

GREEN Charter School
(A Component Unit of the South Carolina
Public Charter School District)

Greenville, South Carolina

ANNUAL FINANCIAL REPORT
June 30, 2022

(With Independent Auditors' Report Thereon)

**GREEN CHARTER SCHOOL
 GREENVILLE, SOUTH CAROLINA
 Annual Financial Report
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MARTIN · SMITH

& COMPANY CPAs

INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS

The Board of Directors
GREEN Charter School
Greenville, South Carolina

Opinion

We have audited the accompanying financial statements of the governmental activities and each major fund of GREEN Charter School (Greenville Renewable Energy Education Charter School) (“the School”), a component unit of the South Carolina Public Charter School District, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the School’s financial statements, as listed in the accompanying table of contents.

In our opinion, the financial statements referred to in the first paragraph above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of GREEN Charter School at June 30, 2022, and the respective changes in financial position thereof for the year then ended, in conformity 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 and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of GREEN Charter School 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 Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about GREEN Charter School’s ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are 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 generally accepted auditing standards and Government Auditing Standards 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 reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and Government Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, 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 financial statements.
- 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 School'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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the School's ability to continue as a going concern for a reasonable period of time.

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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information, as listed in the accompanying table of contents, be presented to supplement the financial statements. Such information, although not a required part of the financial statements, is supplementary information required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in the appropriate operational, economic, or historical context. 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 financial statements, and other knowledge we obtained during our audit of the 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.

Supplementary Information

Our audit was performed for the purpose of forming an opinion on the financial statements taken as a whole. The other supplementary information, as listed in the accompanying table of contents, is presented for purposes of additional analysis and is not a required part of the financial statements of GREEN Charter School. 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. Such 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, such information is fairly presented in all material respects in relation to the financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated October 19, 2022, 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 and grants. The purpose of that report is solely to describe the scope of testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 GREEN Charter School's internal control over financial reporting and compliance.

Martin Smith and Company CPAs PA

**GREEN CHARTER SCHOOL
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2022**

This discussion and analysis of GREEN Charter School's ("the School") financial performance provides an overview of the School's financial activities for the fiscal year ended June 30, 2022. The intent of this discussion and analysis is to look at the School's financial performance as a whole. Readers should also review the Notes to the Financial Statements and the financial statements themselves to enhance their understanding of the School's financial performance.

FINANCIAL HIGHLIGHTS

Government-Wide Financial Statements

In the Statement of Net Position, the assets of the School exceeded its liabilities at the close of the most recent fiscal year by \$5,101,793 (net position). Of this amount, however, \$347,412 is invested in capital assets (net of debt) and \$1,773,260 is restricted by debt agreements. Therefore, the School reported an unrestricted net position of \$2,981,121.

The School's net position decreased by \$1,517,597 during the current fiscal year, as compared to an increase of \$336,647 in the previous fiscal year.

Fund Financial Statements

As of the close of the current fiscal year, the School's Governmental Funds reported a combined ending fund balance of \$4,754,381, compared to a fund balance of \$3,194,274 in the previous fiscal year.

The School's total capital assets, net of accumulated depreciation, were \$17,467,922. The School's net capital assets increased by \$9,325,306, as property additions exceeded depreciation. The School acquired the lower-campus educational facility it had been leasing.

The School borrowed \$16,206,869 under a bond issue to repay its existing debt and acquire the educational facility.

During the 2022 fiscal year, the School's governmental fund-type revenues were \$10,472,960. The School reported governmental fund-type revenues of \$9,544,104 in the previous fiscal year.

During the current fiscal year, the School's governmental fund-type expenditures were \$26,060,235. This amount included \$9,400,000 in capital outlays and \$5,067,500 in debt repayments.

Overall

The 135-day student count decreased by 4, from 945 students in the prior year to 941 students in the current year. The 135-day enrollment count is the basis for most of the state funds that the School receives.

OVERVIEW OF THE FINANCIAL STATEMENTS

Management's Discussion and Analysis serves as an introduction to the School's financial statements. The School's financial statements consist of three components:

- Government-Wide Financial Statements
- Fund Financial Statements
- Notes to the Financial Statements

In addition to the financial statements, this report contains Required Supplementary Information that will enhance the reader's understanding of the financial condition of the School.

**GREEN CHARTER SCHOOL
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2022**

OVERVIEW OF THE FINANCIAL STATEMENTS, Continued

Government-Wide Financial Statements

The Government-Wide Financial Statements provide a broad overview of the School's overall financial status, in a manner similar to a private-sector enterprise.

The Statement of Net Position presents information on all of the School's assets and liabilities, with the difference between the two reported as net position. Over time, 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 government's net position is reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, for some items, revenues and expenses are reported in this statement that will only result in cash flows in future fiscal periods.

The Government-Wide Financial Statements distinguish functions of the School that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). However, all activities of the School are governmental activities, which include instruction, supporting services, and debt service.

Fund Financial Statements

The remaining financial statements are Fund Financial Statements which focus on individual parts of the School, reporting the School's operations in more detail than the Government-wide Statements.

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related requirements. All of the funds of the School are Governmental Funds.

Governmental Funds are used to account for essentially the same functions reported as Governmental Activities in the Government-Wide Financial Statements. However, unlike the Government-Wide Financial Statements, Governmental Funds Financial Statements focus on near-term uses of expendable resources, as well as on balances of expendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government'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 government's near-term financing decisions. Both the Governmental Funds Balance Sheet and the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balance provide a reconciliation to facilitate the comparison between governmental funds and governmental activities.

The School maintains three individual Governmental Funds. Information is presented separately in the Governmental Funds Balance Sheet and in the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balance for the General Fund and the Special Revenue Funds. The Governmental Funds Financial Statements can be found at Exhibits C, D, E, and F of this report.

**GREEN CHARTER SCHOOL
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2022**

OVERVIEW OF THE FINANCIAL STATEMENTS, Continued

Notes to the 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 following Exhibit F of this report.

Other Information

The School adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided in the required supplementary information section for this fund to demonstrate compliance with its budget.

**Major Features of GREEN Charter School
Government-Wide and Fund Financial Statements**

	Government-Wide Statements	Fund Financial Statements
		<i>Government Funds Only</i>
Scope	Entire school unit	The activities of the School that are not proprietary or fiduciary
Required financial statements	Statement of Net Position Statement of Activities	Balance Sheet Statement of Revenues, Expenditures, and Changes in Fund Balance
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used and liabilities that come due during the year or soon thereafter; no capital assets included
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year, expenditures when goods/services have been received and payment is due during the year or soon after

**GREEN CHARTER SCHOOL
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2022**

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the School, assets exceeded liabilities by \$5,101,793 at the close of the most recent fiscal year.

The following table provides a summary of the School's net position for 2022 compared to 2021:

Net Position

	Governmental Activities	
	2022	2021
Assets		
Current and other assets	\$ 5,555,726	\$ 3,426,681
Capital assets	17,467,922	8,492,616
Total assets	23,023,648	11,919,297
Liabilities		
Long-term liabilities	17,120,510	5,067,500
Other liabilities	801,345	232,407
Total liabilities	17,921,855	5,299,907
Net Position		
Net investment in capital assets	347,412	3,425,116
Restricted net position	1,773,260	-
Unrestricted net position	2,981,121	3,194,274
Total net position	\$ 5,101,793	\$ 6,619,390

During the current fiscal year, net position of the School's governmental activities decreased by \$1,517,597. Unrestricted net position – the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements – changed from \$3,194,274 at June 30, 2021, to \$2,981,121 at June 30, 2022.

**GREEN CHARTER SCHOOL
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2022**

The following table shows the changes in net position for fiscal year 2022 compared to 2021:

Changes in Net Position

	Governmental Activities	
	2022	2021
Revenues		
Program revenues:		
Operating grants	\$ 9,935,378	\$ 9,384,008
Charges for services and sales	503,522	156,600
General revenues:		
Other revenue	32,153	231
Interest earnings	1,414	3,265
	10,472,467	9,544,104
Program Expenses		
Instruction	5,943,928	5,119,285
Support services	4,548,974	4,371,656
Interest	1,497,162	458,261
	11,990,064	9,949,202
Non-recurring item - contribution from forgiveness of PPP loan	-	741,745
Increase (decrease) in net position	\$ (1,517,597)	\$ 336,647

Governmental Activities:

FINANCIAL ANALYSIS OF THE SCHOOL'S FUNDS

Governmental Funds

For the year ended June 30, 2022, the School's Governmental Funds reported combined fund balances of \$4,754,381 as compared to \$3,194,274 for the prior year.

The Special Revenue Funds consists of various federal, state, and local funds and the Education Improvement Act funds. These funds were spent appropriately as mandated by the legislation that allowed for their distribution. The majority of funds that were received during the year were expended during the current fiscal year. The remaining fund balance in the current year relates to food service activities.

General Fund Budgetary Highlights

The School's budget is prepared according to South Carolina law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund. During the course of the fiscal year 2022, amendments to the School's General Fund budget resulted in an insignificant change in fund balances.

**GREEN CHARTER SCHOOL
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2022**

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2022, the School had \$17,467,922 net investment in capital assets. The year-end total of capital assets was \$18,728,625, with a total accumulated depreciation of \$1,260,704. The depreciation expense taken during the year was \$424,694. The School acquired its lower-campus educational facility during the year for \$9,750,000.

The following table shows fiscal 2022 balances compared to 2021:

	Capital Assets (Net of Depreciation)	
	Governmental Activities	
	2022	2021
Land	\$ 3,110,000	\$ 1,960,000
Building	12,741,866	4,814,594
Furniture, fixtures, and equipment	150,976	187,632
Vehicles	80,783	1,428,195
Building improvements	1,384,297	102,195
Totals	\$ 17,467,922	\$ 8,492,616

Long-term Debt

At fiscal year-end, the School had \$17,120,510 in notes payable versus \$5,067,500 in the prior year, as shown in the following table:

	Outstanding Debt, at Year End	
	Governmental Activities	
	2022	2021
Series 2020 Bonds payable	\$ -	\$ 5,067,500
Series 2021 Bonds payable	16,206,869	-
Bond premiums, net	913,641	-
Total long-term debt	\$ 17,120,510	\$ 5,067,500

**GREEN CHARTER SCHOOL
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2022**

Economic Factors

The following key economic indicators reflect the operations of the School:

- The School continues to see community support as evidenced by the volunteerism, local organizations donating classroom and office supplies, private donations, and support through fundraising.
- The School has a returning staff of professionals that are committed to the School.
- The School will continue to seek both federal and private grant funds to supplement its Education Finance Act (“EFA”) funding.

Contacting the School’s Financial Management

This financial report is designed to provide interested parties with a general overview of the School’s finances and to show the School’s accountability for the money it receives. If you have questions about this report or need additional financial information, contact the School’s business office located at 1440 Pelham Road, Greenville, South Carolina 29615.

**GREEN CHARTER SCHOOL
GREENVILLE, SOUTH CAROLINA
Statement of Net Position
June 30, 2022**

<u>ASSETS</u>	<u>Governmental Activities</u>
Cash and cash equivalents	\$ 4,256,543
Due from other governmental units	243,111
Due from related organizations	1,054,621
Other receivables	1,451
Capital assets	18,728,626
Less accumulated depreciation and amortization	(1,260,704)
Total capital assets, net of depreciation	<u>17,467,922</u>
Total assets	<u>23,023,648</u>
 <u>LIABILITIES</u>	
Accounts payable and accrued expenses	772,046
Unearned revenue	29,299
Long-term liabilities:	
Due within one year	-
Due in more than one year	<u>17,120,510</u>
Total liabilities	<u>17,921,855</u>
 <u>NET POSITION</u>	
Net investment in capital assets	347,412
Restricted net position	1,773,260
Unrestricted net position	<u>2,981,121</u>
Total net position	<u>\$ 5,101,793</u>

The notes to the financial statements are an integral part of this statement.

**GREEN CHARTER SCHOOL
GREENVILLE, SOUTH CAROLINA
Statement of Activities
For the Year Ended June 30, 2022**

Functions / Programs	Expenses	Program Revenues		Net Revenue (Expense) and Change in Net Position
		Charges for Services and Sales	Operating Grants and Contributions	Governmental Activities
Governmental activities:				
Instruction	\$ 5,943,928	144,931	\$ 4,925,343	\$ (873,654)
Support services	4,548,974	-	3,769,435	(779,539)
Interest and other charges	1,497,162	358,591	1,240,600	102,029
Total governmental activities	11,990,064	503,522	9,935,378	(1,551,164)
Total	\$ 11,990,064	503,522	\$ 9,935,378	(1,551,164)

General revenues:	
Other revenue	32,153
Unrestricted investment earnings	1,414
Total general revenues	33,567
Change in net position	(1,517,597)
Net position, beginning of year	6,619,390
Net position, end of year	\$ 5,101,793

The notes to the financial statements are an integral part of this statement.

**GREEN CHARTER SCHOOL
GREENVILLE, SOUTH CAROLINA
Balance Sheet - Governmental Funds
June 30, 2022**

	<u>General</u>	<u>Special Revenue</u>	<u>EIA</u>	<u>Total Governmental Funds</u>
<u>ASSETS</u>				
Cash and cash equivalents	\$ 4,256,543	\$ -	\$ -	\$ 4,256,543
Due from other governmental units	103,826	120,388	18,897	243,111
Due from related organizations	1,054,621	-	-	1,054,621
Due from other funds	29,741	-	-	29,741
Other receivables	1,451	-	-	1,451
	<u>5,446,182</u>	<u>120,388</u>	<u>18,897</u>	<u>5,585,467</u>
Total assets	<u>\$ 5,446,182</u>	<u>\$ 120,388</u>	<u>\$ 18,897</u>	<u>\$ 5,585,467</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable and accrued expenses	\$ 772,046	\$ -	\$ -	\$ 772,046
Unearned revenue	-	28,529	770	29,299
Due to other funds	-	11,614	18,127	29,741
	<u>772,046</u>	<u>40,143</u>	<u>18,897</u>	<u>831,086</u>
Total liabilities	<u>772,046</u>	<u>40,143</u>	<u>18,897</u>	<u>831,086</u>
Fund balances:				
Restricted	1,693,015	80,245	-	1,773,260
Unassigned	2,981,121	-	-	2,981,121
	<u>4,674,136</u>	<u>80,245</u>	<u>-0-</u>	<u>4,754,381</u>
Total fund balances	<u>4,674,136</u>	<u>80,245</u>	<u>-0-</u>	<u>4,754,381</u>
Total liabilities and fund balances	<u>\$ 5,446,182</u>	<u>\$ 120,388</u>	<u>\$ 18,897</u>	<u>\$ 5,585,467</u>

The notes to the financial statements are an integral part of this statement.

**GREEN CHARTER SCHOOL
GREENVILLE, SOUTH CAROLINA
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
June 30, 2022**

Total fund balance - Governmental Funds	\$	4,754,381
<p>Amounts reported for governmental activities in the Statement of Net Position are different because of the following:</p>		
<p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in Governmental Funds. The cost of assets is \$18,728,626 and the accumulated depreciation is \$1,260,704.</p>	17,467,922	
<p>Long-term liabilities, including bonds payable an premium, are not due and payable in the current period and, therefore, are not reported in the funds.</p>	<u>(17,120,510)</u>	
Net position of governmental activities	\$	<u><u>5,101,793</u></u>

The notes to the financial statements are an integral part of this statement.

GREEN CHARTER SCHOOL
GREENVILLE, SOUTH CAROLINA
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2022

	<u>General</u>	<u>Special Revenue</u>	<u>EIA Fund</u>	<u>Total Governmental Funds</u>
REVENUES				
Local	\$ 537,089	\$ -	\$ -	\$ 537,089
State	4,248,770	61,105	4,619,836	8,929,711
Federal	-	1,006,160	-	1,006,160
Intergovernmental	-	-	-	-
	<u>4,785,859</u>	<u>1,067,265</u>	<u>4,619,836</u>	<u>10,472,960</u>
EXPENDITURES				
Current:				
Instruction	5,211,878	308,937	83,852	5,604,667
Support services	3,747,638	678,083	17,217	4,442,938
Community services	-	-	-	-
Intergovernmental	-	-	-	-
Debt services:				
Redemption of principal	5,067,500	-	-	5,067,500
Interest and other charges	1,524,034	-	-	1,524,034
Capital outlay	9,421,096	-	-	9,421,096
	<u>24,972,146</u>	<u>987,020</u>	<u>101,069</u>	<u>26,060,235</u>
Excess (deficiency) of revenues over expenditures	<u>(20,186,287)</u>	<u>80,245</u>	<u>4,518,767</u>	<u>(15,587,275)</u>
OTHER FINANCING SOURCES (USES)				
Premiums on bonds sold	940,513	-	-	940,513
Proceeds from long-term notes	16,206,869	-	-	16,206,869
Operating transfers in	4,518,767	-	-	4,518,767
Operating transfers out	-	-	(4,518,767)	(4,518,767)
	<u>21,666,149</u>	<u>-0-</u>	<u>(4,518,767)</u>	<u>17,147,382</u>
Net changes in fund balance	1,479,862	80,245	-0-	1,560,107
FUND BALANCE, July 1, 2021	<u>3,194,274</u>	<u>-0-</u>	<u>-0-</u>	<u>3,194,274</u>
FUND BALANCE, June 30, 2022	<u>\$ 4,674,136</u>	<u>\$ 80,245</u>	<u>\$ -0-</u>	<u>\$ 4,754,381</u>

The notes to the financial statements are an integral part of this statement.

**GREEN CHARTER SCHOOL
GREENVILLE, SOUTH CAROLINA
Reconciliation of Statement of Revenues, Expenditures, and Changes in
Fund Balance of Governmental Funds
to the Statement of Activities
For the Year Ended June 30, 2022**

Total net changes in fund balance - Governmental Funds	\$ 1,560,107
<p>Amounts reported for governmental activities in the Statement of Activities are different because of the following:</p>	
<p>Capital outlays are reported in Governmental Funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay (\$9,400,000), less disposals, exceeds depreciation (\$424,694) in the period.</p>	8,975,306
<p>Debt proceeds provide current financial resources to Governmental Funds, but issuing debt increases long-term liabilities in the Statement of Net Position.</p>	(17,147,382)
<p>Repayment of debt principal is an expenditure in the Governmental Funds, but the repayment reduces long-term liabilities in the Statement of Net Position.</p>	5,067,500
<p>Bond premium amortization is not an expenditure in the Governmental Funds, but the amortization reduces long-term liabilities in the Statement of Net Position</p>	<u>26,872</u>
Change in net position of governmental activities	<u><u>\$ (1,517,597)</u></u>

The notes to the financial statements are an integral part of this statement.

**GREEN CHARTER SCHOOL
GREENVILLE, SOUTH CAROLINA
Notes to the Financial Statements
June 30, 2022**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the GREEN Charter School (“the School”) conform to accounting principles generally accepted in the United States of America as applicable to governments. The following is a summary of the more significant accounting policies:

A. Reporting Entity

Greenville Renewable Energy Education Charter School is known as GREEN Charter School. GREEN Charter School (“the School”) was created in 2012 through a charter granted by the South Carolina Public Charter School District (“the District”). The School began operations in 2013.

The School’s mission is to establish improved science and sustainability learning opportunities that stimulate scientifically literate individuals, workforce, and leadership through world class and challenging science teaching standards. The School will instill in its students the desire to continually expand their intellects and use the content knowledge and skills they have acquired to participate in and responsibly shape the quality and direction of a complex world with ever increasing energy and sustainability demands. The School seeks to offer this format of education to approximately 940 kindergarten through twelfth grade students.

A charter school is an independent public school, governed by an independent Board of Directors (“the Board”). To encourage innovation, charter schools operate free from a number of state laws and regulations. Charter schools are funded similarly to other public schools in that state and local funds are allocated for each enrolled student. Charter schools may charge for selected additional costs consistent with those permitted by school districts. Because charter schools receive local, state, and federal funds they may not charge tuition.

The School is considered a component unit of the South Carolina Public Charter School District. A component unit, although a legally separate entity, is, in substance, part of the South Carolina Public Charter School District's operations. The School has no component units for which it is considered to be financially accountable.

Sister schools named GREEN Charter School of the Midlands (“Midlands”), GREEN Charter School of Spartanburg (“Spartanburg”) and GREEN Charter School of the Lowcountry (“Lowcountry”) opened to students in fiscal year 2018, 2020, and 2021, respectively. Although the District considers these schools as separate entities, a single Board presides over all four schools, and they operate under a single Federal Employer Identification Number (“FEIN”). Also, a sister school named GREEN Upstate High School (“Upstate”) will open its doors to students in the fall of 2022 and will complete its first fiscal year as of June 30, 2023.

B. Government-Wide and Fund Financial Statements

The Government-Wide Financial Statements include the Statement of Net Position and the Statement of Activities which report information on all of the activities of the School. The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include: 1) charges to customers who purchase, use or directly benefit from services or privileges provided by a given function, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements report detailed information about the School. The focus of Governmental Financial Statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds, if any, are aggregated and presented in a single column.

The accounts of the government are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. 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.

**GREEN CHARTER SCHOOL
GREENVILLE, SOUTH CAROLINA
Notes to the Financial Statements
June 30, 2022**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The Government-Wide Financial Statements are reported using the economic resources 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 flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental Funds Financial Statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the School considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, are recorded only when payment is due. All other revenue items are considered to be measurable and available only when cash is received by the School.

The School reports the following major Governmental Funds:

- The General Fund is the School's primary operating fund. It accounts for all financial resources of the School, except those required to be accounted for in another fund.
- The Special Revenue Fund accounts for specific revenue sources (other than expendable trusts) that are legally restricted to expenditures for specified purposes. Money in this fund is expended according to the provisions of general statutes applicable to charter schools.

The School did not have any non-major funds as of June 30, 2022.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Assets, Liabilities, and Net Position or Fund Balance

1) Deposits and Investments

The School's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. The School has not formally adopted a deposit and investment policy.

The School is authorized to invest in securities as allowed by South Carolina statute. Those investments are restricted to:

- 1) Obligations of the United States and agencies thereof;
- 2) General obligations of the State of South Carolina or any of its political units;
- 3) Savings and loan associations to the extent that the same are secured by the Savings Association Insurance Fund of the Federal Deposit Insurance Corporation ("FDIC");
- 4) Certificates of deposit where the certificates are collaterally secured by securities of the type described in (1) and (2) above held by a third party as escrow agent or custodian, of a market value not less than the amount of the certificates of deposit so secured, including interest.

2) Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both Government-Wide and Fund Financial Statements.

**GREEN CHARTER SCHOOL
GREENVILLE, SOUTH CAROLINA
Notes to the Financial Statements
June 30, 2022**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

D. Assets, Liabilities, and Net Position or Fund Balance, Continued

3) Receivables and Payables

During the course of operations, numerous transactions occur between the School, vendors and revenue sources for goods provided or services rendered. Amounts due from individuals, organizations or other governmental units are recorded as receivables at year-end. All receivables are considered fully collectible; therefore, no allowance has been made for doubtful accounts. Amounts due to individuals, vendors or other governmental units are recorded as payables at year-end.

4) Capital Assets

Capital assets include equipment, furniture, technology, vehicles, and leasehold improvements. Capital assets are defined by the School as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

<u>Assets</u>	<u>Years</u>
Building	39
Furniture, fixtures, and equipment	3 - 5
Vehicles	5
Building improvements	39

5) Unearned revenue

Unearned revenue arises when assets are recognized before revenue recognition criteria has been satisfied. Grants and entitlements received before the eligibility requirements are met are also recorded as unearned revenue.

6) Long-term Obligations

In the Government-Wide Financial Statements long-term debt and long-term obligations are reported as liabilities in the applicable governmental activities Statement of Net Position. In the Fund Financial Statements, governmental fund-types recognize principal and interest payments as expenditures of the current period and report the face amount of debt issued as other financing sources.

7) Fund Equity

In the Fund Financial Statements, fund balance classifications depict the nature of the net resources reported in the Governmental Funds. Individual governmental funds may include nonspendable resources and amounts that are restricted, committed, or assigned, or any combination of these classifications. The General Fund also includes unassigned amounts. The School considers that committed amounts are reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of these unrestricted fund balance classifications could be used. The School's policy is to apply expenditures against nonspendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance at the end of the fiscal year by adjusting journal entries. First, nonspendable fund balances are determined. Then restricted fund balances for specific purposes, if any are determined. Then any remaining fund balance amounts for the non-general funds. Committed fund balance amounts are established by the School's Board through motions passed at the School's Board meetings. Assigned fund balance amounts are established by the School's administration. The School has no assigned fund balance amounts.

Nonspendable Fund Balance - includes amounts which cannot be spent. This includes items that may not be in spendable form or that may be legally or contractually required to be maintained intact. The School's nonspendable fund balance represents amounts not in spendable form.

**GREEN CHARTER SCHOOL
GREENVILLE, SOUTH CAROLINA
Notes to the Financial Statements
June 30, 2022**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

D. Assets, Liabilities, and Net Position or Fund Balance, Continued

7) Fund Equity, continued

Restricted Fund Balance - includes amounts that have constraints placed upon the use of the resources either by an external party or imposed by law through a constitutional provision or enabling legislation.

Committed Fund Balance - includes amounts that can only be used for the specific purposes pursuant to constraints imposed by a formal action of the School's Board.

Assigned Fund Balance - includes amounts that are constrained by the School's intent to be used for a specific purpose but are neither restricted nor committed. Assignments of fund balance are established by the School's administration.

Unassigned Fund Balance - is the residual classification for the General Fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. The General Fund should be the only fund that reports a positive unassigned fund balance amount. In other governmental funds, it may be necessary to report a negative unassigned fund balance.

8) Net Position

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Outstanding debt, which has not been spent, is included in the same net position component as the unspent proceeds. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

9) Fair Value

The fair value measurement and disclosure framework provides for a three-tier fair value hierarchy that gives highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the School can access at the measurement date.

Level 2 – Inputs to the valuation methodology, other than quoted prices included in Level 1 that are observable for an asset or liability either directly or indirectly and include:

- Quoted prices for similar assets and liabilities in active markets.
- Quoted prices for identical or similar assets or liabilities in inactive markets.
- Inputs other than quoted market prices that are observable for the asset or liability.
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 – Inputs to the valuation methodology that are unobservable for an asset or liability and include:

- Fair value is often based on developed models in which there are few, if any, observable inputs.

**GREEN CHARTER SCHOOL
GREENVILLE, SOUTH CAROLINA
Notes to the Financial Statements
June 30, 2022**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

D. Assets, Liabilities, and Net Position or Fund Balance, Continued

9) Fair Value, continued

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used should maximize the use of observable inputs and minimize the use of unobservable inputs.

The valuation methodologies described above may produce a fair value calculation that may not be indicative of future net realizable values or reflective of future fair values. The School believes that the valuation methods used are appropriate and consistent with GAAP. The use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. There have been no significant changes from the prior year in the methodologies used to measure fair value.

10) Use of Estimates

The preparation of the financial statements in conformity with GAAP as applicable to governmental units requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenue, expenditures, or expenses during the reporting period. Actual results could differ from those estimates.

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

Annual budgets for all Governmental Funds are adopted on the modified accrual basis for accounting, which is consistent with accounting principles generally accepted in the United States of America. All annual appropriations lapse at fiscal year-end and the School does not employ encumbrance accounting.

Each budget is prepared by function and object as dictated by the State of South Carolina adopted Program Oriented Budgeting and Accounting System and for management control purposes. The School's policies allow funds to be transferred between functions. However, the total budget cannot be increased beyond that level without approval of the School's Board. The legal level of control is at the fund level. During the year, the School revised the budget. The administration has discretionary authority to make transfers between appropriation accounts.

III. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

The School's cash investment objectives are preservation of capital, liquidity and yield. The School is authorized to invest in securities as allowed by South Carolina statute. Those investments are restricted to:

- 1) Obligations of the United States and agencies thereof;
- 2) General obligations of the State of South Carolina or any of its political units;
- 3) Savings and loan associations to the extent that the same are secured by the Savings Association Insurance Fund of the FDIC; and
- 4) Certificates of deposit where the certificates are collaterally secured by securities of the type described in (1) and (2) above held by a third party as escrow agent or custodian, of a market value not less than the amount of the certificates of deposit so secured, including interest. Investments, which consist of certificates of deposit, are stated at cost which approximates market. During the year, investments made but not held as of the balance sheet date consisted of certificates of deposit.

**GREEN CHARTER SCHOOL
GREENVILLE, SOUTH CAROLINA
Notes to the Financial Statements
June 30, 2022**

III. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments, Continued

Custodial credit risk – Custodial credit risk is the risk that the School’s deposits will not be returned to it. The School has no formal policy regarding custodial credit risk. The total cash balances are insured by the FDIC up to \$250,000 per bank. At June 30, 2022, the School’s carrying amount of deposits was \$4,256,543 and the bank balance was \$4,256,543, all of which is covered by the FDIC or collateralized.

Restrictions - Cash equivalent balances of \$917,358 at June 30, 2022 are restricted under the terms of a loan agreement for the payment of debt service on such loan, should the School be unable to make a scheduled payment. Cash equivalent balances of \$743,469 at June 30, 2022 are restricted for the payment of interest on such loan. Cash equivalent balances of \$32,188 at June 30, 2022 are restricted for other specified uses related to the loan.

Credit risk - South Carolina state statues only authorize the School to invest in certain types of investments. The School has no investment policy that would further restrict its choices.

Interest rate risk – The School does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Concentration of credit risk - Concentration of credit risk is the risk of loss attributed to the magnitude of the School’s investment in a single issuer. The School does not have a policy that limits the amount that may be invested in any one issuer.

B. Due From/Due To Other Funds

Interfund balances at June 30, 2022, consist of the following individual fund receivables and payables:

<u>Fund</u>	<u>Receivable</u>	<u>Payable</u>
Governmental Funds:		
General Fund	\$ 29,741	\$ -
Special Projects Fund	-	11,614
Education Improvement Act Fund	-	18,127
	\$ 29,741	\$ 29,741

The General Fund receivable is a result of the Special Projects Fund and EIA Fund owing the General Fund for amounts not yet received for state claims.

**GREEN CHARTER SCHOOL
GREENVILLE, SOUTH CAROLINA
Notes to the Financial Statements
June 30, 2022**

III. DETAILED NOTES ON ALL FUNDS, Continued

B. Due From/Due To Other Funds, Continued

During the course of normal operations, the School has transfers between funds to provide services. These transactions are generally reflected as transfers. Transfers from and to other funds for the year ended June 30, 2022, consisted of the following:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
Governmental Funds:		
General Fund	\$ 4,518,767	\$ -
Education Improvement Act Fund	-	4,518,767
Totals	<u>\$ 4,518,767</u>	<u>\$ 4,518,767</u>

The General Fund received transfers from the EIA Fund for charter school funding.

C. Capital Assets

Capital asset activity for the year ended June 30, 2022 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets not being depreciated:				
Land	\$ 1,960,000	\$ 1,150,000	\$ -	\$ 3,110,000
Total assets not being depreciated	<u>1,960,000</u>	<u>1,150,000</u>	<u>-0-</u>	<u>3,110,000</u>
Capital assets being depreciated:				
Building	5,234,190	8,250,000	-	13,484,190
Furniture, fixtures and equipment	359,933	-	-	359,933
Vehicles	178,445	-	-	178,445
Building improvements	1,596,058	-	-	1,596,058
Total assets being depreciated	<u>7,368,626</u>	<u>8,250,000</u>	<u>-0-</u>	<u>15,618,626</u>
Total capital assets	<u>9,328,626</u>	<u>9,400,000</u>	<u>-0-</u>	<u>18,728,626</u>
Less accumulated depreciation for:				
Building	419,595	322,728	-	742,323
Furniture, fixtures and equipment	172,302	36,655	-	208,957
Vehicles	76,250	21,412	-	97,662
Leasehold improvements	167,863	43,899	-	211,762
Total accumulated depreciation	<u>836,010</u>	<u>424,694</u>	<u>-0-</u>	<u>1,260,704</u>
Capital assets being depreciated, net	<u>6,532,616</u>	<u>7,825,306</u>	<u>-0-</u>	<u>14,357,922</u>
Governmental activities capital assets, net	<u>\$ 8,492,616</u>	<u>\$ 8,975,306</u>	<u>\$ -0-</u>	<u>\$ 17,467,922</u>

Depreciation expense of \$339,755 and \$84,939 is charged to instruction and support services, respectively. During the year ended June 30, 2022, the School acquired the lower-school campus educational facility which it had previously been leasing.

**GREEN CHARTER SCHOOL
GREENVILLE, SOUTH CAROLINA
Notes to the Financial Statements
June 30, 2022**

III. DETAILED NOTES ON ALL FUNDS, Continued

D. Long-Term Obligations

Leases

The School leased its educational facility for \$51,937 monthly, with the lease expiring August 2023. As noted below, in August 2021, the School borrowed under a bond agreement, in part to facilitate the acquisition of the educational facility leased under this lease agreement.

Long-term Debt

On August 26, 2020, the School, along with Midlands and Lowcountry, entered into an agreement whereby the entities borrowed \$18,317,500 under two bonds issued by the South Carolina Jobs-Economic Development Authority to refinance existing loan agreements and finance the acquisition, renovation, and furnishing of school facilities for Lowcountry. The Authority issued Revenue Bonds, Series 2020A and 2020B in connection with this loan agreement. These tax-exempt bonds pay interest monthly at 3.90% and are subject to mandatory redemption through September 2040. The repayment provisions of the loan agreement are identical to the bond requirements. The School's original portion of the total bond issues was \$5,159,000.

On August 12, 2021, the School, along with Midlands, Lowcountry, and Upstate, entered into an agreement whereby the entities borrowed \$50,255,000 under two bonds issued by the South Carolina Jobs-Economic Development Authority to refinance the Series 2020A and 2020B bonds, finance the acquisition, renovation, and furnishing of school facilities for Upstate, and the acquisition of the existing lower-school campus for the School. The Authority issued Revenue Bonds, Series 2021A and 2021B in connection with this loan agreement. These tax-exempt bonds pay interest monthly at rates from 2.65% to 3.22% and are subject to mandatory redemption through September 2051. The bond transaction included a premium of \$2,916,385. The repayment provisions of the loan agreement are identical to the bond requirements. The School's original portion of the total bond issues and bond premium were \$16,206,869 and \$940,513, respectively. The School's Series 2020A and Series 2020B bonds payable were fully repaid with proceeds from this borrowing. The School owed \$16,206,869 on these bonds as of June 30, 2022.

Covenants contained in the loan agreement limit the School's ability to incur additional debt or grant security interests in its assets; require periodic financial reporting; and require the School to maintain minimum levels of coverage of fixed charges, as defined, and to maintain a balance sheet leverage ratio no more than specified limits. Other customary covenants, representations, conditions, and default provisions for such a loan agreement are present. For the year ended June 30, 2022, the School is in compliance with the covenants.

Total interest expense for the year ended June 30, 2022, was \$1,054,908.

The following is a summary of changes in long-term obligations for the year ended June 30, 2022:

	<u>June 30, 2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2022</u>
Bonds payable:				
Series 2020 Bonds payable	\$ 5,067,500	\$ -	\$ (5,067,500)	\$ -
Series 2021 Bonds payable	<u>-</u>	<u>16,206,869</u>	<u>-</u>	<u>16,206,869</u>
Bonds payable	<u>\$ 5,067,500</u>	<u>\$ 16,206,869</u>	<u>\$ (5,067,500)</u>	16,206,869
Premium on bonds issued, net of accumulated amortization				<u>913,641</u>
Total long-term obligations at end of year				<u>\$ 17,120,510</u>

**GREEN CHARTER SCHOOL
GREENVILLE, SOUTH CAROLINA
Notes to the Financial Statements
June 30, 2022**

III. DETAILED NOTES ON ALL FUNDS, Continued

D. Long-Term Obligations, Continued

Long-term Debt, continued

The annual requirements to amortize all debt outstanding as of June 30, 2022, are as follows:

<u>Year Ending June 30</u>	<u>Note Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ -	\$ 271,400	\$ 271,400
2024	7,390	302,768	310,158
2025	104,004	647,547	751,551
2026	273,313	643,609	916,922
2027	283,122	632,887	916,009
2028 - 2032	1,596,878	2,985,044	4,581,922
2033 - 2037	1,943,020	2,638,955	4,581,975
2038 - 2042	2,366,830	2,217,919	4,584,749
2043 - 2048	2,874,891	1,705,531	4,580,422
2049 - 2053	3,497,840	1,082,663	4,580,503
2054 - 2055	3,259,581	292,641	3,552,222
	<u>\$ 16,206,869</u>	<u>\$ 13,420,964</u>	<u>\$ 29,627,833</u>

IV. OTHER INFORMATION

A. Risk Management

The School is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The School maintains a \$1,000,000 per occurrence general liability policy and a \$2,000,000 per occurrence errors and omissions policy with a commercial carrier.

The School carries commercial coverage for all other risks of loss. There have been no significant reductions in insurance coverage in the prior year, and claims have not exceeded coverage in any of the past two fiscal years.

B. Commitments and Contingencies

The School participates in a number of federal and state assisted programs. These programs are subject to program compliance audits by the grantors or their representatives. The amount of program expenditures that may be disallowed by the granting agencies cannot be determined at this time. Based on prior experience, the School's management believes such disallowances, if any, would be immaterial.

The School may be party to various legal proceedings incidental to its operation. Certain claims, suits, and complaints arising in the ordinary course of business may be filed or are pending. In the opinion of management, all such matters are adequately covered by insurance or, if not so covered, are without merit, or involve such amounts as would not have a significant effect on the financial position of the School if disposed of unfavorably.

**GREEN CHARTER SCHOOL
GREENVILLE, SOUTH CAROLINA
Notes to the Financial Statements
June 30, 2022**

IV. OTHER INFORMATION, Continued

C. Related Parties

The School pays certain expenses of Midlands, Spartanburg, and Lowcountry primarily related to employee benefits, and is reimbursed by the schools for those expenditures. As of June 30, 2022, Midlands and Spartanburg owed the School \$84,275 and \$72,518, respectively, for expenses to be reimbursed. The School also loaned Lowcountry additional start-up funding. As of June 30, 2022, Lowcountry owed the School \$533,030. During the current year, the School loaned Upstate start-up funding. As of June 30, 2022, Upstate owed the School \$367,798. These amounts are included as Due from Related Organization in the Statement of Net Position.

D. Employee Retirement Plan

The School maintains a 403(b) Plan (“the Plan”) with National Benefit Services. Employees contribute through payroll deductions to the Plan and the School matches a percentage of the employee’s contributions. These provisions were established by the Board. The School contributed \$419,705 to the Plan for the year ended June 30, 2022.

E. Other Matter

In December 2019, an outbreak of novel coronavirus (“COVID-19”) originated in China and spread to other countries, including the U.S. In March 2020, the World Health Organization characterized COVID-19 as a pandemic. Multiple jurisdictions in the U.S. declared a state of emergency and limited most aspects of business, education, travel, and personal physical interactions. Beginning in March 2020 through much of the following school year, the School was forced to move to primarily remote educational offerings and to cancel certain other programs. These necessary actions did cause certain school-related revenues to decrease and additional expenses to be incurred. Management of the School took prompt action to postpone certain initiatives and reduce operating expenses so as to maintain its financial stability.

In response to the pandemic, Congress passed the Coronavirus Aid, Relief, and Economic Security Act (“the CARES Act”) which introduced aid to affected organizations. Follow-up legislation to the CARES Act provides funding to state schools and other entities for COVID-19 related expenditures. The School determined its eligibility for funding under various programs, applied for, and received additional funding through several programs, including ESSER I, ESSER II, ESSER III, and the GEER Fund. This funding did serve to mitigate the financial impact of expenditures the School had made or will be making.

F. Federal Awards

Any organization which expends federal awards in excess of \$750,000 in a year is subject to 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”). For purposes of determining whether total federal expenditures necessitate such an audit, the federal expenditures of all entities operating under a single FEIN are combined. The School’s federal expenditures for the year ended June 30, 2022 did exceed the \$750,000 threshold; however, the School will file a consolidated financial statement for all four schools under the same FEIN, audited under Uniform Guidance, complete the Data Collection Form, and submit to the Federal Audit Clearinghouse.

G. Subsequent Events

In preparing these financial statements, the School has evaluated events and transactions for potential recognition or disclosure through October 19, 2022, the date the financial statements were available to be issued. There were no such events requiring recording or disclosure for the year ended June 30, 2022.

**GREEN CHARTER SCHOOL
GREENVILLE, SOUTH CAROLINA
General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual
For Fiscal Year Ended June 30, 2022**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
1000 Revenue from local sources			
1300 Tuition			
1310 Tuition from patrons for regular day school	\$ 140,742	\$ 143,916	\$ 3,174
1500 Earnings on investments			
1510 Interest on investments	1,414	1,414	-
1700 Pupil activities			
1730 Pupil organization membership dues and fees	1,015	1,015	-
1740 Student fees	42,813	43,055	242
1790 Other pupil activity income	307,866	315,536	7,670
1900 Other revenue from local sources			
1910 Rentals	20,676	19,000	(1,676)
1920 Contributions and donations from private sources	7,262	8,448	1,186
1990 Miscellaneous local revenue			
1999 Revenue from other local sources	4,595	4,705	110
Total local sources	<u>526,383</u>	<u>537,089</u>	<u>10,706</u>
3000 Revenue from state sources			
3100 Restricted state funding			
3180 Fringe benefits employer contrib (no carryover)	1,002,223	1,002,223	-
3186 State aid to classrooms - teacher salary increase	252,500	249,557	(2,943)
3300 State aid to classrooms - Education Finance Act (EFA)			
3310 Full-time programs			
3311 Kindergarten	196,211	196,223	12
3312 Primary	570,144	570,151	7
3313 Elementary	1,066,820	1,066,809	(11)
3314 High school	97,341	97,344	3
3316 Speech handicapped (part-time)	124,149	124,147	(2)
3320 Part-time programs			
3323 Learning disabilities	176,930	176,909	(21)
3324 Hearing handicapped	6,466	6,466	-
3325 Visually handicapped	6,466	6,466	-
3326 Orthopedically handicapped	5,133	5,133	-
3327 Pre-career and career technology	302,590	302,591	1

**GREEN CHARTER SCHOOL
GREENVILLE, SOUTH CAROLINA
General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual
For Fiscal Year Ended June 30, 2022**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
3330 Miscellaneous EFA programs			
3331 Autism	\$ 71,127	\$ 71,127	\$ -
3332 High achieving students	108,683	108,684	1
3334 Limited english proficiency	39,086	39,084	(2)
3350 Residential Treatment Facilities (RTF)			
3351 Academic assistance	73,229	73,229	-
3352 Pupils in poverty	130,534	130,535	1
3353 Dual credit enrollment	13,740	13,741	1
3392 NBC excess EFA formula	8,588	8,351	(237)
Total state sources	<u>4,251,960</u>	<u>4,248,770</u>	<u>(3,190)</u>
Total revenues all sources	<u>4,778,343</u>	<u>4,785,859</u>	<u>7,516</u>

EXPENDITURES

100 Instruction			
110 General instruction			
111 Kindergarten programs			
100 Salaries	251,351	253,010	(1,659)
200 Employee benefits	110,172	106,130	4,042
400 Supplies and materials	513	188	325
112 Primary programs			
100 Salaries	836,618	815,157	21,461
200 Employee benefits	342,809	285,889	56,920
300 Purchased services	3,816	27,127	(23,311)
400 Supplies and materials	4,904	24,658	(19,754)
113 Elementary programs			
100 Salaries	1,002,819	1,043,483	(40,664)
200 Employee benefits	484,387	478,144	6,243
300 Purchased services	326	34,091	(33,765)
400 Supplies and materials	22,735	51,654	(28,919)

**GREEN CHARTER SCHOOL
GREENVILLE, SOUTH CAROLINA
General Fund**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual
For Fiscal Year Ended June 30, 2022**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
114 High school programs			
100 Salaries	\$ 964,525	\$ 967,015	\$ (2,490)
200 Employee benefits	420,971	348,641	72,330
300 Purchased services	26,300	20,458	5,842
400 Supplies and materials	12,968	47,913	(34,945)
120 Exceptional programs			
123 Orthopedically handicapped			
300 Purchased services	-	16,660	(16,660)
125 Hearing handicapped			
300 Purchased services	3,860	12,957	(9,097)
400 Supplies and materials	-	2,527	(2,527)
126 Speech handicapped			
100 Salaries	64,297	41,874	22,423
200 Employee benefits	14,976	15,509	(533)
300 Purchased services	20,610	2,211	18,399
400 Supplies and materials	632	124	508
127 Learning disabilities			
100 Salaries	139,666	173,761	(34,095)
200 Employee benefits	105,478	88,622	16,856
300 Purchased services	6,160	1,048	5,112
400 Supplies and materials	4,437	2,575	1,862
130 Preschool programs			
139 Early childhood programs			
100 Salaries	123,856	126,187	(2,331)
200 Employee benefits	58,665	49,928	8,737
400 Supplies and materials	550	593	(43)
140 Special programs			
148 Gifted and talented artistic			
100 Salaries	10,662	10,662	-
200 Employee benefits	7,323	8,181	(858)
160 Other exceptional programs			
162 Limited english proficiency			
400 Supplies and materials	-	1,178	(1,178)

**GREEN CHARTER SCHOOL
GREENVILLE, SOUTH CAROLINA
General Fund**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual
For Fiscal Year Ended June 30, 2022**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
170 Summer school programs			
171 Primary summer school			
100 Salaries	\$ -	\$ -	\$ -
200 Employee benefits	-	-	-
400 Supplies and materials	122	-	122
172 Elementary summer school			
400 Supplies and materials	-	1,124	(1,124)
175 Instructional programs beyond regular school day			
100 Salaries	152,006	139,590	12,416
200 Employee benefits	11,662	13,009	(1,347)
Total instruction	<u>5,210,176</u>	<u>5,211,878</u>	<u>(1,702)</u>
200 Support services			
210 Pupil services			
212 Guidance services			
100 Salaries	44,583	97,310	(52,727)
200 Employee benefits	42,158	39,847	2,311
300 Purchased services	-	1,257	(1,257)
400 Supplies and materials	-	1,425	(1,425)
213 Health services			
100 Salaries	61,248	20,736	40,512
200 Employee benefits	46,139	36,341	9,798
300 Purchased services	36	482	(446)
400 Supplies and materials	425	1,079	(654)
214 Psychological services			
300 Purchased services	20,359	39,639	(19,280)
220 Instructional staff services			
221 Improvement of instruction curriculum development			
100 Salaries	1,579	24,489	(22,910)
200 Employee benefits	12,524	14,508	(1,984)
300 Purchased services	22,704	4,497	18,207
400 Supplies and materials	102	50	52

**GREEN CHARTER SCHOOL
GREENVILLE, SOUTH CAROLINA
General Fund**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual
For Fiscal Year Ended June 30, 2022**

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
223 Supervision of special programs			
100 Salaries	\$ -	\$ 13,919	\$ (13,919)
200 Employee benefits	246	1,466	(1,220)
400 Supplies and materials	5,731	-	5,731
224 Improvement of instruction inserv and staff training			
200 Employee benefits	7,950	7,277	673
300 Purchased services	29,932	84,715	(54,783)
400 Supplies and materials	2,367	639	1,728
230 General administrative services			
231 Board of education			
300 Purchased services	45,080	43,947	1,133
318 Audit services	9,500	15,602	(6,102)
400 Supplies and materials	549	549	-
600 Other objects	123,273	110,757	12,516
233 School administration			
100 Salaries	1,020,727	1,111,597	(90,870)
200 Employee benefits	385,120	408,650	(23,530)
300 Purchased services	88,384	53,384	35,000
400 Supplies and materials	24,818	42,219	(17,401)
500 Capital outlay	2,939	-	2,939
600 Other objects	1,418	-	1,418
250 Finance and operations services			
252 Fiscal services			
100 Salaries	328,155	187,990	140,165
200 Employee benefits	148,744	74,262	74,482
300 Purchased services	197,880	221,108	(23,228)
400 Supplies and materials	507	2,707	(2,200)
253 Facilities acquisition and construction			
300 Purchased services	-	100,000	(100,000)
500 Capital outlay			
510 Land	-	1,150,000	(1,150,000)
525 Buildings	-	8,250,000	(8,250,000)

**GREEN CHARTER SCHOOL
GREENVILLE, SOUTH CAROLINA
General Fund**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual
For Fiscal Year Ended June 30, 2022**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
254 Operation and maintenance of plant			
100 Salaries	\$ 1,608	\$ 61,102	\$ (59,494)
200 Employee benefits	4,821	7,804	(2,983)
300 Purchased services	394,547	437,786	(43,239)
321 Public util (excl gas, oil, elect & oth heating fuels)	10,000	11,408	(1,408)
400 Supplies and materials	40,152	38,379	1,773
470 Energy	170,000	166,787	3,213
258 Security			
300 Purchased services	9,636	9,560	76
260 Central support services			
264 Staff services			
100 Salaries	-	1,950	(1,950)
200 Employee benefits	854	797	57
300 Purchased services	1,305	29,490	(28,185)
400 Supplies and materials	8,484	-	8,484
266 Technology and data processing services			
100 Salaries	90,659	15,872	74,787
200 Employee benefits	18,011	16,889	1,122
300 Purchased services	6,296	22,320	(16,024)
400 Supplies and materials	9,642	24,059	(14,417)
500 Capital outlay	-	21,096	(21,096)
270 Support services - pupil activity			
271 Pupil service activities			
100 Salaries	-	4,525	(4,525)
200 Employee benefits	-	2,378	(2,378)
300 Purchased services	36,099	23,486	12,613
400 Supplies and materials	86,216	64,797	21,419
600 Other objects	2,000	1,418	582
660 Pupil activity	65,058	44,383	20,675
Total support services	<u>3,630,565</u>	<u>13,168,734</u>	<u>(9,538,169)</u>

**GREEN CHARTER SCHOOL
GREENVILLE, SOUTH CAROLINA
General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual
For Fiscal Year Ended June 30, 2022**

	Budget	Actual	Variance Favorable (Unfavorable)
500 Debt services			
610 Redemption of principal	\$ -	\$ 5,067,500	\$ (5,067,500)
620 Interest	655,013	1,054,908	(399,895)
690 Other objects (includes fees for servicing bonds)	-	469,126	(469,126)
	655,013	6,591,534	(5,936,521)
Total debt services			
	9,495,754	24,972,146	(15,476,392)
OTHER FINANCING SOURCES (USES)			
5100 Premium on bonds sold	-	940,513	940,513
5400 Proceeds from long-term notes	-	16,206,869	16,206,869
Interfund transfers from (to) other funds			
5230 Transfer from Special Revenue EIA Fund	4,713,872	4,518,767	(195,105)
	4,713,872	21,666,149	16,952,277
Total other financing sources (uses)			
	(3,539)	1,479,862	\$ 1,483,401
EXCESS/DEFICIENCY OF REVENUES OVER EXPENDITURES	\$ (3,539)	1,479,862	\$ 1,483,401
FUND BALANCE, July 1, 2021		3,194,274	
FUND BALANCE, June 30, 2022		\$ 4,674,136	

**GREEN CHARTER SCHOOL
GREENVILLE, SOUTH CAROLINA
Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
For Fiscal Year Ended June 30, 2022**

	<u>Title I (201/202)</u>	<u>IDEA (203/204)</u>	<u>Preschool Handicapped (205/206)</u>	<u>CATE (207/208)</u>	<u>Adult Education (243)</u>	<u>Other Designated Restricted State Grants* (900s)</u>	<u>Other Special Revenue Programs* (200s/800s)</u>	<u>Total</u>
REVENUES								
3000 Revenue from state sources								
3100 Restricted state funding								
3120 General education								
3127 Student health/fitness-PE teachers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,305	\$ -	\$ 8,305
3130 Special programs								
3135 Reading coaches	-	-	-	-	-	25,061	-	25,061
3136 Student health/fitness - nurses	-	-	-	-	-	9,039	-	9,039
3187 Teacher supplies (no carryover)	-	-	-	-	-	18,700	-	18,700
Total state sources	-	-	-	-	-	61,105	-	61,105
4000 Revenue from federal sources								
4300 Elementary and Secondary Educ Act of 1965 (ESEA)								
4341 Lang instr ltd english prof/immig, Title III	-	-	-	-	-	-	1,755	1,755
4351 Supporting effective instruction	-	-	-	-	-	-	25,285	25,285
4500 Programs for children with disabilities								
4510 Individ with Disabilities Educ Act (IDEA)	-	77,271	-	-	-	-	26,066	103,337

* See Schedule 3 for a listing of LEA subfund codes for each program

**GREEN CHARTER SCHOOL
GREENVILLE, SOUTH CAROLINA
Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
For Fiscal Year Ended June 30, 2022**

	<u>Title I (201/202)</u>	<u>IDEA (203/204)</u>	<u>Preschool Handicapped (205/206)</u>	<u>CATE (207/208)</u>	<u>Adult Education (243)</u>	<u>Other Designated Restricted State Grants* (900s)</u>	<u>Other Special Revenue Programs* (200s/800s)</u>	<u>Total</u>
4900 Other federal sources								
4975 ESSER I (CARES Act)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,451	\$ 4,451
4974 ESSER III	-	-	-	-	-	-	14,420	14,420
4977 ESSER II	-	-	-	-	-	-	137,750	137,750
4990 Other federal revenue								
4999 Revenue from other federal sources	-	-	-	-	-	-	719,162	719,162
Total federal sources	-	77,271	-	-	-	-	928,889	1,006,160
Total revenues all sources	-	77,271	-	-	-	61,105	928,889	1,067,265

EXPENDITURES

100 Instruction								
110 General instruction								
111 Kindergarten programs								
100 Salaries	-	-	-	-	-	-	7,492	7,492
112 Primary programs								
100 Salaries	-	-	-	-	-	7,715	18,840	26,555
200 Employee benefits	-	-	-	-	-	590	-	590
300 Purchased services	-	-	-	-	-	-	3,816	3,816
400 Supplies and materials	-	-	-	-	-	4,950	7,231	12,181

* See Schedule 3 for a listing of LEA subfund codes for each program

**GREEN CHARTER SCHOOL
GREENVILLE, SOUTH CAROLINA
Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
For Fiscal Year Ended June 30, 2022**

	<u>Title I (201/202)</u>	<u>IDEA (203/204)</u>	<u>Preschool Handicapped (205/206)</u>	<u>CATE (207/208)</u>	<u>Adult Education (243)</u>	<u>Other Designated Restricted State Grants (900s)</u>	<u>Other Special Revenue Programs (200s/800s)</u>	<u>Total</u>
113 Elementary programs								
100 Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,860	\$ 26,860
200 Employee benefits	-	-	-	-	-	-	525	525
400 Supplies and materials	-	-	-	-	-	4,125	644	4,769
114 High school programs								
100 Salaries	-	-	-	-	-	-	43,004	43,004
300 Purchased services	-	-	-	-	-	-	22,500	22,500
400 Supplies and materials	-	-	-	-	-	9,075	10,125	19,200
120 Exceptional programs								
126 Speech handicapped								
100 Salaries	-	-	-	-	-	-	24,697	24,697
127 Learning disabilities								
100 Salaries	-	77,271	-	-	-	-	23,621	100,892
200 Employee benefits	-	-	-	-	-	275	168	443
130 Preschool programs								
139 Early childhood programs								
100 Salaries	-	-	-	-	-	-	3,000	3,000
160 Other exceptional programs								
162 Limited english proficiency								
400 Supplies and materials	-	-	-	-	-	-	625	625

**GREEN CHARTER SCHOOL
GREENVILLE, SOUTH CAROLINA
Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
For Fiscal Year Ended June 30, 2022**

	<u>Title I (201/202)</u>	<u>IDEA (203/204)</u>	<u>Preschool Handicapped (205/206)</u>	<u>CATE (207/208)</u>	<u>Adult Education (243)</u>	<u>Other Designated Restricted State Grants (900s)</u>	<u>Other Special Revenue Programs (200s/800s)</u>	<u>Total</u>
170 Summer school programs								
171 Primary summer school								
400 Supplies and materials	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,367	\$ 2,367
172 Elementary summer school								
100 Salaries	-	-	-	-	-	-	5,400	5,400
400 Supplies and materials	-	-	-	-	-	-	176	176
175 Instruct prog beyond regular school day								
100 Salaries	-	-	-	-	-	-	3,845	3,845
Total instruction	-	77,271	-	-	-	26,730	204,936	308,937
200 Support services								
210 Pupil services								
212 Guidance services								
100 Salaries	-	-	-	-	-	-	73,396	73,396
200 Employee benefits	-	-	-	-	-	-	12,801	12,801
400 Supplies and materials	-	-	-	-	-	275	5,000	5,275
213 Health services								
100 Salaries	-	-	-	-	-	8,397	39,583	47,980
200 Employee benefits	-	-	-	-	-	642	-	642
214 Psychological services								
300 Purchased services	-	-	-	-	-	-	34,999	34,999

**GREEN CHARTER SCHOOL
GREENVILLE, SOUTH CAROLINA
Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
For Fiscal Year Ended June 30, 2022**

	<u>Title I (201/202)</u>	<u>IDEA (203/204)</u>	<u>Preschool Handicapped (205/206)</u>	<u>CATE (207/208)</u>	<u>Adult Education (243)</u>	<u>Other Designated Restricted State Grants (900s)</u>	<u>Other Special Revenue Programs (200s/800s)</u>	<u>Total</u>
220 Instructional staff services								
221 Improvement of instr curriculum develop								
100 Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,726	\$ -	\$ 21,726
200 Employee benefits	-	-	-	-	-	3,335	-	3,335
223 Supervision of special programs								
100 Salaries	-	-	-	-	-	-	2,000	2,000
224 Improvement of instruction inserv and staff training								
200 Employee benefits	-	-	-	-	-	-	1,248	1,248
300 Purchased services	-	-	-	-	-	-	23,752	23,752
400 Supplies and materials	-	-	-	-	-	-	285	285
230 General administrative services								
233 School administration								
100 Salaries	-	-	-	-	-	-	8,000	8,000
250 Finance and operations services								
252 Fiscal services								
100 Salaries	-	-	-	-	-	-	5,000	5,000
254 Operation and maintenance of plant								
100 Salaries	-	-	-	-	-	-	2,000	2,000
300 Purchased services	-	-	-	-	-	-	9,546	9,546
400 Supplies and materials	-	-	-	-	-	-	12,048	12,048

**GREEN CHARTER SCHOOL
GREENVILLE, SOUTH CAROLINA
Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
For Fiscal Year Ended June 30, 2022**

	<u>Title I (201/202)</u>	<u>IDEA (203/204)</u>	<u>Preschool Handicapped (205/206)</u>	<u>CATE (207/208)</u>	<u>Adult Education (243)</u>	<u>Other Designated Restricted State Grants (900s)</u>	<u>Other Special Revenue Programs (200s/800s)</u>	<u>Total</u>
256 Food services								
100 Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 113,391	\$ 113,391
200 Employee benefits	-	-	-	-	-	-	21,314	21,314
300 Purchased services	-	-	-	-	-	-	30,505	30,505
400 Supplies and materials	-	-	-	-	-	-	245,710	245,710
260 Central support services								
266 Technology/data processing services								
100 Salaries	-	-	-	-	-	-	2,000	2,000
400 Supplies and materials	-	-	-	-	-	-	1,130	1,130
Total support services	-	-	-	-	-	34,375	643,708	678,083
Total expenditures	-	77,271	-	-	-	61,105	848,644	987,020
OTHER FINANCING SOURCES (USES)								
Interfund transfers from (to) other funds:								
420-710 Transfer to Gen Fund (excludes IC)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
EXCESS/DEFICIENCY OF REVENUES OVER EXPENDITURES	-0-	-0-	-0-	-0-	-0-	-0-	80,245	80,245
FUND BALANCE, July 1, 2021	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
FUND BALANCE, June 30, 2022	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 80,245	\$ 80,245

**GREEN CHARTER SCHOOL
GREENVILLE, SOUTH CAROLINA
Special Revenue Fund - Schedule of Program Classifications
For Year Ended June 30, 2022**

LEA Subfund Code	Program	Revenue	Revenue Code
<u>OTHER RESTRICTED STATE GRANTS</u>			
937	Student health/fitness-PE teachers	\$ 8,305	3127
935	Reading coaches	25,061	3135
936	Student health/fitness - nurses	9,039	3136
917	Teacher supplies (no carryover)	18,700	3187
		<u>\$ 61,105</u>	
<u>OTHER SPECIAL REVENUE PROGRAMS</u>			
264	Lang instr ltd english prof/immig, Title III	\$ 1,755	4341
267	Supporting effective instruction	25,285	4351
212	IDEA - extended school year	2,369	4510
230	ARP - IDEA children with disabilities	23,697	4931
220	ESSER I (CARES Act)	4,451	4975
218	ESSER III	14,420	4974
225	ESSER II	137,750	4977
809	GEER Fund	233,005	4999
802	USDA School lunch reimbursements	486,157	4999
		<u>\$ 928,889</u>	

**GREEN CHARTER SCHOOL
 GREENVILLE, SOUTH CAROLINA
 Special Revenue Fund
 Summary Schedule for Designated State Restricted Grants
 For Year Ended June 30, 2022**

<u>Subfund</u>	<u>Revenue Code</u>	<u>Programs</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Special Revenue</u>		<u>Special Revenue Fund Unearned</u>
					<u>Interfund Transfers In/(Out)</u>	<u>Other Fund Transfers In/(Out)</u>	
937	3127	Student health/fitness-PE teachers	\$ 8,305	\$ 8,305	\$ -	\$ -	\$ -
935	3135	Reading coaches	25,061	25,061	-	-	28,529
936	3136	Student health/fitness - nurses	9,039	9,039	-	-	-
917	3187	Teacher supplies (no carryover)	18,700	18,700	-	-	-
			<u>\$ 61,105</u>	<u>\$ 61,105</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

**GREEN CHARTER SCHOOL
GREENVILLE, SOUTH CAROLINA
Education Improvement Act
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance - All Programs
For Fiscal Year Ended June 30, 2022**

REVENUES

3000 Revenue from state sources		
3500 Education improvement act		
3502 ADEPT	\$	600
3526 Refurbishment of science kits		3,193
3536 Student health & fitness		15,418
3538 Students at risk of school failure		39,356
3550 Teacher salary increase (no carryover)		195,525
3555 Teacher salary fringe		46,968
3557 Summer reading program		729
3577 Teacher supplies (no carryover provision)		2,200
3583 Charter school payments		4,276,273
3595 EEDA - supplies and materials		1,799
3597 Aid to districts		37,775
		<hr/>
Total state sources		4,619,836
		<hr/>
Total revenues all sources		4,619,836
		<hr/>

EXPENDITURES

100 Instruction		
110 General instruction		
111 Kindergarten programs		
400 Supplies and materials		1,100
112 Primary programs		
100 Salaries		17,545
200 Employee benefits		1,342
400 Supplies and materials		1,596
113 Elementary programs		
100 Salaries		54,504
200 Employee benefits		4,139
400 Supplies and materials		1,596
120 Exceptional programs		
126 Speech handicapped		
400 Supplies and materials		275
127 Learning disabilities		
100 Salaries		200
400 Supplies and materials		825

**GREEN CHARTER SCHOOL
GREENVILLE, SOUTH CAROLINA
Education Improvement Act
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance - All Programs
For Fiscal Year Ended June 30, 2022**

170 Summer school programs		
175 Instructional programs beyond regular school day		
100 Salaries	\$	550
200 Employee benefits		180
		83,852
Total instruction		83,852
200 Support services		
210 Pupil services		
212 Guidance services		
400 Supplies and materials		1,798
213 Health services		
100 Salaries		14,323
200 Employee benefits		1,096
		17,217
Total support services		17,217
Total expenditures		101,069
 OTHER FINANCING SOURCES (USES)		
Interfund transfers, from (to) other funds		
420-710 Transfer to General Fund (excludes indirect costs)		(4,518,767)
		(4,518,767)
Total other financing sources (uses)		(4,518,767)
 EXCESS/DEFICIENCY OF REVENUES OVER EXPENDITURES		
		-0-
 FUND BALANCE, July 1, 2021		
		-0-
 FUND BALANCE, June 30, 2022		
	\$	-0-

**GREEN CHARTER SCHOOL
GREENVILLE, SOUTH CAROLINA
Education Improvement Act
Summary Schedule by Program
For Year Ended June 30, 2022**

<u>PROGRAM</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>EIA Interfund Transfers In(Out)</u>	<u>Other Fund Transfers In(Out)</u>	<u>EIA Fund Unearned</u>
3500 Education Improvement Act					
3502 ADEPT	\$ 600	\$ 600	\$ -	\$ -	\$ -
3526 Refurbishment of science kits	3,193	3,193	-	-	-
3536 Student health & fitness	15,418	15,418	-	-	-
3538 Students at risk of school failure	39,356	39,355	-	-	-
3550 Teacher salary increase (no carryover)	195,525	-	-	(195,525)	-
3555 Teacher salary fringe	46,968	-	-	(46,968)	-
3557 Summer reading program	729	729	-	-	770
3577 Teacher supplies (no carryover provision)	2,200	2,200	-	-	-
3583 Charter school payments	4,276,273	-	-	(4,276,273)	-
3595 EEDA - supplies and materials	1,799	1,799	-	-	-
3597 Aid to districts	37,775	37,775	-	-	-
TOTALS	<u>\$ 4,619,836</u>	<u>\$ 101,069</u>	<u>\$ -0-</u>	<u>\$ (4,518,766)</u>	<u>\$ 770</u>

**GREEN CHARTER SCHOOL
 GREENVILLE, SOUTH CAROLINA
 Schedule of Due to State Department of Education/Federal Government
 June 30, 2022**

<u>Program</u>	<u>Grant/ Project Number</u>	<u>Revenue & Subfund Codes</u>	<u>Description</u>	<u>Amount Due to SCDOE/Federal Government</u>	<u>Status of Amounts Due to Grantors</u>
None				\$ <u><u>-0-</u></u>	

**GREEN CHARTER SCHOOL
GREENVILLE, SOUTH CAROLINA
Schedule of Findings and Responses
For Fiscal Year Ended June 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 X No
- Significant weakness(es) identified that are not considered to be material weakness(es)? _____ Yes X No

Noncompliance material to financial statements noted? _____ Yes X No

Section II - Financial Statement/Compliance Findings

None.

**GREEN CHARTER SCHOOL
GREENVILLE, SOUTH CAROLINA
Schedule of Prior Year Findings
For Fiscal Year Ended June 30, 2022**

Section I - Financial Statement Findings

None.

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

The Board of Directors
GREEN Charter School
Greenville, South Carolina

We have audited the financial statements of GREEN Charter School ("the School") as of and for the year ended June 30, 2022, and have issued our report thereon dated October 19, 2022. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the School's internal control over financial reporting in order to determine our auditing procedures 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 over financial reporting. Accordingly, we do not express an opinion on the effectiveness of internal control over financial reporting.

A deficiency in 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 controls, such that there is a reasonable possibility that a material misstatement of the 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 the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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 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 School's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Martin Smith and Company CPAs PA

Greenville, South Carolina
October 19, 2022