
Chemistry and Dynamics in Venus' Lower Atmosphere and Cloud Layers in the Context of the Global Sulfur Cycle	43.001	-	-	107
Atmospheric Dust Over the Martian South Polar Region During Global Dust Storms	43.001	-	-	30
Passed Through Arizona State University				
Mastcam-Z: A Geologic, Stereoscopic, and Multispectral Investigation for the NASA Mars 2020 Rover Mission	43.001	15-712	-	150,026
Passed through Boston University				
Ionospheric Chemistry and Structure of the Giant Planets	43.001	4500003114 80NSSC19K0546	-	27,712
Passed Through Jet Propulsion Laboratory				
Ozone/Aerosol Ultraviolet Studies in Support of NOMAD Observations	43.001	1551112	-	176,680
Explore Exoplanets: The Search for Alien Earths	43.001	1566582	-	141,310
MEDA: Mars Environmental Dynamics Analyzer 2020	43.001	1607215	-	92,118
Laboratory Testing of the Photochemical Origin of New Sulfurous Species Detected by ROSINA	43.001	1641452	-	69,514
Thermo-Mechanical Properties of 67P and Their Evolution	43.001	1638195	-	51,378
Mars 2020 Rover PIXL Investigation	43.001	1516947	-	37,877

See Notes to Schedule of Expenditures of Federal Awards.

SPACE SCIENCE INSTITUTE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2020

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
Research and Development Awards (Continued)				
NASA (Continued)				
Passed Through (Continued)				
Passed Through Jet Propulsion Laboratory (Continued)				
Europa's Habitability from Surface Mineralogy: What a Lander "Vibrational Spectrometer" May Find	43.001	1649452	\$ -	\$ 32,554
ChemCam for MSL	43.001	1356597	-	22,912
Reduction and Archiving of Mission-Supporting Ground-Based Thermal Observations of Jupiter	43.001	1589069	-	20,163
Very Long Baseline Array Observation Campaign of OSIRIS-Rex	43.001	1582787	-	9,032
Life at Low Water Activity with Salts Relevant to Mars and Icy Satellites	43.001	1546742	-	1,448
Data Analysis and Modeling of the Cassini VIMS Thermal Emission Spectra of Active Fissures at the South Pole of Enceladus	43.001	1637885	-	98
Passed Through Malin Space Science Systems				
Mastcam, MAHLI, MARDI	43.001	18-1187	-	68,431
Passed Through Northern Arizona University				
Testing the Limits of Spectral Mixture Modeling in the Thermal Infrared: Insights from Radiative Transfer Modeling and Laboratory Spectral Analysis	43.001	1003994-02, 80NSSC19K0550	-	9,802
Passed Through Smithsonian Astrophysical Observatory				
J11047+0739: X-ray Weak/Obscured AGN or Extreme Starburst?	43.001	GO9-20106X	-	36,130
Passed Through Southwest Research Institute				
Modeling the Mobilization and Atmospheric Transport of Biological Material and Contaminants from Humans and Spacecraft on Mars	43.001	N99016EH, 80NSSC19K0236	-	33,164

See Notes to Schedule of Expenditures of Federal Awards.

**SPACE SCIENCE INSTITUTE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2020**

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
Research and Development Awards (Continued)				
NASA (Continued)				
Passed Through (Continued)				
Passed Through Space Telescope Science Institute				
The HST Follows Galactic Influencers: a COS UV Survey of the Most Massive O-stars in the SMC	43.001	HST-GO-15837.002-A	\$ -	\$ 27,216
Origin of the High Velocity Gas in NGC 6231	43.001	HST-GO-15206.001-A	-	21,270
Energy Balance in Saturn's Upper Atmosphere: Joint Lyman-Alpha Airglow Observations with HST and Cassini	43.001	HST-GO-14931.007-A	-	11,122
The First Near-Infrared Reflectance Spectrum of an Exoplanet	43.001	HST-GO-15131.004-A	-	9,473
What is on the Black Hole Menu? Joint HST/COS and XMM/EPIC Spectroscopy of the X-ray Binary M33 X-7	43.001	HST-GO-15636.002-A	-	7,090
WFC3-UVIS Eclipse Observation of WASP-43b: Helping James Webb See Through the Clouds	43.001	HST-GO-15473.016A	-	6,537
Enhancing the Scientific Return from HST Imaging of Debris Disks	43.001	HST-AR-14590.002-A	-	5,186
An NUV SNAP Program to Supplement and Enhance the Value of the ULYSSES OB Star Legacy Data	43.001	HST-GO-16230.001-A	-	4,880
Linking the Jet, Inner Disk, and Outer Disk of HD 163296	43.001	HST-GO-15437.003-A	-	3,611
Light Echoes and Environment of SN 2014J in M82	43.001	HST-GO-14146.007-A	-	613
Passed Through Universities Space Research Association				
SOFIA Data Processing and Calibration	43.001	08700-05	-	252,937
Short and Long Term Variability in Pre-Transitional Disks Around High-Mass Pre-Main Sequence Stars	43.001	SOF 07-0049	-	16,518
2017 SOFIA Research Grant	43.001	SOF 05-0138	-	11,565
Studying the Silicate Dust Evolution in the Symbiotic Mira; R Aquarii	43.001	SOF 06-0005	-	9,489
Studying the Silicate Dust Evolution in the Symbiotic Mira: R Aquarii	43.001	SOF 07-0097	-	3,553
Probing Accretion in the Symbiotic Mira; R Aquarii	43.001	SOF 05-0094	-	1,821
Passed Through University Corporation for Atmospheric Research				
Coronal Holes as the Source of Slow and High Speed Solar Wind	43.001	SUBAWD001500	-	83,049

See Notes to Schedule of Expenditures of Federal Awards.

**SPACE SCIENCE INSTITUTE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2020**

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
Research and Development Awards (Continued)				
NASA (Continued)				
Passed Through (Continued)				
Passed Through The University of Alabama				
Rose 2017: Pickup Ions in the Outer Heliosphere and Beyond	43.001	2019-022	\$ -	\$ 100,206
Passed Through University Of Arizona				
Saturn's Upper Atmosphere Revealed by New Cassini/UVIS Occultations	43.001	531781	-	41,628
OSIRIS Rex	43.001	Y603273	-	40,860
Passed Through University of California, Los Angeles				
Understanding the 3D Structure and Dynamics of Magnetosheath				
High-speed Jets and their Role in Dayside Processes	43.001	2090 G UA981	-	61,356
Kinetic Processes and Multiscale Structures in the Dayside Magnetopause	43.001	1000 G XA191	-	50,648
Boundary Layers	43.001	1000 G VA771	-	25,105
Multiscale Nature of Plasma Acceleration and Energization at Earth's	43.001	1000 G VA771	-	25,105
Magnetosphere	43.001	1000 G XD293	-	10,531
Kinetic Modeling of the Impact of Solar Wind Structure on the Dayside	43.001	1000 G XD293	-	10,531
Magnetosphere	43.001	1000 G WB127	-	7,338
Full Particle Self-Consistent Simulations of a Planetary Magnetosphere	43.001	1000 G WB127	-	7,338
Passed Through University Of Colorado				
Magnetic Flux Rope Dynamics at Solar Wind Reconnection Exhausts				
Analysis of Relation between Simultaneous MMS Wave and Particle Data	43.001	1557972	-	10,736
	43.001	1555894	-	10,032
Passed Through University Of Houston				
Saturn's Zonal Winds: Temporal and Vertical Variability Explored by				
Cassini Multi-Instrument Observations	43.001	80NSSC19K0198, R-19-0049	-	15,676
Passed Through University Of Iowa				
A New Theoretical and Experimental Framework for Solar Wind Electrons				
and Non-Pertubative Fluid Heat Closure	43.001	S01118-01	-	21,167

See Notes to Schedule of Expenditures of Federal Awards.

**SPACE SCIENCE INSTITUTE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2020**

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
Research and Development Awards (Continued)				
NASA (Continued)				
Passed Through (Continued)				
Passed Through University of Maryland				
Modeling Light Scattering by Particulate Surfaces to Study Composition and Surface Structure of Solar System Bodies Using Their Spectra and Photometry	43.001	56091-Z6056201	\$ -	\$ 23,463
Subtotal CFDA #43.001			<u>808,236</u>	<u>6,423,181</u>
Total National Aeronautics and Space Administration (NASA)			<u>808,236</u>	<u>6,423,181</u>
National Science Foundation				
Direct				
Magnetic Evolution of Sun-like Activity Cycles	47.049	-	-	79,974
Collaborative Research: Non-Linear Physics of the Interaction Between a Relativistic Electron Beam and Magnetized Plasma: an Integrated Experimental and Modeling Approach	47.049	-	-	8,639
NSF-BSF: Collaborative Research: Rankine-Hugoniot Conditions Relating the Gyrotropic Regions of Collisionless Shocks in Non-Thermal Plasma	47.049	-	-	6,687
Subtotal CFDA #47.049			-	95,300
SHINE: Physics of the Interplanetary Electric Potential and Modifications to Exosphere Models of the Solar Wind	47.050	-	21,484	149,801
Onset and Consequences of Reconnection in the Magnetotail	47.050	-	-	106,040
Collaborative Research: GEM: The Excitation and Propagation of Fast Magnetosonic Waves and Their Effect on Radiation Belt Electrons	47.050	-	23,696	55,677
Collaborative Research: Equatorial Glaciation and Landscape Burial in the Late Paleozoic: Implications for Pangaeen Climate and Tectonics	47.050	-	-	40,552
GEM Systems Science: Creating and Analyzing an Earth Index Collection	47.050	-	-	35,018
Collaborative Research: NSFGE0-NERC: Conjugate Experiment to Investigate Sources of High-Latitude Magnetic Perturbations in Coupled Solar Wind-Magnetosphere-Ionosphere-Ground System	47.050	-	-	2,798

See Notes to Schedule of Expenditures of Federal Awards.

**SPACE SCIENCE INSTITUTE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2020**

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
Research and Development Awards (Continued)				
National Science Foundation				
Direct				
GEM: Developing a Highly Predictable Canonical Geomagnetic Index to Gauge Space Weather	47.050	-	\$ -	\$ 2,562
Collaborative Research: Substorm Particle Injection into the Ring Current-MagnetoHydroDynamic (MHD) with Embedded Particle-In-Cell (PIC) Simulation Approach	47.050	-	-	1,803
Passed Through University of New Hampshire				
GEM: The Role of O+ on Onset and Energy Release in the Earth's Magnetotail	47.050	17-032	-	25,042
Subtotal CFDA #47.050			45,180	419,293
Direct				
Collaborative Research: STAR Library Network Phase 3: Enhancing STEM Equity Enhancing Learning Opportunities in Libraries of Rural Communities	47.076	-	58,446	282,877
Project BUILD: Building Using an Interactive Learning Design	47.076	-	80,023	137,342
Broad Implementation: Phase Two of the STAR Library Education Network	47.076	-	28,385	106,937
Collaborative Research: Water in the Four Corners Region: Libraries and Exhibits Connecting and Engaging Communities with Their Water Systems	47.076	-	-	57,498
Subtotal CFDA #47.076			166,854	584,654
Total National Science Foundation			212,034	1,099,247
Institute of Museum and Library Services				
Passed Through Urban Libraries Council				
Partners for Middle School STEM	45.312	ULC SSI	-	27,107
Subtotal CFDA #45.312			-	27,107
Total Institute of Museum and Library Services			-	27,107

See Notes to Schedule of Expenditures of Federal Awards.

**SPACE SCIENCE INSTITUTE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2020**

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
Research and Development Awards (Continued)				
Department of Energy				
Direct				
Using Kinetic Entropy to Understand Dissipation in Reconnection and Turbulence	81.049	-	\$ -	\$ 14,392
Strong Turbulent Alfven Wave Interactions in a Laboratory Plasma	81.049	-	-	7,147
Subtotal CFDA #81.049			-	21,539
Total Department of Energy			-	21,539
Total Research and Development Awards			\$ 1,020,270	\$ 7,571,074

See Notes to Schedule of Expenditures of Federal Awards.

**SPACE SCIENCE INSTITUTE
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2020**

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes federal grant activity of Space Science Institute (the Institute) under programs of the federal government for the year ended December 31, 2020. The information in the Schedule is presented in accordance with the requirements of Title 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Institute, it is not intended to, and does not, present the financial position, changes in net assets or cash flows of the Institute.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 INDIRECT COST RATE

The Institute elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance. The Institute utilizes the indirect awards included in the grant agreements obtained. Predetermined indirect cost rates were obtained on December 4, 2019, June 13, 2016, and June 1, 2015, covering periods from 2013 to the present. Accordingly, grants applied for and obtained after this date include this federally approved indirect cost rate.

**SPACE SCIENCE INSTITUTE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2020**

Section I – Summary of Auditors’ Results

Financial Statements

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? yes no
 - Significant deficiency(ies) identified? yes none reported
3. Noncompliance material to financial statements noted? yes no

Federal Awards

1. Internal control over major federal programs:
- Material weakness(es) identified? yes no
 - Significant deficiency(ies) identified? yes none reported
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? yes no

Identification of Major Federal Program

CFDA Number

43.001, 47.049, 47.050,
47.076, 45.312, 81.049

Name of Federal Program

Research and Development Cluster

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

\$ 750,000

Auditee qualified as low-risk auditee?

yes no

**SPACE SCIENCE INSTITUTE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2020**

Section II – Financial Statement Findings

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

**SPACE SCIENCE INSTITUTE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2020**

Section III – Findings and Questioned Costs – Major Federal Programs

Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).



**SPACE SCIENCE INSTITUTE
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 2020**

National Aeronautics and Space Administration (NASA)

Space Science Institute respectfully submits the following summary schedule of prior audit findings for the year ended December 31, 2020.

Audit period: January 1, 2020 – December 31, 2020

The findings from the prior audit's schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the prior year.

FINDINGS — FINANCIAL STATEMENT AUDIT

2019 – 001: Restatement of Beginning Net Assets

Condition: Beginning net assets, accounts receivable, prepaid rent and leasehold improvements were restated as a result of misstatements identified in the prior year audited financial statements. In addition, adjustments for 2019 financial activity for paid leave expense, leasehold improvements and a note payable were made in order to properly present the financial statements in accordance with U.S. Generally Accepted Accounting Principles (GAAP).

Status: Resolved.

FINDINGS — FEDERAL AWARD PROGRAMS AUDITS

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

If NASA has questions regarding this plan, please call Carl Wuth at 720-974-5888 or wuth@spacescience.org.