

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

Irmo, South Carolina

ANNUAL FINANCIAL REPORT
June 30, 2022

(With Independent Auditors' Report Thereon)

**GREEN CHARTER SCHOOL OF THE MIDLANDS
 IRMO, SOUTH CAROLINA
 Annual Financial Report
 Table of Contents
 June 30, 2022**

FINANCIAL SECTION

	<u>Page(s)</u>
Independent Auditors' Report on Financial Statements.....	1-2
Management's Discussion and Analysis.....	3-8
 FINANCIAL STATEMENTS	
<u>Exhibit</u>	
Government-Wide Financial Statements	
A Statement of Net Position.....	9
B Statement of Activities.....	10
Fund Financial Statements	
C Balance Sheet - Governmental Funds.....	11
D Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position.....	12
E Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds.....	13
F Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities.....	14
Notes to the Financial Statements	15-24

**GREEN CHARTER SCHOOL OF THE MIDLANDS
 IRMO, SOUTH CAROLINA
 Annual Financial Report
 Table of Contents
 June 30, 2022**

FINANCIAL SECTION, Continued

REQUIRED SUPPLEMENTARY INFORMATION

<u>Schedule</u>	<u>Page(s)</u>
1 General Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual.....	25-30

OTHER SUPPLEMENTARY INFORMATION

2 Special Revenue Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance.....	31-35
3 Special Revenue Fund - Schedule of Program Classifications	36
4 Special Revenue Fund - Summary Schedule for Designated State Restricted Grants.....	37
5 Education Improvement Act - Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance - All Programs.....	38-39
6 Education Improvement Act - Summary Schedule by Program.....	40
7 Schedule of Due to State Department of Education/Federal Government.....	41

COMPLIANCE SECTION

8 Schedule of Findings and Responses.....	42
9 Schedule of Prior Year Findings.....	43
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 <u>Government Auditing Standards</u>	44



MARTIN · SMITH

& COMPANY CPAs

INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS

The Board of Directors
GREEN Charter School of the Midlands
Irmo, South Carolina

Opinion

We have audited the accompanying financial statements of the governmental activities and each major fund of GREEN Charter School of the Midlands (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 above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of GREEN Charter School of the Midlands 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 of the Midlands 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 of the Midlands’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 of the Midlands. 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 of the Midlands's internal control over financial reporting and compliance.

Martin Smith and Company CPAs PA

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

This discussion and analysis of GREEN Charter School of the Midlands' ("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 liabilities of the School exceeded its assets at the close of the most recent fiscal year by \$260,950 (net deficit). The School has net assets restricted under the terms of a loan agreement. Therefore, the School reported an unrestricted net deficit of \$898,681.

The School's net position decreased by \$449,040 during the current fiscal year, as compared to an increase of \$19,186 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 \$1,669,694, compared to a fund balance of \$969,026 in the previous fiscal year.

The School's total capital assets, net of accumulated depreciation, were \$4,518,366.

During the 2022 fiscal year, the School borrowed \$6,104,856 under a bond issue and repaid its existing debt of \$5,393,500.

During the 2022 fiscal year, the School's governmental fund-type revenues were \$3,239,403. The School reported governmental fund-type revenues of \$2,928,368 in the previous fiscal year.

During the current fiscal year, the School's governmental fund-type expenditures were \$8,997,866. This included \$5,393,500 in payments made to retire debt.

Overall

The 135-day student count increased by 22, from 267 students in the prior year to 289 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 OF THE MIDLANDS
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 OF THE MIDLANDS
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 of the Midlands
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 OF THE MIDLANDS
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, liabilities were higher than assets by \$260,950 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:

	Governmental Activities	
	2022	2021
Assets		
Current and other assets	\$ 1,934,579	\$ 1,040,824
Capital assets	<u>4,518,366</u>	<u>4,612,564</u>
Total assets	<u>6,452,945</u>	<u>5,653,388</u>
Liabilities		
Long-term liabilities	6,449,010	5,393,500
Other liabilities	<u>264,885</u>	<u>71,798</u>
Total liabilities	<u>6,713,895</u>	<u>5,465,298</u>
Net Position (Deficit)		
Net investment in capital assets	-	-
Restricted	637,731	-
Unrestricted net position (deficit)	<u>(898,681)</u>	<u>188,090</u>
Total net position (deficit)	<u>\$ (260,950)</u>	<u>\$ 188,090</u>

During the current fiscal year, net position of the School's governmental activities decreased by \$449,040. 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 \$188,090 at June 30, 2021, to \$(898,681) at June 30, 2022.

**GREEN CHARTER SCHOOL OF THE MIDLANDS
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	\$ 3,144,535	\$ 2,906,761
Charges for services and sales	94,076	6,137
General revenues:		
Other	562	14,439
Investment earnings	229	1,031
	3,239,402	2,928,368
Program Expenses		
Instruction	1,606,211	1,520,237
Support services	1,458,119	1,084,390
Interest	624,112	447,247
	3,688,442	3,051,874
Non-recurring item	-	266,198
Increase (decrease) in net position	\$ (449,040)	\$ 142,692

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 \$1,669,694 as compared to \$969,026 for the prior year.

The Special Revenue Funds consists of various federal, state, local funds and the Education Improvement Act funds. These funds were spent appropriately as mandated by the legislation that allowed for their distribution.

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.

**GREEN CHARTER SCHOOL OF THE MIDLANDS
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 \$4,518,366 net investment in capital assets. The year-end total of capital assets was \$4,958,794, with a total accumulated depreciation of \$440,428. The depreciation expense taken during the year was \$93,351, and there were no capital asset additions.

The following table shows fiscal 2022 balances compared to 2021:

	Capital Assets	
	(Net of Depreciation)	
	Governmental Activities	
	2022	2021
Land	\$ 1,911,971	\$ 1,911,971
Building	2,415,603	2,486,493
Furniture, fixtures, and equipment	137,397	157,021
Land improvements	21,419	24,004
Building improvements	31,976	33,075
	<hr/>	<hr/>
Totals	\$ 4,518,366	\$ 4,612,564

Long-term Debt

At fiscal year-end, the School had \$6,449,009 in long-term debt balances versus \$5,393,500 in the prior year. The School borrowed \$6,104,856 under a bond issue and repaid its existing bond. It also recorded a premium on its bond issuance of \$354,275.

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 7820 Broad River Road, Irmo, South Carolina 29063.

**GREEN CHARTER SCHOOL OF THE MIDLANDS
IRMO, SOUTH CAROLINA
Statement of Net Position
June 30, 2022**

	<u>Governmental Activities</u>
<u>ASSETS</u>	
Cash and cash equivalents	\$ 1,731,314
Due from other governmental units	203,265
Capital assets	4,958,794
Less accumulated depreciation and amortization	(440,428)
Total capital assets, net of depreciation	<u>4,518,366</u>
Total assets	<u>6,452,945</u>
<u>LIABILITIES</u>	
Accounts payable and accrued expenses	178,261
Unearned revenue	2,349
Due to related organization	84,275
Long-term liabilities:	
Due within one year	-
Due in more than one year	6,449,010
Total liabilities	<u>6,713,895</u>
<u>NET POSITION (DEFICIT)</u>	
Net investment in capital assets	-
Restricted	637,731
Unrestricted net position (deficit)	<u>(898,681)</u>
Total net position (deficit)	<u><u>\$ (260,950)</u></u>

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

**GREEN CHARTER SCHOOL OF THE MIDLANDS
IRMO, 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	\$ 1,606,211	\$ -	\$ 1,373,763	\$ (232,448)
Support services	1,458,119	-	1,247,103	(211,016)
Interest and other charges	624,112	94,076	523,669	(6,367)
Total governmental activities	3,688,442	94,076	3,144,535	(449,831)
Total	\$ 3,688,442	\$ 94,076	\$ 3,144,535	(449,831)

General revenues:

Other revenue	160
Unrestricted donations	402
Unrestricted investment earnings	229

Total general revenues 791

Change in net position (449,040)

Net position, beginning of year 188,090

Net position (deficit), end of year \$ (260,950)

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

**GREEN CHARTER SCHOOL OF THE MIDLANDS
IRMO, SOUTH CAROLINA
Balance Sheet - Governmental Funds
June 30, 2022**

	General	Special Revenue	EIA	Total Governmental Funds
<u>ASSETS</u>				
Cash and cash equivalents	\$ 1,731,314	\$ -	\$ -	\$ 1,731,314
Due from other governmental units	2,558	184,272	16,435	203,265
Due from other funds	195,744	-	-	195,744
Total assets	\$ 1,929,616	\$ 184,272	\$ 16,435	\$ 2,130,323
 <u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable and accrued expenses	\$ 178,261	\$ -	\$ -	\$ 178,261
Due to related organization	84,275	-	-	84,275
Due to other funds	-	179,309	16,435	195,744
Unearned revenue	-	2,349	-	2,349
Total liabilities	262,536	181,658	16,435	460,629
Fund balances:				
Restricted	637,731	-	-	637,731
Unassigned	1,029,349	2,614	-	1,031,963
Total fund balances	1,667,080	2,614	-0-	1,669,694
Total liabilities and fund balances	\$ 1,929,616	\$ 184,272	\$ 16,435	\$ 2,130,323

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

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

Total fund balance - Governmental Funds	\$	1,669,694
<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 \$4,958,794 and the accumulated depreciation is \$440,428.</p>		4,518,366
<p>Long-term liabilities, including notes payable, are not due and payable in the current period and, therefore, are not reported in the funds.</p>		<u>(6,449,010)</u>
Net position of governmental activities	\$	<u><u>(260,950)</u></u>

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

GREEN CHARTER SCHOOL OF THE MIDLANDS
IRMO, 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	\$ 94,866	\$ 1,602	\$ -	\$ 96,468
State	1,293,269	74,987	1,426,656	2,794,912
Federal	-	348,023	-	348,023
Intergovernmental	-	-	-	-
	<u>1,388,135</u>	<u>424,612</u>	<u>1,426,656</u>	<u>3,239,403</u>
EXPENDITURES				
Current:				
Instruction	1,430,419	76,538	38,965	1,545,922
Support services	1,054,008	345,460	15,675	1,415,143
Community services	-	-	-	-
Intergovernmental	-	-	-	-
Debt services:				
Redemption of principal	5,393,500	-	-	5,393,500
Interest and other charges	634,235	-	-	634,235
Capital outlay	9,066	-	-	9,066
	<u>8,521,228</u>	<u>421,998</u>	<u>54,640</u>	<u>8,997,866</u>
Excess (deficiency) of revenues over expenditures	<u>(7,133,093)</u>	<u>2,614</u>	<u>1,372,016</u>	<u>(5,758,463)</u>
OTHER FINANCING SOURCES (USES)				
Premiums on bonds sold	354,275	-	-	354,275
Proceeds from long-term debt	6,104,856	-	-	6,104,856
Operating transfers in	1,372,016	-	-	1,372,016
Operating transfers out	-	-	(1,372,016)	(1,372,016)
	<u>7,831,147</u>	<u>-</u>	<u>(1,372,016)</u>	<u>6,459,131</u>
Net changes in fund balance	698,054	2,614	-0-	700,668
FUND BALANCE, July 1, 2021	<u>969,026</u>	<u>-0-</u>	<u>-0-</u>	<u>969,026</u>
FUND BALANCE, June 30, 2022	<u>\$ 1,667,080</u>	<u>\$ 2,614</u>	<u>\$ -0-</u>	<u>\$ 1,669,694</u>

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

**GREEN CHARTER SCHOOL OF THE MIDLANDS
IRMO, 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	\$	700,668
<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 depreciation (\$94,198) exceeds capital outlays (\$0) in the period.</p>		(94,198)
<p>Bond and bond premium proceeds provide current financial resources to Governmental Funds, but issuing debt increases long-term liabilities in the statement of net position.</p>		(6,459,131)
<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>		10,121
<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>		<u>5,393,500</u>
Change in net position of governmental activities	\$	<u><u>(449,040)</u></u>

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

GREEN CHARTER SCHOOL OF THE MIDLANDS
IRMO, SOUTH CAROLINA
Notes to the Financial Statements
June 30, 2022

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the GREEN Charter School of the Midlands (“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

GREEN Charter School of the Midlands was created in 2016 through a charter granted by the South Carolina Public Charter School District (“the District”). The School began operations in 2017.

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.

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. An initial charter is granted for a five-year period, renewable every five to ten years thereafter. 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 (“GREEN”), GREEN Charter School of Spartanburg (“Spartanburg”) and GREEN Charter School of the Lowcountry (“Lowcountry”) opened to students in fiscal year 2013, 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.

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 OF THE MIDLANDS
IRMO, 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 OF THE MIDLANDS
IRMO, 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
Leasehold improvements	Life of Lease

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 Assets. 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 OF THE MIDLANDS
IRMO, 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 OF THE MIDLANDS
IRMO, 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. The budget amounts in the financial statements are as amended by the administration.

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 Federal Deposit Insurance Corporation ("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 OF THE MIDLANDS
IRMO, SOUTH CAROLINA
Notes to the Financial Statements
June 30, 2022

III. DETAILED NOTES ON ALL FUNDS, Continued

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 \$945,799 and the bank balance was \$902,183, all of which is covered by the FDIC or collateralized.

Restrictions - Cash equivalent balances of \$341,703 at June 30, 2022 are restricted under the terms of a loan agreement for the payment of debt service on such loan. Cash equivalent balances of \$276,892 at June 30, 2022 are restricted for authorized property repair and replacement costs. Cash equivalent balances of \$19,136 at June 30, 2022 are restricted for other specified uses related to the loan.

Credit risk - South Carolina state statutes 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	\$ 195,744	\$ -
Special Projects Fund	-	179,309
Education Improvement Act Fund	-	16,435
	<u>\$ 195,744</u>	<u>\$ 195,744</u>

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

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	\$ 1,372,016	\$ -
Education Improvement Act Fund	-	1,372,016
Totals	<u>\$ 1,372,016</u>	<u>\$ 1,372,016</u>

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

**GREEN CHARTER SCHOOL OF THE MIDLANDS
IRMO, SOUTH CAROLINA
Notes to the Financial Statements
June 30, 2022**

III. DETAILED NOTES ON ALL FUNDS, Continued

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	\$ 1,911,971	\$ -	\$ -	\$ 1,911,971
Total assets not being depreciated	<u>1,911,971</u>	<u>-0-</u>	<u>-0-</u>	<u>1,911,971</u>
Capital assets being depreciated:				
Building	2,749,871	-	-	2,749,871
Furniture, fixtures and equipment	232,925	-	-	232,925
Land improvements	28,695	-	-	28,695
Building improvements	35,332	-	-	35,332
Total assets being depreciated	<u>3,046,823</u>	<u>-0-</u>	<u>-0-</u>	<u>3,046,823</u>
Total capital assets	<u>4,958,794</u>	<u>-0-</u>	<u>-0-</u>	<u>4,958,794</u>
Less accumulated depreciation for:				
Buildings and facilities	263,759	70,509	-	334,268
Furniture, fixtures and equipment	75,604	19,924	-	95,528
Land improvements	4,689	2,587	-	7,276
Building improvements	2,178	1,178	-	3,356
Total accumulated depreciation	<u>346,230</u>	<u>94,198</u>	<u>-0-</u>	<u>440,428</u>
Capital assets being depreciated, net	<u>2,700,593</u>	<u>(94,198)</u>	<u>-0-</u>	<u>2,606,395</u>
Governmental activities capital assets, net	<u>\$ 4,612,564</u>	<u>\$ (94,198)</u>	<u>\$ -0-</u>	<u>\$ 4,518,366</u>

Depreciation expense of \$60,287 and \$33,911 is charged to instruction and support services, respectively.

D. Long-Term Debt

On August 26, 2020, the School, along with GREEN and Lowcountry, entered into an agreement whereby the entities borrowed \$18,317,500 under two bond issues with 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 portion of the total bond issues was \$5,489,500.

**GREEN CHARTER SCHOOL OF THE MIDLANDS
IRMO, SOUTH CAROLINA
Notes to the Financial Statements
June 30, 2022**

III. DETAILED NOTES ON ALL FUNDS, Continued

D. Long-Term Debt, Continued

On August 12, 2021, the School, along with GREEN, 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 \$6,104,856 and \$354,275, respectively. The School's Series 2020A and Series 2020B bonds payable were fully repaid with proceeds from this borrowing. The School owed \$6,104,856 on the 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.

The School paid \$457,523 in interest expense for the year ended June 30, 2022.

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

	June 30, 2021	Additions	Deletions	June 30, 2022
Bonds payable:				
Series 2020 Bonds payable	\$ 5,393,500	\$ -	\$ (5,393,500)	-
Series 2021 Bonds payable	-	6,104,856	-	6,104,856
Bonds payable	<u>\$ 5,393,500</u>	<u>\$ 6,104,856</u>	<u>\$ (5,393,500)</u>	6,104,856
Premium on bonds issued, net of accumulated amortization				<u>344,153</u>
Total long-term obligations at end of year				<u>\$ 6,449,009</u>

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

Year Ending June 30	Note Principal	Interest	Total
2023	\$ -	\$ 102,232	\$ 102,232
2024	2,784	114,048	116,832
2025	39,177	243,921	283,098
2026	102,953	242,437	345,390
2027	106,648	238,399	345,047
2028 - 2032	601,519	1,124,419	1,725,938
2033 - 2037	731,905	994,052	1,725,957
2038 - 2042	891,547	835,455	1,727,002
2043 - 2048	1,082,926	642,447	1,725,373
2049 - 2053	1,317,581	407,822	1,725,403
2054 - 2055	1,227,816	110,233	1,338,049
	<u>\$ 6,104,856</u>	<u>\$ 5,055,465</u>	<u>\$ 11,160,321</u>

GREEN CHARTER SCHOOL OF THE MIDLANDS
IRMO, SOUTH CAROLINA
Notes to the Financial Statements
June 30, 2022

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.

C. Related Parties

GREEN pays certain expenses of the School, primarily related to employee benefits, and is reimbursed by the School for these expenditures. As of June 30, 2022, the School owed \$84,275 to GREEN and that amount is included as Due to Related Organization in the Statement of Net Assets.

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 \$132,923 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 II and the GEER Fund. This funding did serve to mitigate the financial impact of expenditures the School had made or will be making.

GREEN CHARTER SCHOOL OF THE MIDLANDS
IRMO, SOUTH CAROLINA
Notes to the Financial Statements
June 30, 2022

IV. OTHER INFORMATION, Continued

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 not exceed the \$750,000 threshold; however, the total federal expenditures for the four schools currently operating under the School’s FEIN did. Therefore, the School will file a consolidated financial statement 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 OF THE MIDLANDS
IRMO, 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			
1500 Earnings on investments			
1510 Interest on investments	\$ 229	\$ 229	\$ -
1700 Pupil activities			
1740 Student fees	7,476	5,873	(1,603)
1790 Other pupil activity income	89,881	88,202	(1,679)
1900 Other revenue from local sources			
1920 Contributions and donations from private sources	402	402	-
1999 Revenue from other local sources	160	160	-
Total local sources	<u>98,148</u>	<u>94,866</u>	<u>(3,282)</u>
3000 Revenue from state sources			
3100 Restricted state funding			
3130 Special programs			
3180 Fringe benefits employer contrib (no carryover)	311,327	311,327	-
3186 State aid to classrooms - teacher salary increase	66,213	63,877	(2,336)
3300 State aid to classrooms - Education Finance Act (EFA)			
3310 Full-time programs			
3311 Kindergarten	103,995	103,986	(9)
3312 Primary	227,856	227,849	(7)
3313 Elementary	321,060	321,067	7
3316 Speech handicapped (part-time)	60,800	60,807	7
3320 Part-time programs			
3321 Emotionally handicapped	1,559	1,540	(19)
3323 Learning disabilities	58,663	58,663	-
3330 Miscellaneous EFA programs			
3331 Autism	22,607	22,631	24
3332 High achieving students	8,387	8,386	(1)
3334 Limited english proficiency	2,907	2,909	2

**GREEN CHARTER SCHOOL OF THE MIDLANDS
IRMO, 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)
3350 Residential Treatment Facilities (RTF)			
3351 Academic assistance	\$ 24,305	\$ 24,304	\$ (1)
3352 Pupils in poverty	83,367	83,365	(2)
3392 NBC excess EFA formula	2,510	2,558	48
Total state sources	1,295,556	1,293,269	(2,287)
Total revenues all sources	1,393,704	1,388,135	(5,569)
 EXPENDITURES			
100 Instruction			
110 General instruction			
111 Kindergarten programs			
100 Salaries	153,975	141,515	12,460
200 Employee benefits	45,140	40,640	4,500
300 Purchased services	-	67	(67)
400 Supplies and materials	360	333	27
112 Primary programs			
100 Salaries	250,744	226,051	24,693
200 Employee benefits	102,571	95,147	7,424
300 Purchased services	-	1,987	(1,987)
400 Supplies and materials	26,140	5,833	20,307
113 Elementary programs			
100 Salaries	508,430	542,601	(34,171)
200 Employee benefits	205,500	200,604	4,896
300 Purchased services	15,459	13,301	2,158
400 Supplies and materials	15,221	22,142	(6,921)
120 Exceptional programs			
123 Orthopedically handicapped			
300 Purchased services	-	3,816	(3,816)
126 Speech handicapped			
300 Purchased services	69,849	16,962	52,887

**GREEN CHARTER SCHOOL OF THE MIDLANDS
IRMO, 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)
127 Learning disabilities			
100 Salaries	\$ 54,934	\$ 50,265	\$ 4,669
200 Employee benefits	12,444	11,520	924
300 Purchased services	36,358	48,406	(12,048)
400 Supplies and materials	6,175	19	6,156
160 Other exceptional programs			
162 Limited english proficiency			
400 Supplies and materials	-	242	(242)
170 Summer school programs			
171 Primary summer school			
100 Salaries	-	4,770	(4,770)
200 Employee benefits	-	365	(365)
175 Instructional programs beyond regular school day			
100 Salaries	3,120	3,511	(391)
200 Employee benefits	249	124	125
400 Supplies and materials	217	198	19
Total instruction	1,506,886	1,430,419	76,467
200 Support services			
210 Pupil services			
211 Attendance and social work services			
200 Employee benefits	-	1,180	(1,180)
212 Guidance services			
100 Salaries	2,725	1,516	1,209
200 Employee benefits	1,974	1,789	185
400 Supplies and materials	-	2,296	(2,296)
213 Health services			
100 Salaries	18,117	17,578	539
200 Employee benefits	9,164	7,343	1,821
300 Purchased services	850	1,700	(850)
400 Supplies and materials	850	-	850

**GREEN CHARTER SCHOOL OF THE MIDLANDS
IRMO, 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>
214 Psychological services			
300 Purchased services	\$ 16,930	\$ 17,283	\$ (353)
220 Instructional staff services			
221 Improvement of instruction curriculum development			
100 Salaries	11,129	34,468	(23,339)
200 Employee benefits	39,775	18,238	21,537
300 Purchased services	6,393	5,818	575
222 Library and media services			
400 Supplies and materials	3,264	3,264	-
223 Supervision of special programs			
100 Salaries	1,466	4,349	(2,883)
200 Employee benefits	710	1,071	(361)
224 Improvement of instruction inserv and staff training			
300 Purchased services	1,473	4,987	(3,514)
400 Supplies and materials	-	63	(63)
230 General administrative services			
231 Board of education			
300 Purchased services	4,385	5,111	(726)
318 Audit services	7,000	8,740	(1,740)
600 Other objects	22,990	23,200	(210)
233 School administration			
100 Salaries	407,935	382,670	25,265
200 Employee benefits	128,578	104,428	24,150
300 Purchased services	8,039	45,929	(37,890)
400 Supplies and materials	22,692	18,894	3,798
600 Other objects	3,363	3,126	237

**GREEN CHARTER SCHOOL OF THE MIDLANDS
IRMO, 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)
250 Finance and operations services			
252 Fiscal services			
100 Salaries	\$ 54,636	\$ 52,264	\$ 2,372
200 Employee benefits	12,108	11,215	893
300 Purchased services	59,571	58,521	1,050
400 Supplies and materials	-	23	(23)
600 Other objects	4,066	4,084	(18)
254 Operation and maintenance of plant			
100 Salaries	-	1,153	(1,153)
200 Employee benefits	-	359	(359)
300 Purchased services	90,069	114,228	(24,159)
321 Public utility services	10,000	10,457	(457)
400 Supplies and materials	38,113	1,535	36,578
470 Energy	35,000	34,992	8
500 Capital outlay	-	9,066	(9,066)
258 Security			
300 Purchased services	19,352	17,151	2,201
260 Central support services			
266 Technology and data processing services			
200 Employee benefits	-	205	(205)
300 Purchased services	3,113	4,439	(1,326)
270 Support services - pupil activity			
271 Pupil service activities			
300 Purchased services	-	7,582	(7,582)
400 Supplies and materials	22,520	20,316	2,204
660 Pupil activity	9,065	443	8,622
Total support services	1,077,415	1,063,074	14,341

**GREEN CHARTER SCHOOL OF THE MIDLANDS
IRMO, 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>
500 Debt services			
395 Other professional and technical services	\$ -	\$ 176,712	\$ (176,712)
610 Redemption of principal	-	5,393,500	(5,393,500)
620 Interest	<u>206,725</u>	<u>457,523</u>	<u>(250,798)</u>
Total debt services	<u>206,725</u>	<u>6,027,735</u>	<u>(5,821,010)</u>
Total expenditures	<u>2,791,026</u>	<u>8,521,228</u>	<u>(5,730,202)</u>
OTHER FINANCING SOURCES (USES)			
5110 Premiums on bonds sold	-	354,275	354,275
5400 Proceeds from long-term notes	-	6,104,856	6,104,856
Interfund transfers from (to) other funds			
5230 Transfer from Special Revenue EIA Fund	<u>1,427,117</u>	<u>1,372,016</u>	<u>(55,101)</u>
Total other financing sources (uses)	<u>1,427,117</u>	<u>7,831,147</u>	<u>6,404,030</u>
EXCESS/DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>\$ 29,795</u>	698,054	<u>\$ 668,259</u>
FUND BALANCE, July 1, 2021		<u>969,026</u>	
FUND BALANCE, June 30, 2022		<u>\$ 1,667,080</u>	

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

	<u>Title I</u> <u>(201/202)</u>	<u>IDEA</u> <u>(203/204)</u>	<u>Preschool</u> <u>Handicapped</u> <u>(205/206)</u>	<u>CATE</u> <u>(207/208)</u>	<u>Adult</u> <u>Education</u> <u>(243)</u>	<u>Other</u> <u>Designated</u> <u>Restricted</u> <u>State Grants*</u> <u>(900s)</u>	<u>Other</u> <u>Special</u> <u>Revenue</u> <u>Programs*</u> <u>(200s/800s)</u>	<u>Total</u>
REVENUES								
1000 Revenue from local sources								
1600 Food services								
1610 Lunch sales to pupils	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,602	\$ 1,602
Total local sources	-	-	-	-	-	-	1,602	1,602
3000 Revenue from state sources								
3100 Restricted state funding								
3120 General education								
3127 Student health/fitness-PE teachers	-	-	-	-	-	3,412	-	3,412
3130 Special programs								
3135 Reading coaches	-	-	-	-	-	56,761	-	56,761
3136 Student health/fitness - nurses	-	-	-	-	-	9,039	-	9,039
3187 Teacher supplies (no carryover)	-	-	-	-	-	5,775	-	5,775
Total state sources	-	-	-	-	-	74,987	-	74,987
4000 Revenue from federal sources								
4300 Elementary and Secondary Educ Act of 1965 (ESEA)								
4310 Title I, Basic State Grant (carryover prov)	71,858	-	-	-	-	-	-	71,858
4351 Supporting effective instruction	-	-	-	-	-	-	12,684	12,684

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

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

	<u>Title I</u> <u>(201/202)</u>	<u>IDEA</u> <u>(203/204)</u>	<u>Preschool</u> <u>Handicapped</u> <u>(205/206)</u>	<u>CATE</u> <u>(207/208)</u>	<u>Adult</u> <u>Education</u> <u>(243)</u>	<u>Other</u> <u>Designated</u> <u>Restricted</u> <u>State Grants*</u> <u>(900s)</u>	<u>Other</u> <u>Special</u> <u>Revenue</u> <u>Programs*</u> <u>(200s/800s)</u>	<u>Total</u>
4500 Programs for children with disabilities								
4510 Individ with Disabilities Educ Act (IDEA)	\$ -	\$ 18,783	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,783
4520 Presch grants children w/disabil (IDEA)	-	-	954	-	-	-	-	954
4900 Other federal sources								
4931 ARP IDEA	-	-	-	-	-	-	9,114	9,114
4977 ESSER II	-	-	-	-	-	-	9,000	9,000
4990 Other federal revenue								
4999 Revenue from other federal sources	-	-	-	-	-	-	225,630	225,630
Total federal sources	<u>71,858</u>	<u>18,783</u>	<u>954</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>256,428</u>	<u>348,023</u>
Total revenues all sources	<u>71,858</u>	<u>18,783</u>	<u>954</u>	<u>-</u>	<u>-</u>	<u>74,987</u>	<u>258,030</u>	<u>424,612</u>

EXPENDITURES

100 Instruction								
110 General instruction								
111 Kindergarten programs								
100 Salaries	-	-	-	-	-	-	3,000	3,000
400 Supplies and materials	-	-	-	-	-	825	-	825
112 Primary programs								
100 Salaries	-	-	-	-	-	-	7,000	7,000
400 Supplies and materials	-	-	-	-	-	1,650	14,500	16,150

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

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

	<u>Title I</u> <u>(201/202)</u>	<u>IDEA</u> <u>(203/204)</u>	<u>Preschool</u> <u>Handicapped</u> <u>(205/206)</u>	<u>CATE</u> <u>(207/208)</u>	<u>Adult</u> <u>Education</u> <u>(243)</u>	<u>Other</u> <u>Designated</u> <u>Restricted</u> <u>State Grants</u> <u>(900s)</u>	<u>Other</u> <u>Special</u> <u>Revenue</u> <u>Programs</u> <u>(200s/800s)</u>	<u>Total</u>
113 Elementary programs								
100 Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,170	\$ 13,000	\$ 16,170
200 Employee benefits	-	-	-	-	-	242	-	242
400 Supplies and materials	-	-	-	-	-	3,025	-	3,025
120 Exceptional programs								
126 Speech handicapped								
300 Purchased services	-	-	954	-	-	-	-	954
127 Learning disabilities								
100 Salaries	-	-	-	-	-	-	1,000	1,000
300 Purchased services	-	18,783	-	-	-	-	9,114	27,897
300 Purchased services	-	-	-	-	-	275	-	275
Total instruction	-	18,783	954	-	-	9,187	47,614	76,538
200 Support services								
210 Pupil services								
212 Guidance services								
100 Salaries	-	-	-	-	-	-	31,176	31,176
200 Employee benefits	-	-	-	-	-	-	3,388	3,388
213 Health services								
100 Salaries	-	-	-	-	-	8,397	1,000	9,397
200 Employee benefits	-	-	-	-	-	642	-	642

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

	<u>Title I</u> <u>(201/202)</u>	<u>IDEA</u> <u>(203/204)</u>	<u>Preschool</u> <u>Handicapped</u> <u>(205/206)</u>	<u>CATE</u> <u>(207/208)</u>	<u>Adult</u> <u>Education</u> <u>(243)</u>	<u>Other</u> <u>Designated</u> <u>Restricted</u> <u>State Grants</u> <u>(900s)</u>	<u>Other</u> <u>Special</u> <u>Revenue</u> <u>Programs</u> <u>(200s/800s)</u>	<u>Total</u>
220 Instructional staff services								
221 Improvement of instr curriculum develop								
100 Salaries	\$ 49,811	\$ -	\$ -	\$ -	\$ -	\$ 40,408	\$ 2,000	\$ 92,219
200 Employee benefits	10,172	-	-	-	-	16,353	-	26,525
223 Supervision of special programs								
100 Salaries	11,875	-	-	-	-	-	-	11,875
224 Improvement of instruction inserv and staff training								
300 Purchased services	-	-	-	-	-	-	12,000	12,000
400 Supplies and materials	-	-	-	-	-	-	684	684
230 General administrative services								
233 School administration								
100 Salaries	-	-	-	-	-	-	3,000	3,000
200 Employee benefits	-	-	-	-	-	-	4,317	4,317
250 Finance and operations services								
256 Food services								
100 Salaries	-	-	-	-	-	-	33,666	33,666
200 Employee benefits	-	-	-	-	-	-	2,904	2,904
300 Purchased services	-	-	-	-	-	-	10,091	10,091
400 Supplies and materials	-	-	-	-	-	-	103,576	103,576
Total support services	<u>71,858</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>65,800</u>	<u>207,802</u>	<u>345,460</u>
Total expenditures	<u>71,858</u>	<u>18,783</u>	<u>954</u>	<u>-</u>	<u>-</u>	<u>74,987</u>	<u>255,416</u>	<u>421,998</u>

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

	<u>Title I</u> <u>(201/202)</u>	<u>IDEA</u> <u>(203/204)</u>	<u>Preschool</u> <u>Handicapped</u> <u>(205/206)</u>	<u>CATE</u> <u>(207/208)</u>	<u>Adult</u> <u>Education</u> <u>(243)</u>	<u>Other</u> <u>Designated</u> <u>Restricted</u> <u>State Grants</u> <u>(900s)</u>	<u>Other</u> <u>Special</u> <u>Revenue</u> <u>Programs</u> <u>(200s/800s)</u>	<u>Total</u>
OTHER FINANCING SOURCES (USES)								
Interfund transfers from (to) other funds:								
5210 Transfer from General Fund (excludes IC)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total other financing sources (uses)	-	-	-	-	-	-	-	-
EXCESS/DEFICIENCY OF REVENUES	-0-	-0-	-0-	-0-	-0-	-0-	2,614	2,614
OVER EXPENDITURES								
FUND BALANCE, July 1, 2021	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
FUND BALANCE, June 30, 2022	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 2,614</u>	<u>\$ 2,614</u>

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

<u>LEA Subfund Code</u>	<u>Program</u>	<u>Revenue</u>	<u>Revenue Code</u>
<u>OTHER RESTRICTED STATE GRANTS</u>			
937	Student health/fitness-PE teachers	\$ 3,412	3127
935	Reading coaches	56,761	3135
936	Student health/fitness - nurses	9,039	3136
917	Teacher supplies (no carryover)	5,775	3187
		<u>\$ 74,987</u>	
<u>OTHER SPECIAL REVENUE PROGRAMS</u>			
802	Lunch sales to pupils	\$ 1,602	1610
267	Supporting effective instruction	12,684	4351
230	ARP IDEA	9,114	4931
225	ESSER II	9,000	4977
802	USDA school meal reimbursement	154,322	4999
809	GEER Fund	71,308	4999
		<u>\$ 258,030</u>	

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

Subfund	Revenue Code	Programs	Revenues	Expenditures	Special Revenue		Special Revenue Fund Unearned
					Interfund Transfers In/(Out)	Other Fund Transfers In/(Out)	
937	3127	Student health/fitness-PE teachers	\$ 3,412	\$ 3,412	\$ -	\$ -	\$ -
935	3135	Reading coaches	56,761	56,761	-	-	2,349
936	3136	Student health/fitness - nurses	9,039	9,039	-	-	-
917	3187	Teacher supplies (no carryover)	5,775	5,775	-	-	-
			<u>\$ 74,987</u>	<u>\$ 74,987</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

GREEN CHARTER SCHOOL OF THE MIDLANDS
IRMO, 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		
3526 Refurbishment of science kits	\$	1,731
3536 Student health & fitness		15,418
3538 Students at risk of school failure		23,873
3550 Teacher salary increase (no carryover)		50,048
3555 Teacher salary fringe		12,022
3557 Summer reading program		1,499
3577 Teacher supplies (no carryover provision)		825
3583 Charter school payments		1,309,946
3595 EEDA - supplies and materials		257
3597 Aid to districts		11,037
		<hr/>
Total state sources		1,426,656
		<hr/>
Total revenues all sources		1,426,656
		<hr/>

EXPENDITURES

100 Instruction		
110 General instruction		
112 Primary programs		
100 Salaries		22,176
200 Employee benefits		1,696
400 Supplies and materials		1,416
113 Elementary programs		
100 Salaries		10,253
200 Employee benefits		784
400 Supplies and materials		1,141
170 Summer school programs		
171 Primary summer school		
100 Salaries		1,392
200 Employee benefits		107
		<hr/>
Total instruction		38,965
		<hr/>

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

200 Support services		
210 Pupil services		
212 Guidance services		
400 Supplies and materials	\$	257
213 Health services		
100 Salaries		14,322
200 Employee benefits		<u>1,096</u>
Total support services		<u>15,675</u>
Total expenditures		<u>54,640</u>
 OTHER FINANCING SOURCES (USES)		
Interfund transfers, from (to) other funds		
420-710 Transfer to General Fund (excludes indirect costs)		<u>(1,372,016)</u>
Total other financing sources (uses)		<u>(1,372,016)</u>
 EXCESS/DEFICIENCY OF REVENUES OVER EXPENDITURES		
		<u>-0-</u>
FUND BALANCE, July 1, 2021		<u>-0-</u>
FUND BALANCE, June 30, 2022	\$	<u><u>-0-</u></u>

GREEN CHARTER SCHOOL OF THE MIDLANDS
IRMO, 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					
3526 Refurbishment of science kits	\$ 1,731	\$ 1,731	\$ -	\$ -	\$ -
3536 Student health & fitness	15,418	15,418	-	-	-
3538 Students at risk of school failure	23,873	23,873	-	-	-
3550 Teacher salary increase (no carryover)	50,048	-	-	(50,048)	-
3555 Teacher salary fringe	12,022	-	-	(12,022)	-
3557 Summer reading program	1,499	1,499	-	-	-
3577 Teacher supplies (no carryover provision)	825	825	-	-	-
3583 Charter school payments	1,309,946	-	-	(1,309,946)	-
3595 EEDA - supplies and materials	257	257	-	-	-
3597 Aid to districts	11,037	11,037	-	-	-
TOTALS	\$ 1,426,656	\$ 54,640	\$ -0-	\$ (1,372,016)	\$ -0-

**GREEN CHARTER SCHOOL OF THE MIDLANDS
IRMO, 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 OF THE MIDLANDS
IRMO, 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 OF THE MIDLANDS
IRMO, 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 of the Midlands
Irmo, South Carolina

We have audited the financial statements of GREEN Charter School of the Midlands 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 or other matters that are required to be reported under Government Auditing Standards.

Purpose of this Report

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