

**BARACK OBAMA GREEN  
CHARTER SCHOOL**

**ANNUAL COMPREHENSIVE  
FINANCIAL REPORT**

**FISCAL YEAR ENDED JUNE 30, 2023**

**BARACK OBAMA GREEN CHARTER SCHOOL**

***Barack Obama Green Charter School  
Board of Trustees  
Plainfield, New Jersey***

***Annual Comprehensive Financial Report  
For the Fiscal Year Ended June 30, 2023***

***ANNUAL COMPREHENSIVE  
FINANCIAL REPORT  
OF THE  
BARACK OBAMA GREEN CHARTER SCHOOL  
PLAINFIELD, NEW JERSEY  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023***

***Prepared By***

***Barack Obama Green Charter School  
Finance Department***

***And***

***Barre & Company LLC, CPA's***

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Secretary, State Board of Education

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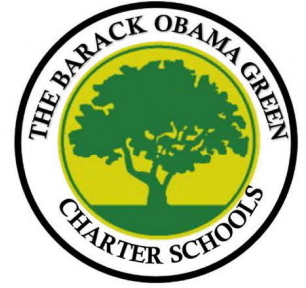
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***INTRODUCTORY SECTION***



The Barack Obama Green Charter Schools  
35 Watchung Avenue  
Plainfield, NJ 07060  
Mrs. Erin Murphy-Richardson  
Superintendent



December 5, 2023

Honorable President and  
Members of the Board of Trustees  
Barack Obama Green Charter School  
Plainfield, New Jersey

Dear Board Members:

The annual comprehensive financial report of the Barack Obama Green Charter School (the "Charter School") for the fiscal year ended June 30, 2023, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Trustees (the "Board"). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the basic financial statements and results of operations of the various funds of the Charter School. All disclosures necessary to enable the reader to gain an understanding of the Charter School's financial activities have been included.

The Annual Comprehensive Financial Report is presented in four sections as follows:

- The Introductory Section contains a table of contents, Letter of Transmittal, List of Principal Officials, and an Organizational Chart of the Charter School;
- The Financial Section begins with the Independent Auditors' Report and includes the Management's Discussion and Analysis, the Basic Financial Statements and Notes providing an overview of the Charter School's financial position and operating results, and other schedules providing detailed budgetary information;
- The Statistical Section includes selected economic and demographic information, financial trends, and the fiscal capacity of the Charter School, generally presented on a multi-year basis;
- The Single Audit Section — The Charter School is required to undergo an annual single audit in conformity with the provisions of the *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (U.S. Uniform Guidance) and New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Information related to this single audit, including the independent auditor's report on the internal control and compliance with applicable laws, regulations, contracts and grants, along with findings and questioned costs, are included in the single audit section of this report.

**Excellence is Standard!**

## Charter School Organization

An elected seven-member Board of Trustees (the “Board”) serves as the policy maker for the Charter School. The Board adopts an annual budget and directly approves all expenditures which serve as the basis for control over and authorization for all expenditures of the Charter School funds.

The Chief School Administrator/Principal of the Charter School is responsible to the Board for total educational and support operations. The Curriculum Coordinator, Lead Teacher and Director of Operations are responsible to the Chief School Administrator/Principal for the instructional program of the school. The Business Administrator is the Chief Financial Officer of the Charter School, responsible to the Board for maintaining all financial records, issuing warrants in payment of liabilities incurred by the Charter School, acting as custodian of all Charter School funds, and investing idle funds as permitted by New Jersey law.

### 1. REPORTING ENTITY AND ITS SERVICES:

Barack Obama Green Charter School is an independent reporting entity within the criteria adopted by the Government Auditing Standards Board (GASB) as established by GASB Statement No. 14, as amended. All funds of the school are included in this report. The Board of Trustees of Barack Obama Green Charter School, constitutes the Charter School’s reporting entity.

The Charter School was established as a high achieving Science-based school in Plainfield, New Jersey. During the 2022-2023 school year, Barack Obama Green Charter School provided a full range of educational services to students in grades 6 and 9 to 12. The Charter School was authorized to enroll up to 300 students for grades 6 and 9 to 12. The Charter School completed the 2022-2023 school year with an enrollment of 259 students. The following details the changes in the student enrollment of the Charter School over the last five years.

#### Average Daily Enrollment

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2022-2023	259.00	9.65%
2021-2022	234.00	-1.71%
2020-2021	238.00	2.52%
2019-2020	232.00	0.86%
2018-2019	230.00	-2.17%

As a college-preparatory school, Barack Obama Green Charter School’s mission is founded on the understanding that students have ownership and responsibility for their own educational processes and for their future. Accordingly, our curriculum is established using effective, research-based educational practices; hand-on Problem Based Service Learning adventures and grade appropriate core academic materials with a particular focus on the New Jersey Core Curriculum Content Standards. Our educational program is designed to meet the diverse needs of individual students, including “at risk” students, English Language Learners (ELL) and students with special needs.

## **2. ECONOMIC CONDITION AND OUTLOOK:**

The City of Plainfield is located in the center of New Jersey's industrial corridor, which extends from New York City to Philadelphia, and has experienced some of the same development, which has affected large parts of northeastern and central New Jersey in terms of industrial relocation. Both manufacturing and non-manufacturing firms have tended, in recent years, to move from the city's large industrial park located near the interstate highways.

Additionally, over the last three decades, downtown commercial activity has generally diminished because of the trend toward suburban regional malls. This trend, combined with demographic shifts, has caused a reduction in Plainfield's retail sales, which is likely to continue in the foreseeable future.

## **3. MAJOR INITIATIVES:**

The Barack Obama Green Charter School continued to focus its resources on the implementation of the New Jersey Student Learning Standards. The Charter School completed its twelfth year of operation enabling each student to apply content area knowledge and prior learning experiences in new ways to resolve issues that negatively impact the local community. The Charter School has used and will continue to use "Curriculum Mapping" to develop and monitor the school's curriculum, utilizing our web-based system to align assessment, curriculum and instruction, to ensure all standards within each grade level are being covered.

The Charter School responded to its "at risk" students, vis-à-vis the Federal grants available, i.e., ESSA and IDEA, and will continue this process in the ensuing school year by identifying these students through assessment, teaching observations, and parent involvement.

## **4. INTERNAL ACCOUNTING CONTROLS:**

Management of the Charter School is responsible for establishing and maintaining an internal control designed to ensure that the assets of the Charter School are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). Internal control is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of federal and state financial assistance, the Charter School is responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws and regulations related to those programs. Internal control is also subject to periodic evaluation by the Charter School's management.

As part of the Charter School's single audit described earlier, tests are made to determine the adequacy of internal controls, including that portion related to federal and state financial assistance programs, as well as to determine that the Charter School has complied with applicable laws and regulations.

## **5. BUDGETARY CONTROLS:**

In addition to internal accounting controls, the Charter School maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget. Annual appropriated budgets are adopted for the general fund and the special revenue fund. The final budget amount, as amended for the fiscal year, is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either cancelled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as assignments of fund balance at June 30, 2023.

## **6. ACCOUNTING SYSTEM AND REPORTS:**

The Charter School's accounting records generally reflect accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of The Barack Obama Green Charter School is organized on the basis of funds and account groups. These funds and account groups are explained in the "Notes to the Financial Statements," Note 1.

## **7. CASH MANAGEMENT:**

The investment policy of the Charter School is guided in large part by state statute as detailed in "Notes to the Basic Financial Statement" Note 3. The Charter School had adopted a cash management plan which requires it to deposit funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Government Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

## **8. RISK MANAGEMENT:**

The Board carries various forms of insurance, including but not limited to general liability, directors and officers insurance and workmen's compensation.

## **9. OTHER INFORMATION:**

**Independent Audit** - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Barre & Company LLC, Certified Public Accountants, was selected by the Board of Trustees. In addition to meeting the requirements set forth in State statutes, the audit also was designed to meet the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") and New Jersey's Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*. The auditors' report on the basic financial statements and specific required supplemental information is included in the financial section of this report. The auditors' reports, related specifically to the single audit, are included in the single audit section of this report.

**10. ACKNOWLEDGEMENTS:**

We would like to express our appreciation to the members of the Barack Obama Green Charter School Board of Trustees for their concern in providing fiscal accountability to the citizens and taxpayers of the Charter School and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our staff.

Respectfully submitted,

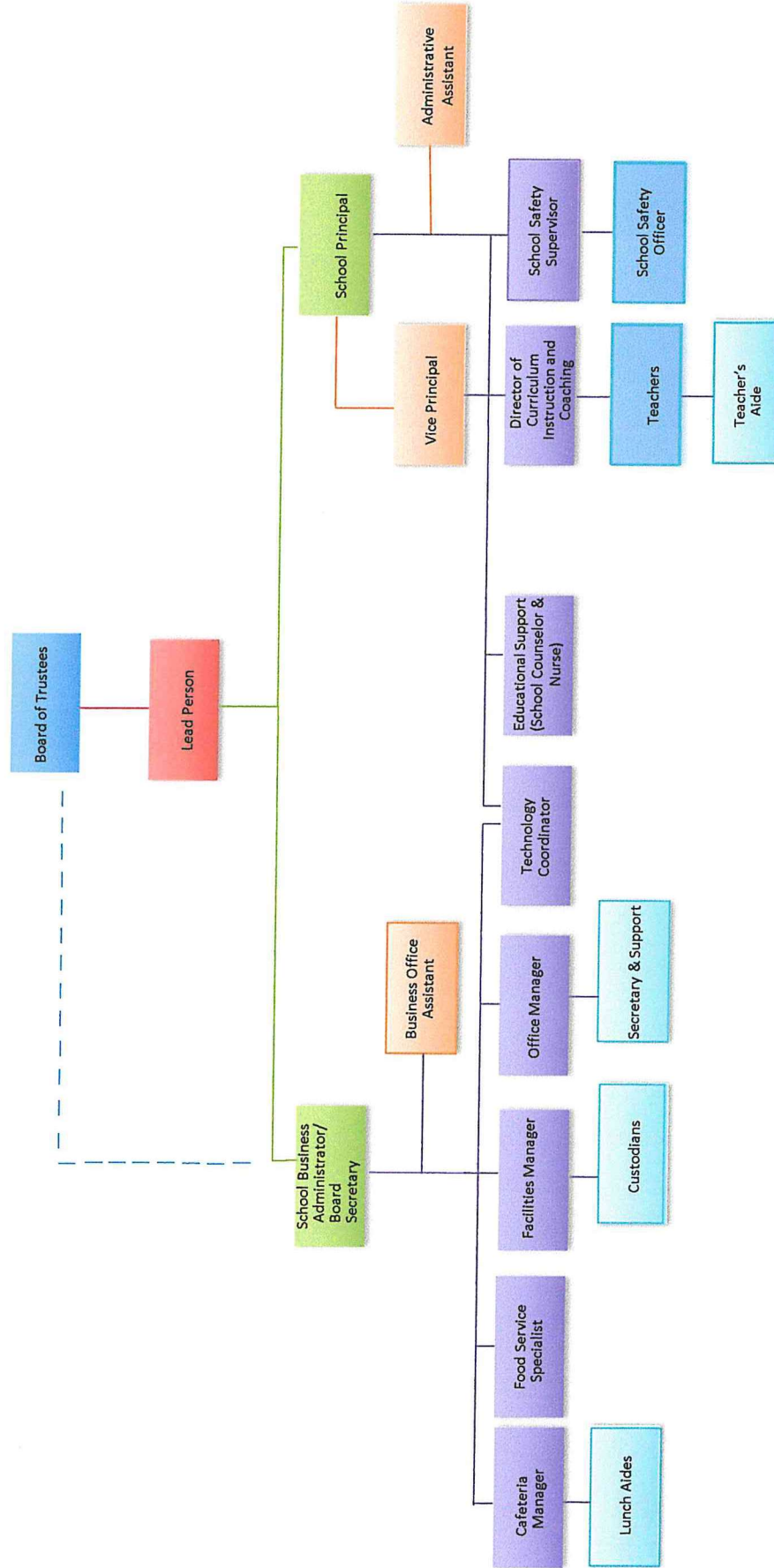


Erin Murphy Richardson  
Head of School/Principal



Joan Orimaco  
School Business Administrator

# BOGCHS Organizational Structure



**BARACK OBAMA GREEN CHARTER SCHOOL  
PLAINFIELD, NEW JERSEY**

**ROSTER OF OFFICIALS  
JUNE 30, 2023**

**MEMBERS OF THE BOARD OF TRUSTEES**

Gregory Hambric	-	President
Nicholl Rogers	-	Member
John Miller	-	Member
Tania Khalfani	-	Member
Jamal Walden	-	Member
Darlene Williams	-	Member
Monique Foye	-	Member

**OTHER OFFICIALS**

Erin Murphy Richardson	Head of School/Principal
Joan Orimaco	School Business Administrator



**BARACK OBAMA GREEN CHARTER SCHOOL  
PLAINFIELD, NEW JERSEY**

**CONSULTANTS AND ADVISORS**

***Audit Firm***

Barre & Company LLC  
Certified Public Accountants  
2204 Morris Avenue, Suite 206  
Union, New Jersey 07083

***Attorney***

Johnson Law Firm  
75 Midland Avenue  
Suite 1  
Montclair, New Jersey 07042

***Official Depository***

Wells Fargo Bank  
274 Somerset Street  
North Plainfield, New Jersey 07060

Unity Bank  
2222 South Avenue  
Scotch Plains, New Jersey 07076

***FINANCIAL SECTION***

**BARRE & COMPANY LLC**  
**CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS**  
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**Independent Auditor's Report**

The Honorable President and  
Members of the Board of Trustees  
Barack Obama Green Charter School  
County of Union  
Plainfield, New Jersey

**Report on the Financial Statements**

***Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of the Barack Obama Green Charter School (Charter School), in the County of Union, State of New Jersey, as of and for the fiscal year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Charter School's basic financial statements as listed in the 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, the business-type activities and each major fund of the Barack Obama Green Charter School, in the County of Union, State of New Jersey, as of June 30, 2023, and the respective changes in the financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and in compliance with audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Barack Obama 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 opinions.

### ***Responsibilities of Management for the Financial Statements***

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

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 Barack Obama 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.

### ***Auditor's 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 auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS 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 Barack Obama Green Charter 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 Barack Obama Green Charter 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, budgetary comparison information, schedule of the Charter School's proportionate share of the net pension liability, schedule of the Charter School's pension contributions, and schedule of changes in the Charter School's total OPEB liability and related ratios, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an 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 response to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Barack Obama Green Charter School's basic financial statements. The combining and related major fund supporting statements and schedules are presented for purposes of additional analysis, as required by the Office of School Finance, Department of Education, State of New Jersey and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the State of New Jersey's Circular 15-08 OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, respectively, are also presented for purposes of additional analysis and is not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining statements and related major fund supporting statements and schedule and schedule of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***


Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

**Other Reporting Required by *Government Auditing Standards* and the Office of School Finance, Department of Education, State of New Jersey**

In accordance with *Government Auditing Standards* and the Office of School Finance, Department of Education, State of New Jersey, we have also issued our report dated December 5, 2023 on our consideration of the Barack Obama Green Charter School's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and the Office of School Finance, Department of Education, State of New Jersey and the Office of School Finance, Department of Education, State of New Jersey in considering the Charter School's internal control over financial reporting and compliance.

  
BARRE & COMPANY LLC  
Certified Public Accountants  
Public School Accountant

  
Richard M. Barre, CPA  
Public School Accountant  
PSA Number CS-01181

Union, New Jersey  
December 5, 2023

***REQUIRED SUPPLEMENTARY INFORMATION – PART I***

**BARACK OBAMA GREEN CHARTER SCHOOL  
PLAINFIELD, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR FISCAL YEAR ENDED JUNE 30, 2023  
UNAUDITED**

As management of the Barack Obama Green Charter School ("Charter School"), we offer readers of the Charter School's financial statements this narrative discussion, overview, and analysis of the financial activities of the Charter School for the year ended June 30, 2023. We encourage readers to consider the information presented, in conjunction with additional information that we have furnished in our letter of transmittal.

Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standard Board's (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. Certain comparative information between the current fiscal year and the prior fiscal year is presented in the MD&A as required by GASB Statement No. 34.

### **Financial Highlights**

Key financial highlights for 2023 are as follows:

- ❖ Total net position of the governmental activities and business-type activities is \$3,200,899 at June 30, 2023. It is comprised of both current and capital assets and deferred outflows of resources less deferred inflows of resources and current and outstanding long-term liabilities.
- ❖ General revenues accounted for \$6,808,436 of total revenues or 94% of all revenues. Program specific revenues in the form of charges for services and operating grants and contributions accounted for \$468,313 or 6% percent of total revenues of \$7,276,749.
- ❖ The Charter School had \$6,083,636 in expenses; only \$468,313 of these expenses were offset by program specific charges for services, grants or contributions. General revenues of \$6,808,436 were adequate to provide for these programs.
- ❖ Among major funds, the General Fund had \$5,771,195 in revenues and \$5,089,791 in expenditures. The General Fund's fund balance increased \$681,404 over 2022. This increase was anticipated by the Board of Trustees.

### **Using this Annual Comprehensive Financial Report (ACFR)**

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Barack Obama Green Charter School as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

### **Overview of the Financial Statements**

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



**BARACK OBAMA GREEN CHARTER SCHOOL  
PLAINFIELD, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR FISCAL YEAR ENDED JUNE 30, 2023  
UNAUDITED  
(CONTINUED)**

**Government-Wide Financial Statements**

The government-wide financial statements are designed to provide readers with a broad overview of the Charter School's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the assets, deferred outflows of resources, deferred inflows of resources and liabilities of the Charter School, with the difference between them 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 Charter School is improving or deteriorating.

The statement of activities presents information showing how the net position of the Charter School changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements can be found starting on page 27 of this report.

**Fund Financial Statements**

A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Charter School, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Charter School can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**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 fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating 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 financial decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Charter School maintains two individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund and special revenue fund, all of which are considered to be major funds.

**BARACK OBAMA GREEN CHARTER SCHOOL  
PLAINFIELD, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR FISCAL YEAR ENDED JUNE 30, 2023  
UNAUDITED  
(CONTINUED)**

**Governmental Funds (Continued)**

The Charter School adopts an annual appropriated budget for its general fund and special revenue fund. Budgetary comparison statements have been provided as required supplementary information for the general fund and the special revenue fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found starting on page 31 of this report.

**Proprietary Funds**

The Charter School maintains proprietary fund types in the form of enterprise funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Charter School uses enterprise funds to account for the operations of its food service which is considered a major fund of the Charter School. Enterprise funds provide the same type of information as the government-wide financial statements, only in more detail.

The proprietary fund financial statements can be found starting on page 35 of this report.

**Fiduciary Funds**

Fiduciary funds are used to account for resources held for the benefit of parties outside the governmental entity. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Charter School's own programs. Because of the implementation of GASB 84, all of the Charter School's fiduciary funds were determined to be more appropriately reported in the governmental funds. We now include these activities as part of the district-wide financial statements.

**Notes to the Basic Financial Statements**

The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found starting on page 39 of this report.

**Other Information**

The required supplementary information and combining statements referred to earlier in connection with governmental funds and proprietary funds are presented immediately following the notes to the basic financial statements. Combining and individual fund statements and schedules can be found starting on page 83 of this report.

**BARACK OBAMA GREEN CHARTER SCHOOL  
PLAINFIELD, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR FISCAL YEAR ENDED JUNE 30, 2023  
UNAUDITED  
(CONTINUED)**

Figure A-1 summarizes the major features of the Charter School's financial statements, including the portion of the Charter School's government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

**Major Features of the Barack Obama Green Charter School's  
Government-Wide and Fund Financial Statements  
(Figure A-1)**

	Government-Wide Statements	Fund Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire Charter School (except fiduciary funds)	The activities of the Charter School that are not proprietary or fiduciary, such as regular and special education and building maintenance	Activities the Charter School operates similar to private businesses: Food Service Fund	Instances in which the Charter School is the trustee or agent for someone else's resources, such as payroll agency and student activities
Required financial statements	Statement of net position  Statement of activities	Balance sheet  Statement of revenues, expenditures, and changes in fund balance	Statement of net position  Statement of revenues, expenses, and changes in net position  Statement of cash flows	Statement of fiduciary net position  Statement of changes in fiduciary net position
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both financial and capital, and short-term and long-term
Type of inflow/outflow information	All revenues and expenses during the 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 or services have been received and the related liability is due and payable	All revenues and expenses during the year, regardless of when cash is received or paid	All revenues and expenses during the year, regardless of when cash is received or paid

**BARACK OBAMA GREEN CHARTER SCHOOL  
PLAINFIELD, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR FISCAL YEAR ENDED JUNE 30, 2023  
UNAUDITED  
(CONTINUED)**

**The Charter School as a Whole**

The Statement of Net Position provides the perspective of the Charter School as a whole. Net position may serve as an indicator of a government's financial position. However, as noted earlier, net position is not the primary basis for decision making for each budget cycle. The Charter School's financial position is the product of several financial transactions including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets.

The following table provides a summary of net position relating to the Charter School's governmental and business-type activities as of June 30, 2023 and 2022:

**Table 1  
Net Position**

	2023	2022
<b>Assets</b>		
Current and Other Assets	\$ 3,883,360	\$ 3,247,812
Capital and ROU Assets	<u>360,084</u>	<u>720,168</u>
Total Assets	<u>4,243,444</u>	<u>3,967,980</u>
<b>Deferred Outflows of Resources</b>		
Related to Pensions	<u>355,014</u>	<u>488,843</u>
<b>Liabilities</b>		
Account and Other Payables	177,367	209,318
Other Current Liabilities	1,000	22,779
Long-Term Liabilities	<u>800,403</u>	<u>1,428,402</u>
Total Liabilities	<u>978,770</u>	<u>1,660,499</u>
<b>Deferred Inflows of Resources</b>		
Related to Pensions	<u>418,789</u>	<u>788,538</u>
<b>Net Position</b>		
Restricted	100,034	776,298
Unrestricted	<u>3,100,865</u>	<u>1,231,488</u>
<b>Total Net Position</b>	<u>\$ 3,200,899</u>	<u>\$ 2,007,786</u>

A portion of the Charter School's net position is its net investment in capital assets, e.g. leasehold improvements and furniture, machinery and equipment, less any related debt used to acquire those assets that are still outstanding. The Charter School uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the Charter School's net investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**BARACK OBAMA GREEN CHARTER SCHOOL  
PLAINFIELD, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR FISCAL YEAR ENDED JUNE 30, 2023  
UNAUDITED  
(CONTINUED)**

**The Charter School as a Whole (Continued)**

The net pension liability recorded as of June 30, 2023 is the result of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions* and Governmental Accounting Standards Board Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date — an amendment of GASB Statement No. 68*. The increase of \$141,344 from the prior year relates to changes in the actuarial assumptions from the prior year and the pension funding status of the State of New Jersey. An additional portion of the Charter School's net position (restricted) represents resources that are subject to external restrictions on how they may be used, which total \$100,034 at June 30, 2023. This restricted net position balance is the result of additional funds being deposited into the capital reserve account, reserved for unemployment claims, and student activity funds. The remaining balance of unrestricted net position may be used to meet the Charter School's ongoing obligations to the community they provide program services and creditors.

**Charter School Activities**

The key elements of the Charter School's changes in net position for the years ended June 30, 2023 and 2022 are as follows:

**Table 2  
Changes in Net Position**

	2023	2022
<b>Revenues</b>		
Program Revenues:		
Charges for Services	\$ 59,941	\$ 44,295
Operating Grants and Contributions	408,372	381,839
General Revenues:		
General Purposes	645,113	630,096
Grants and Entitlements	5,899,613	5,273,536
Other	<u>263,710</u>	<u>10,106</u>
Total Revenues	<u>7,276,749</u>	<u>6,339,872</u>
<b>Program Expenses</b>		
Instruction	3,213,389	2,795,145
Administration	1,424,185	1,792,007
Support Services	828,025	709,790
Interest on Long-Term Debt	38,540	62,986
Unallocated Amortization	360,084	360,084
Food Service	<u>116,160</u>	<u>127,065</u>
Total Program Expenses	<u>6,083,636</u>	<u>5,847,077</u>
<b>Changes in Net Position</b>	<u>\$ 1,193,113</u>	<u>\$ 492,795</u>

**BARACK OBAMA GREEN CHARTER SCHOOL  
PLAINFIELD, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR FISCAL YEAR ENDED JUNE 30, 2023  
UNAUDITED  
(CONTINUED)**

**The Charter School as a Whole (Continued)**

The increase in revenues is attributed to combining changes in revenue related to the local, state, and federal aid and GASB 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which were contributions made on behalf of the Charter School by the State for post-employment health benefits.

The increase in program expenses is attributed to combining changes in expenses related to certain expenses due to the Charter School receiving local, state, and federal aid, the allocation of TPAF Social Security and Pension expenses due to the GASB 68 valuation, and post-employment health benefit expenses related to GASB 75.

**Governmental Activities**

The Charter School's total revenues were \$7,161,834 for the year ended June 30, 2023 and \$6,223,620 for 2022. Federal, state, and local grants and state aid accounted for 87% for 2023 and 89% for 2022 of revenues which includes \$821,252 for 2023 and \$812,167 for 2022 of state reimbursed TPAF social security contributions and on-behalf TPAF pension, post-retirement medical, and long-term disability insurance contributions.

The total cost of all program and services was \$5,671,848 for 2023 and \$5,410,128 for 2022. Instruction comprises 57% for 2023 and 52% for 2022 of Charter School expenses.

The *Statement of Activities* shows the cost of program services and the charges for services and grants offsetting those services. Instruction expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and student, including extracurricular activities.

Administration includes expenses associated with administrative and financial supervision of the Charter School.

Support services include the activities involved with assisting staff with the content and process of teaching to students, including curriculum and staff development and the costs associated with operating the facility.

Capital Outlay represents instructional and/or non-instructional equipment purchased and is capitalized when such equipment is over the \$2,000 threshold.

**Business-Type Activities**

Revenues for the Charter School's business-type activities (food service program) were comprised of charges for services and federal and state reimbursements.

- ❖ Food service expenses exceeded revenues by \$1,245 for 2023 and \$10,813 for 2022.

- ❖ Charges for services amounted to \$2,165 for 2023. There were no charges for services for 2022. This represents amounts paid by patrons for daily food.

**BARACK OBAMA GREEN CHARTER SCHOOL  
PLAINFIELD, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR FISCAL YEAR ENDED JUNE 30, 2023  
UNAUDITED  
(CONTINUED)**

**Business-Type Activities (Continued)**

❖ Federal and state reimbursements for meals, including payments for free and reduced breakfast and lunches were \$112,744 for 2023 and \$116,250 for 2022.

**The Charter School's Funds**

All governmental funds (i.e., general fund and special revenue fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. Total revenues amounted to \$6,670,552 for 2023 and \$5,607,449 for 2022 and expenditures were \$5,977,754 for 2023 and \$6,302,868 for 2022. The net change in fund balance was most significant in the general fund, an increase of \$681,404 in 2023 and an increase of \$474,571 in 2022.

As demonstrated by the various statements and schedules included in the financial section of this report, the Charter School continues to meet its responsibility for sound financial management. The following schedules present a summary of the revenues of the governmental funds for the fiscal year ended June 30, 2023.

Revenues	Amount	Percent of Total	Increase/ (Decrease) From 2022	Percent of Increase/ (Decrease)
Local Sources	\$ 968,593	14.52%	\$ 283,274	41.33%
State Sources	4,954,292	74.27%	886,936	21.81%
Federal Sources	747,667	11.21%	(107,107)	-12.53%
<b>Total</b>	<b>\$ 6,670,552</b>	<b>100.00%</b>	<b>\$ 1,063,103</b>	

State and Federal Sources increased due to additional grants funding.

The following schedule represents a summary of general fund and special revenue fund expenditures for the fiscal year ended June 30, 2023.

Expenditures	Amount	Percent of Total	Increase/ (Decrease) From 2022	Percent of Increase/ (Decrease)
Instruction	\$ 2,304,926	38.56%	\$ 318,912	16.06%
Administration	2,371,429	39.67%	179,412	8.18%
Support Services	808,682	13.53%	129,115	19.00%
Capital Outlay	492,717	8.24%	(952,553)	-65.91%
<b>Total</b>	<b>\$ 5,977,754</b>	<b>100.00%</b>	<b>\$ (325,114)</b>	

Changes in expenditures were the result of varying factors.

**BARACK OBAMA GREEN CHARTER SCHOOL  
PLAINFIELD, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR FISCAL YEAR ENDED JUNE 30, 2023  
UNAUDITED  
(CONTINUED)**

**The Charter School's Funds (Continued)**

**General Fund Budgeting Highlights**

The Charter School's budget is prepared according to New Jersey statutes, 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.

Over the course of the year, the Charter School revised the annual operating budget in accordance with state regulations. Revisions in the budget were made to recognize revenues that were not anticipated and to prevent over-expenditures in specific line item accounts.

TPAF, which is the state's contribution to the pension fund, is neither a revenue item nor an expenditure item to the Charter School but is required to be reflected in the financial statements.

**Capital Assets (Net of Depreciation)**

The Charter School had fully depreciated capital assets and right-of-use leased asset at June 30, 2023 and at June 30, 2022 invested in furniture, machinery and equipment for governmental activities. The table shows the balances of capital assets (net of depreciation) for fiscal years 2023 and 2022.

	2023				2022
	Beginning			Ending	
	Balance	Additions	Retirements	Balance	
<b>Governmental Activities:</b>					
<i>Capital Assets Being Depreciated:</i>					
Furniture, Machinery and Equipment	\$ 38,131	\$ -	\$ -	\$ 38,131	38,131
Right-Of-Use Leased Asset	1,860,434	-	-	1,860,434	1,860,434
Totals Capital Assets Being Depreciated	<u>1,898,565</u>	<u>-</u>	<u>-</u>	<u>1,898,565</u>	<u>1,898,565</u>
Less Accumulated Depreciation:					
Furniture, Machinery and Equipment	38,131	-	-	38,131	38,131
Right-Of-Use Leased Asset	1,140,266	360,084	-	1,500,350	1,140,266
Total Accumulated Depreciation	<u>1,178,397</u>	<u>360,084</u>	<u>-</u>	<u>1,538,481</u>	<u>1,178,397</u>
Total Capital Assets Being Depreciated, Net of Accumulated Depreciation	<u>720,168</u>	<u>(360,084)</u>	<u>-</u>	<u>360,084</u>	<u>720,168</u>
Government Activity Capital Assets, Net	<u>\$ 720,168</u>	<u>\$ (360,084)</u>	<u>\$ -</u>	<u>\$ 360,084</u>	<u>\$ 720,168</u>

**Debt Administration**

The Charter School's net pension liability as of June 30, 2023 and 2022 was \$764,736 and \$623,392, respectively. They also have leased liabilities in the amount of \$35,667 as of June 30, 2023 and \$805,010 for 2022.

For more detailed information, please refer to the Notes to the Financial Statements.



**BARACK OBAMA GREEN CHARTER SCHOOL  
PLAINFIELD, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR FISCAL YEAR ENDED JUNE 30, 2023  
UNAUDITED  
(CONTINUED)**

**Factors Bearing on the Charter School's Future**

The Barack Obama Green Charter School is in good financial condition presently. The Charter School is proud of its community support. A major concern is the continued enrollment growth of the Charter School with the increased reliance on federal and state funding.

In conclusion, Barack Obama Green Charter School has committed itself to financial stability for many years. In addition, the Charter School's system for financial planning, budgeting, and internal financial controls are well regarded. The Charter School plans to continue its sound fiscal management to meet the challenge of the future.

**Contacting the Charter School's Financial Management**

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the Charter School's finances and to show the Charter School's accountability for the money it receives. If you have questions about this report or need additional information, contact Ms. Erin Murphy Richardson, Chief Executive Officer at Barack Obama Green Charter School, 35 Watchung Avenue, Plainfield, New Jersey 07060.

## ***BASIC FINANCIAL STATEMENTS***

***The basic financial statements provide a financial overview of the Charter School's operation. These financial statements present the financial position and operating results of all funds as of June 30, 2023.***

## **SECTION A – GOVERNMENT-WIDE FINANCIAL STATEMENTS**

*The statement of net position and the statement of activities display information about the Charter School. These statements include the financial activities of the overall Charter School, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the governmental and business-type activities of the Charter School.*

**BARACK OBAMA GREEN CHARTER SCHOOL**

## Statement of Net Position

June 30, 2023

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS:</b>			
Cash and Cash Equivalents:			
Unrestricted	\$ 3,670,685	\$ 315	\$ 3,671,000
Restricted	75,055		75,055
Internal Balances	(2,746)	2,746	-
Receivables	72,696	4,609	77,305
Other Assets	60,000		60,000
Capital Assets, Net	360,084		360,084
	<u>4,235,774</u>	<u>7,670</u>	<u>4,243,444</u>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>			
Related to Pensions	355,014		355,014
	<u>355,014</u>	<u>-</u>	<u>355,014</u>
<b>LIABILITIES:</b>			
Payable to Federal Government	52,930		52,930
Payable to District	33,795		33,795
Accounts Payable	90,642		90,642
Unearned Revenue	1,000		1,000
Noncurrent Liabilities:			
Due Within One Year	35,667		35,667
Due Beyond One Year:			
Net Pension Liability	764,736		764,736
	<u>978,770</u>	<u>-</u>	<u>978,770</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Related to Pensions	418,789		418,789
	<u>418,789</u>	<u>-</u>	<u>418,789</u>
<b>NET POSITION:</b>			
Net Investment in Capital Assets			-
Restricted for:			
General Fund	75,055		75,055
Unemployment Compensation	834		834
Student Activities	24,145		24,145
Unassigned	3,093,195	7,670	3,100,865
	<u>\$ 3,193,229</u>	<u>\$ 7,670</u>	<u>\$ 3,200,899</u>

The accompanying Notes to Basic Financial Statements are an integral part of this statement.

**BARACK OBAMA GREEN CHARTER SCHOOL**

Statement of Activities

For The Fiscal Year Ended June 30, 2023

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes In Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>GOVERNMENTAL ACTIVITIES:</b>							
Instruction	\$ 3,213,389	\$ -	\$ 167,138	\$ -	\$ (3,046,251)	\$ -	\$ (3,046,251)
Administration	1,424,185		128,490		(1,295,695)		(1,295,695)
Support Services	828,025	57,776 *			(770,249)		(770,249)
Capital Outlay	103,253				(103,253)		(103,253)
Interest in Long-Term Debt	38,540				(38,540)		(38,540)
Unallocated Amortization	360,084				(360,084)		(360,084)
Total Governmental Activities	5,967,476	57,776	295,628	-	(5,614,072)	-	(5,614,072)
<b>BUSINESS-TYPE ACTIVITIES:</b>							
Food Service	116,160	2,165	112,744		(1,251)		(1,251)
Total Business-Type Activities	116,160	2,165	112,744	-	(1,251)		(1,251)
Total Primary Government	\$ 6,083,636	\$ 59,941	\$ 408,372	\$ -	\$ (5,614,072)	\$ (1,251)	\$ (5,615,323)
<b>GENERAL REVENUES</b>							
General Purposes					\$ 645,113	\$ -	\$ 645,113
Federal and State Aid Not Restricted					5,899,613	6	5,899,613
Investment Earnings					263,704	6	263,704
Miscellaneous Income					6,808,430	6	6,808,436
Total General Revenues					1,194,358	(1,245)	1,193,113
Change in Net Position					1,998,871	8,915	2,007,786
Net Position - July 1							
Net Position - June 30					\$ 3,193,229	\$ 7,670	\$ 3,200,899

\* student activity revenue is reported as "charges for services"

The accompanying Notes to Basic Financial Statements are an integral part of this statement.

## **SECTION B – FUND FINANCIAL STATEMENTS**

*The combining and individual fund and account group statements and schedules present more detailed information for the individual funds in a format that segregates information by fund type. The statements are segregated as follows:*

*Governmental Funds – This section consists of the general, special revenue, capital projects, and debt service funds.*

*Proprietary Funds – This section consists of the food service program. These funds are operated in a manner to a private business enterprise.*

***GOVERNMENTAL FUNDS***

**BARACK OBAMA GREEN CHARTER SCHOOL**  
Governmental Funds  
Balance Sheet  
June 30, 2023

	General Fund	Special Revenue Fund	Total
<b>ASSETS:</b>			
Current Assets:			
Cash and Cash Equivalents:			
Unrestricted	\$ 3,676,843 *	\$ -	\$ 3,676,843
Restricted	75,055		75,055
Interfund Receivables:			
Special Revenue Fund	2,663		2,663
Receivables From Other Governments	26,846	33,966	60,812
Other Receivables	11,884		11,884
Other Assets	60,000		60,000
<b>Total Assets</b>	<b>\$ 3,853,291</b>	<b>\$ 33,966</b>	<b>\$ 3,887,257</b>
<b>LIABILITIES AND FUND BALANCES:</b>			
Liabilities:			
Cash Overdraft	\$ -	\$ 6,158 *	\$ 6,158
Interfund Payables:			
General Fund		2,663	2,663
Enterprise Fund	2,746		2,746
Payable to Federal Government	52,930		52,930
Payable to District	33,795		33,795
Accounts Payable	25,552		25,552
Unearned Revenue		1,000	1,000
Unemployment Compensation Claims Payable	1,188 **		1,188
<b>Total Liabilities</b>	<b>116,211</b>	<b>9,821</b>	<b>126,032</b>
Fund Balances:			
Restricted:			
Charter School Escrow	75,055		75,055
Unemployment Compensation	834		834
Student Activities		24,145	24,145
Unassigned:			
General Fund	3,661,191		3,661,191
<b>Total Fund Balances</b>	<b>3,737,080</b>	<b>24,145</b>	<b>3,761,225</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 3,853,291</b>	<b>\$ 33,966</b>	

Amounts reported for *governmental activities* in the statement of net position (A-1) are different because:

Capital and right-of-use leased assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds. The cost of the assets is \$1,898,565 and the accumulated depreciation is \$1,538,481.	360,084
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(35,667)
Some liabilities, including net pension obligations, are not due and payable in the current period and, therefore, are not reported in the funds.	(764,736)
Accrued pension contributions for the June 30, 2023 plan year end are not paid with current economic resources and are therefore not reported as a liability in the funds, but are included in accounts payable in the government-wide statement of net position.	(63,902)
Deferred outflows and inflows or resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.	
Deferred outflows related to pensions	355,014
Deferred inflows related to pensions	(418,789)
<b>Net Position of Governmental Activities</b>	<b>\$ 3,193,229</b>

\* Include former fiduciary fund cash and cash equivalents

\*\* Include unspent employee payroll unemployment contributions

The accompanying Notes to Basic Financial Statements are an integral part of this statement.



**BARACK OBAMA GREEN CHARTER SCHOOL**  
 Governmental Funds  
 Statement of Revenues, Expenditures and Changes in Fund Balance  
 For the Fiscal Year Ended June 30, 2023

	General Fund	Special Revenue Fund	Total
<b>REVENUES:</b>			
Local Sources:			
Local Tax Levy	\$ 645,113	\$ -	\$ 645,113
Miscellaneous	263,704	59,776 *	323,480
Total Local Sources	908,817	59,776	968,593
State Sources	4,862,378	91,914	4,954,292
Federal Sources		747,667	747,667
Total Revenues	5,771,195	899,357	6,670,552
<b>EXPENDITURES:</b>			
Current:			
Instruction	1,963,769	341,157	2,304,926
Administration	2,371,429		2,371,429
Support Services	365,129	443,553 **	808,682
Capital Outlay	389,464	103,253	492,717
Total Expenditures	5,089,791	887,963	5,977,754
NET CHANGE IN FUND BALANCES	681,404	11,394	692,798
FUND BALANCES, JULY 1	3,055,676	12,751	3,068,427
FUND BALANCES, JUNE 30	\$ 3,737,080	\$ 24,145	\$ 3,761,225

\* Special revenue fund now includes revenues from student activities

\*\* Special revenue fund now includes expenditures from student activities

The accompanying Notes to Basic Financial Statements are an integral part of this statement.

**BARACK OBAMA GREEN CHARTER SCHOOL**  
 Reconciliation of the Statement of Revenues, Expenditures  
 And Changes in Fund Balances of Governmental Funds  
 To the Statement of Activities  
 For the Fiscal Year Ended June 30, 2023

Total net change in fund balances - governmental fund (from B-2)	\$ 692,798
Amounts reported for governmental activities in the statement of activities (A-2) are different because:	
<p>Capital outlays are reported in governmental funds as expenditures. However, on the statement of activities, the cost of those assets which are capitalized are allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current fiscal year.</p>	
Amortization Expense	(360,084)
<p>Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in government funds. The increase in capital leases is a reduction to the reconciliation. The decrease in capital leases is an addition to the reconciliation.</p>	
	769,343
<p>Pension costs associated with the PERS pension plan are reported in the governmental funds as expenditures in the year the school pension contribution is paid. However, on the statement of activities, the net difference between the current and prior year net pension liability is recognized.</p>	
	<u>92,301</u>
Change in net position of governmental activities	<u><u>\$ 1,194,358</u></u>

The accompanying Notes to Basic Financial Statements are integral part of this statement.

***PROPRIETARY FUNDS***

**BARACK OBAMA GREEN CHARTER SCHOOL**  
 Proprietary Fund  
 Statement of Net Position  
 June 30, 2023

		Business-Type Activities Enterprise Fund
		<u>Food Service Programs</u>
		<u>School Nutrition</u>
<b>ASSETS:</b>		
Cash and Cash Equivalents	\$	315
Due From Other Funds		2,746
Intergovernmental Accounts Receivable:		
Federal		4,450
State		159
		<hr/>
Total Assets	\$	<u>7,670</u>
<b>LIABILITIES AND NET POSITION:</b>		
Liabilities	\$	-
Net Position:		
Unassigned		7,670
		<hr/>
Total Net Position		<u>7,670</u>
Total Liabilities and Net Position	\$	<u>7,670</u>

The accompanying Notes to Basic Financial Statements are an integral part of this statement.

**BARACK OBAMA GREEN CHARTER SCHOOL**  
Proprietary Fund  
Statement of Revenues, Expenses, and Changes in Fund Net Position  
For the Fiscal Year Ended June 30, 2023

	Business-Type Activities Enterprise Fund
	Food Service Programs
	School Nutrition
<b>OPERATING REVENUES:</b>	
Charges for Services:	
Daily Sales - Program (Reimbursable Program) Meals	\$ 2,165
Daily Sales - Non-Program (Non-Reimbursable Program) Meals	-
	-
Total Operating Revenues	2,165
<b>OPERATING EXPENSES:</b>	
Cost of Sales - Program (Reimbursable Program) Meals	74,372
Cost of Sales - Non-Program (Non-Reimbursable Program) Meals	-
Salaries	27,715
Support Services - Employee Benefits	2,120
Supplies and Materials	11,952
Miscellaneous Expenses	1
	1
Total Operating Expenses	116,160
<b>OPERATING LOSS</b>	<b>(113,995)</b>
<b>NONOPERATING REVENUES:</b>	
State Source:	
State School Regular and Reduced Supplement Lunch Programs	2,100
State School Reduced Supplement Breakfast Program	683
Federal Source:	
National School Breakfast and Lunch Programs	73,420
Supply Chain Assistance Fundings (1st,2nd, and 3rd Rounds)	25,592
Food Distribution Program	10,949
Interest Earned	6
	6
Total Nonoperating Revenues	112,750
<b>CHANGE IN NET POSITION</b>	<b>(1,245)</b>
<b>TOTAL NET POSITION, JULY 1</b>	<b>8,915</b>
<b>TOTAL NET POSITION, JUNE 30</b>	<b>\$ 7,670</b>

The accompanying Notes to Basic Financial Statements are an integral part of this statement.

**BARACK OBAMA GREEN CHARTER SCHOOL**  
 Proprietary Fund  
 Statement of Cash Flows  
 For the Fiscal Year Ended June 30, 2023

	Business-Type Activities
	Enterprise Fund
	Food Service Programs
	School Nutrition
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Cash Received from Customers	\$ 3,271
Cash Payments to Suppliers and Employees	(116,160)
Net Cash Used In Operating Activities	(112,889)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>	
Cash Received From State And Federal Reimbursements	112,744
Net Cash Provided By Noncapital Financing Activities	112,744
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>	
Interest on Deposits and Investments	6
Net Cash Provided By Investing Activities	6
Net Decrease In Cash And Cash Equivalents	(139)
Cash And Cash Equivalents, Beginning Of Year	454
Cash And Cash Equivalents, End Of Year	\$ 315
<b>Reconciliation of Operating Loss to Net Cash Used In Operating Activities:</b>	
Operating Loss Used In Operating Activities	\$ (113,995)
Adjustments to Reconcile Operating Loss to Net Cash Used In Operating Activities:	
Change In Assets And Liabilities:	
Increase In Receivables From Other Governments	1,106
Net Cash Used For Operating Activities	\$ (112,889)

The accompanying Notes to Basic Financial Statements are an integral part of this statement.

***NOTES TO THE BASIC FINANCIAL STATEMENTS***

**BARACK OBAMA GREEN CHARTER SCHOOL**

Notes to the Basic Financial Statements

June 30, 2023

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Basis of Presentation**

The financial statements of Barack Obama Green Charter School (the “Charter School”) have been prepared to conform with accounting principles generally accepted in the United States of America (“GAAP”) as applied to governmental units. The Governmental Accounting Standards Board (“GASB”) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. In its accounting and financial reporting, the Charter School follows the pronouncements of the Governmental Accounting Standards Board (GASB). The more significant accounting policies of the Charter School are described below.

**B. Reporting Entity**

The Charter School is a non-profit corporation organized under the laws of the State of New Jersey, established in 2009 to operate and maintained a public school under a charter granted by the State of New Jersey. Its first year of operation, however, was the 2010-2011 school year. The Charter School Board of Trustees consists of three members and must comply with the Charter School Program Act of 1995 and regulations promulgated thereunder.

The primary criterion for including activities within the Charter School’s reporting entity are set forth in Statement No. 14 of the Governmental Accounting Standards Board entitled “The Financial Reporting Entity” (GASB 14), as amended, as codified in Section 2100 of the GASB *Codification of Governmental Accounting and Financial Reporting Standards*. Under GASB Statement No. 14, as amended, the financial reporting entity is determined by the degree of oversight responsibility maintained by the Charter School. Oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. The combined financial statements include all funds and account groups of the Charter School over which it exercises operating control. Barack Obama Green Charter School operates its school, for Grades 6 and 9 to 12, in the City of Plainfield. There are no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the Charter School is not includable in any other reporting entity on the basis of such criteria.

**C. Basic Financial Statements – Government-Wide Statements**

The statement of net position and the statement of activities display information about the Charter School. These statements include the financial activities of the Charter School, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the Charter School. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.



**BARACK OBAMA GREEN CHARTER SCHOOL**

Notes to the Basic Financial Statements

June 30, 2023

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Basic Financial Statements – Government-Wide Statements (Continued)**

The statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the Charter School and for each function of the Charter School's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expenses are allocated to the functions using an appropriate allocation method or association with the specific function. Indirect expenses include health benefits, employer's share of payroll taxes, compensated absences and tuition reimbursements.

Program revenues include (a) charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each government function or business segment is self-financing or draws from the general revenues of the Charter School.

**D. Basic Financial Statements – Fund Financial Statements**

The financial transactions of the Charter School are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The following fund types are used by the Charter School:

**Governmental Fund Types**

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the Charter School.

General Fund – The general fund is the general operating fund of the Charter School. It is used to account for all financial resources except those required to be accounted for in another fund. Included are certain expenditures for vehicles and movable instructional or non-instructional equipment which are classified in the Capital Outlay subfund.

**BARACK OBAMA GREEN CHARTER SCHOOL**

Notes to the Basic Financial Statements

June 30, 2023

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Basic Financial Statements – Fund Financial Statements (Continued)**

As required by the New Jersey State Department of Education, the Charter School includes budgeted Capital Outlay in this fund. Generally accepted accounting principles as they pertain to governmental entities state that General Fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district school taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by board resolution.

Special Revenue Fund – The Special Revenue Fund is used to account for the proceeds of specific revenue from State and Federal Government, (other than major capital projects, Debt Service or the Enterprise Funds) and local appropriations that are legally restricted to expenditures for specified purposes.

Capital Projects Fund – The Capital Projects Fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds). The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election. As of June 30, 2023, the Charter School do not have Capital Projects Fund.

Debt Service Fund – The Debt Service Fund is used to account for the accumulation of resources for, and the payment of principal and interest on bonds issued to finance major property acquisition, construction and improvement programs. As of June 30, 2023, the Charter School do not have Debt Service Fund.

Proprietary Fund Type - The focus of Proprietary Fund measurement is upon determination of net income, changes in net position, financial position and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the Proprietary Funds of the Charter School:

Enterprise Funds – The Enterprise Funds are utilized to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the Charter School is that the costs (i.e. expenses including depreciation and indirect costs) of providing goods or

**BARACK OBAMA GREEN CHARTER SCHOOL**

Notes to the Basic Financial Statements

June 30, 2023

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Basic Financial Statements – Fund Financial Statements (Continued)**

Enterprise Funds (Continued)

services to the students on a continuing basis be financed or recovered primarily through user charges; or, where the Charter School has decided that the periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

Governments should establish a policy that defines operating revenues and expenses that is appropriate to the nature of the activity being reported, and use it consistently from period to period. Transactions for which cash flows are reported as capital and related financing activities, non-capital financing activities, or investing activities normally would not be reported as components of operating income.

The Charter School's Enterprise Fund are comprised of the Food Service Fund operations.

Depreciation of all exhaustive fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line method.

In its accounting and financial reporting, the Charter School follows the pronouncements of the GASB.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements; however, interfund services provided and used are not eliminated in the process of consolidation.

Amounts reported as program revenues include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenue and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Charter School enterprise funds are charges for daily sales of food, special functions and miscellaneous receipts. Operating expenses for proprietary funds include the cost of sales, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

**BARACK OBAMA GREEN CHARTER SCHOOL**

Notes to the Basic Financial Statements

June 30, 2023

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Basic Financial Statements – Fund Financial Statements (Continued)**

Fiduciary Fund Types - Fiduciary Funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support Charter School programs. The reporting focus is on net position and changes in net position and are reported using accounting principles similar to proprietary funds.

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories.

The Charter School's fiduciary funds are presented in the fiduciary fund financial statements by type (Unemployment Compensation and Agency). Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.) and cannot be sued to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

Trust Funds – The unemployment compensation fund is used to account for contributions from the Charter School and employees and interest earned on the balance as well as payments to the State for reimbursement of unemployment claims. Although there is no formal trust agreement, the State of New Jersey requires charter schools to include the unemployment compensation trust as a private-purpose trust fund in the fiduciary fund. The principal and income deposited into this fund are for the sole benefit of the specific individuals or former employees. The management of the Charter School is not involved in determining the amounts current employees contribute to the fund or amounts paid out by the fund. That determination is made by the State of New Jersey. The Unemployment Compensation Fund is recorded as a trust fund because there is no debt issued related to unemployment compensation claims.

Agency Funds (Payroll, Payroll Agency and Student Activity Funds): The agency funds are used to account for the assets that the Charter School holds on behalf of others as their agent. These are custodial in nature and do not involve measurement of results of operations.

In accordance with GASB Statement 34, fiduciary funds are not included in the government-wide financial statements.

In January 2017, the Governmental Accounting Standards Board (GASB) issued Statement No. 84 – Fiduciary Activities. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local government, including New Jersey school districts and their charter schools. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020, or fiscal year 2020-2021. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and

**BARACK OBAMA GREEN CHARTER SCHOOL**

Notes to the Basic Financial Statements

June 30, 2023

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Basic Financial Statements – Fund Financial Statements (Continued)**

postemployment benefit arrangements that are fiduciary activities. After considering the criteria and guidance, it was determined that payroll, payroll agency, and unemployment compensation insurance, previously reported as fiduciary funds, that such activities are more appropriately reported in a general fund. Additionally, the Charter School previously reported the activity of the student activity fund as a fiduciary fund. Beginning in fiscal year 2020-2021, such activity are more appropriately reported in a special revenue fund.

**E. Measurement Focus and Basis of Accounting**

The government-wide proprietary and fiduciary fund 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 at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the Charter School gives (or receives) value without directly receiving (or giving) equal value in exchange, include state and federal aid, property taxes, grants, entitlements and donations.

Government funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available.

The Charter School considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments and compensated absences which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

**F. Budgets/Budgetary Control**

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles with the exception of legally mandated revenue recognition of the last state aid payment for budgetary purposes only and the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year-end.

The accounting records of the special revenue fund are maintained on the grant accounting budgetary basis. The grant accounting budgetary basis differs from GAAP in that the grant accounting budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

**BARACK OBAMA GREEN CHARTER SCHOOL**

Notes to the Basic Financial Statements

June 30, 2023

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Budgets/Budgetary Control (Continued)**

The following presents a reconciliation of the special revenue funds from the budgetary basis of accounting to the GAAP basis of accounting:

Total Revenues & Expenditures (Budgetary Basis)	\$ 899,357
Adjustments:	
Less Encumbrances at June 30, 2023	-
Plus Encumbrances at June 30, 2022	-
Total Revenues and Expenditures (GAAP Basis)	<u>\$ 899,357</u>

The reconciliation of the general and special revenue funds from the budgetary basis of accounting to the GAAP basis of accounting is presented on Note A in the Required Supplementary Information Section.

**G. Assets, Liabilities, Deferred Outflow/Inflows of Resources, Net Position and Fund Equity**

1. Deposits and Investments

Deposits are cash and cash equivalents including petty cash, change funds, cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. Other than Certificates of Deposit, deposits with maturities of greater than three months are considered to be Investments. U.S. Treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

New Jersey charter schools are limited as to the types of investments and types of financial institutions they may invest in. New Jersey statute 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey charter schools.

Additionally, the Charter School had adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provision of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey.

2. Short-term Interfund Receivables/Payables

Short-term interfund receivables/payables represents amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the Charter School and that are due within one year.

**BARACK OBAMA GREEN CHARTER SCHOOL**

Notes to the Basic Financial Statements

June 30, 2023

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Assets, Liabilities, Deferred Outflow/Inflows of Resources, Net Position and Fund Equity (Continued)**

3. Inventories

Inventories, which benefit future periods, other than those recorded in the enterprise fund are recorded as expenditure during the year of purchase.

4. Capital and Right-Of-Use Assets

Capital assets purchased or acquired with an original cost of \$2,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on the following assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	20-50 years
Machinery and Equipment	5-10 years
Land Improvements	10-20 years
Other Infrastructure	10-50 years

Land and Construction in Progress are not depreciated.

GASB No. 34 requires the Charter School to report and depreciate new infrastructure assets include roads, parking lots, underground pipe, etc. Neither their historical cost nor related depreciation has historically been reported in the financial statements. The Charter School has included all infrastructure assets in the current fiscal year.

The Charter School has recorded a right-of-use leased asset as a result of implementing GASB 87. The right-of-use leased assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right-of-use leased assets are amortized on a straight-line basis over the life of the related lease.

5. Fund Equity

Restricted funds represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use. Assigned fund balances represent plans for future use of financial resources.

**BARACK OBAMA GREEN CHARTER SCHOOL**

Notes to the Basic Financial Statements

June 30, 2023

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Assets, Liabilities, Deferred Outflow/Inflows of Resources, Net Position and Fund Equity (Continued)**

6. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reports, amounts and disclosures. Accordingly, actual results could differ from those estimates.

7. Prepaid Expenses

Prepaid expenses recorded on the government-wide financial statements and in the proprietary fund types represent payments made to vendors for services that will benefit periods beyond June 30, 2023. The Charter School had no prepaid expenses for the fiscal year ended June 30, 2023.

In the governmental fund financial statements, however, payments for prepaid items are fully recognized as expenditures in the fiscal year of payment. No asset for the prepayment is created, and no expenditure allocation to future accounting periods is required (non-allocation method). This is consistent with the basic governmental concept that only expendable financial resources are reported by a specific fund.

8. Unearned Revenue

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied and is recorded as a liability until the revenue is both measurable and the Charter School is eligible to realize the revenue.

9. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported on the Charter School-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds.

10. Revenues — Exchange and Non-Exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place.

On the modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay



**BARACK OBAMA GREEN CHARTER SCHOOL**

Notes to the Basic Financial Statements

June 30, 2023

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Assets, Liabilities, Deferred Outflow/Inflows of Resources, Net Position and Fund Equity (Continued)**

Revenues — Exchange and Non-Exchange Transactions (Continued)

liabilities of the current fiscal year. For the Charter School, available means within sixty days of the fiscal year end.

Non-exchange transactions, in which the Charter School receives value without directly giving equal value in return, include grants, entitlements, and donations. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the Charter School must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the Charter School on a reimbursement basis. On the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: property taxes available as an advance and interest.

11. Revenues from District of Residence, Region of Residence and Non-Resident Districts

The Charter School's primary source of revenue is from the district of residence, region of residence or non-resident districts from which its students are enrolled in the Charter School. The amount are calculated from the most recent budget data of the student's district.

Local Levy – Equalization Aid State and Local Share – The Charter School's funding is pursuant to the School Funding Reform Act of 2008, which states the Charter School of residence shall pay directly to the Charter School for each student enrolled in the Charter School who resides in the district an amount equal to 90% of the sum of the budget year equalization aid per pupil and the pre-budget year general fund tax levy per pupil inflated by the CPI rate most recent to the calculation.

Special Education / Security Aid – The Charter School of residence shall pay directly to the Charter School the security aid attributable to the student and a percentage of the District's special education categorical aid equal to the percentage of the district's special education students enrolled in the Charter School.

**BARACK OBAMA GREEN CHARTER SCHOOL**

Notes to the Basic Financial Statements

June 30, 2023

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Assets, Liabilities, Deferred Outflow/Inflows of Resources, Net Position and Fund Equity (Continued)**

12. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise fund. For the Charter School, these revenues are sales for food service. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the enterprise fund.

13. Allocation of Indirect Expenses

The Charter School reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses are allocated to functions but are reported separately in the Statement of Activities. Employee benefits, including the employer's share of social security, workers compensation, and medical and dental benefits, were allocated based on salaries of that program. Depreciation expense, where practicable, is specifically identified by function and is included in the indirect expense column of the Statement of Activities. Depreciation expense that could not be attributed to a specific function is considered an indirect expense and is reported separately on the Statement of Activities. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

14. Extraordinary and Special Items

Extraordinary items are transactions or events that are unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of management and are either unusual in nature or infrequent in occurrence. Neither of these types of transactions occurred during the fiscal year.

15. Accrued Salaries and Wages

Certain Charter School employees who provide services to the Charter School over the ten-month academic year have the option to have their salaries evenly disbursed during the entire twelve-month year. New Jersey statutes require that these earned but undisbursed amounts be retained in a separate bank account.

16. Net Position/Fund Balance

The Charter School implemented GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, during the current fiscal year. This statement defines net position as the residual of all other elements presented in statement of financial position. It is the difference between:

**BARACK OBAMA GREEN CHARTER SCHOOL**

Notes to the Basic Financial Statements

June 30, 2023

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Assets, Liabilities, Deferred Outflow/Inflows of Resources, Net Position and Fund Equity (Continued)**

Net Position/Fund Balance (Continued)

(1) assets and deferred outflows of resources and (2) liabilities and deferred inflows of resources. This Statement provides guidance for reporting net position within a framework that includes deferred outflows of resources and deferred inflows of resources, in addition to assets and liabilities.

In the Government-Wide Statements, there are three classes of net position:

Net Investment in Capital Assets – consists of net capital assets (cost less accumulated depreciation) reduced by outstanding balances of related debt obligations from the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets or related debt also should be included.

Restricted Net Position – reports net position when constraints placed on the residual amount of noncapital assets are either imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position – any portion of net position not already classified as either net investment in capital assets or net position-restricted.

**H. Fund Balance Reserves**

In the fund financial statements, governmental funds report the following classifications of fund balance:

Charter School Escrow – This restriction was created by the Charter School as required by the NJ Department of Education.

Unemployment Compensation Reserve – This restriction was created in accordance with R.S. 43:21-7.3 to reserve funds for unemployment compensation claims reimbursable to the State under the District's election for payment in lieu of contributions (benefit reimbursement method).

Student Activities – This restriction was created in accordance with NJAC 6A:23A-16.12 to represent the accumulation of funds derived from athletic events and other student organizations reserved for the payment of student group activities.

**BARACK OBAMA GREEN CHARTER SCHOOL**

Notes to the Basic Financial Statements

June 30, 2023

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Fund Balance Reserves (Continued)**

Unassigned – Includes amounts that have not been assigned to other funds or restricted, committed, or assigned to a specific purpose within the General Fund. The Charter School reports all amounts that meet the unrestricted General Fund Balance Policy described below as unassigned:

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Charter School considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balance are available, and the Charter School considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed.

**I. Impact of Recently Issued Accounting Principles**

During fiscal year 2023, the Charter School has adopted the following GASB statements.

GASB No. 96, *Subscription Based Information Technology Arrangements*. The objective of this Statement will be to improve financial reporting by establishing a definition for subscription-based information technology arrangements (SBITAs) and providing uniform guidance for accounting and financial reporting for transactions that meet that definition. That definition and uniform guidance will result in greater consistency in practice. Establishing the capitalization criteria for implementation costs also will reduce diversity and improve comparability in financial reporting by governments. This Statement also will enhance the relevance and reliability of a government's financial statements by requiring a government to report a subscription asset and subscription liability for a SBITA and to disclose essential information about the arrangement. The disclosures will allow users to understand the scale and important aspects of a government's SBITA activities and evaluate a government's obligations and assets resulting from SBITAs.

As of June 30, 2023, the entity's SBITAs were all 12 months or less and so the Charter School was exempt from reporting under this pronouncement.

GASB Statement No. 99, *Omnibus 2022*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees.

**BARACK OBAMA GREEN CHARTER SCHOOL**

Notes to the Basic Financial Statements

June 30, 2023

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Impact of Recently Issued Accounting Principles (Continued)**

Recently Issued Accounting Pronouncements

Other GASB Statements that the Charter School is currently reviewing for applicability and potential impact on the financial statements include:

GASB Statement No. 100, *Accounting Changes and Error Corrections - an amendment of GASE Statement No. 62*, will be effective beginning with the fiscal year ending June 30, 2024. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

GASB Statement No. 101, *Compensated Absences*, will be effective beginning with the fiscal year ending June 30, 2025. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

**J. Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net pension of the State of New Jersey Public Employees' Retirement System (PERS) and the State of New Jersey Teachers' Pension and Annuity Fund (TPAF) and additions to/deductions from the PERS's and TPAF's net position have been determined on the same basis as they are reported by the PERS and the TPAF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Pension Plan investments are reported at fair value.

**NOTE 2: DETAILED DISCLOSURE REGARDING ASSETS AND REVENUES**

**A. Deposits and Investments**

Deposits

New Jersey statutes permit the deposit of public funds in institutions located in New Jersey which are insured by the Federal Deposit Insurance Corporation (FDIC), the Savings Association Insurance Fund or by any other agencies of the United States that insure deposits or the State of New Jersey Cash Management Fund.

**BARACK OBAMA GREEN CHARTER SCHOOL**

Notes to the Basic Financial Statements

June 30, 2023

**NOTE 2: DETAILED DISCLOSURE REGARDING ASSETS AND REVENUES (CONTINUED)**

Deposits and Investments (Continued)

Deposits (Continued)

N.J.S.A. 17:9-41 et. Seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act. Public depositories include savings and loan institutions, banks (both state and national banks) and savings banks of which the deposits are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the Governmental Units.

As of June 30, 2023, cash and cash equivalents of the Charter School consisted of the following:

	<u>General Fund</u>	<u>Special Revenue</u>	<u>Proprietary Fund</u>	<u>Total</u>
Operating Account	<u>\$3,751,898</u>	<u>\$ (6,158)</u>	<u>\$ 315</u>	<u>\$3,746,055</u>

The Charter School had no investments at June 30, 2023.

The carrying amount of the Board's cash and cash equivalents at June 30, 2023 was \$3,746,055 and the bank balance was \$3,816,357. All bank balances were covered by federal depository insurance (FDIC) and/or by a collateral pool maintained by the banks as required by GUDPA.

Pursuant to GASB Statement No. 40, *Deposit and Investment Risk Disclosures* ("GASB 40"), the Charter School's operating cash accounts are profiled in order to determine exposure, if any, to Custodial Credit Risk (risk that in the event of failure of the counterparty the Charter School would not be able to recover the value of its deposits and investments). Deposits are considered to be exposed to Custodial Credit Risk if they are uncollateralized (securities not pledged to the depositor), collateralized with securities held by a pledging financial institution, or collateralized with securities held by the financial institution's trust department or agent but not in the government's name.

As of June 30, 2023, none of the cash and cash equivalents for Barack Obama Green Charter School were exposed to custodial credit risk.

**BARACK OBAMA GREEN CHARTER SCHOOL**

Notes to the Basic Financial Statements

June 30, 2023

**NOTE 2: DETAILED DISCLOSURE REGARDING ASSETS AND REVENUES  
(CONTINUED)**

Deposits and Investments (Continued)

Deposits (Continued)

The Charter School does not have a policy for the management of custodial credit risk, except as noted above, other than depositing all of its funds in banks covered by GUDPA.

Investments

New Jersey statutes (N.J.S.A.18A:20-37) permit the Charter School to purchase the following types of securities:

- a. When authorized by resolution adopted by a majority vote of all its board members, the Charter School may use moneys which may be in hand for the purchase of the following types of securities, which, if suitable for registry, may be registered in the name of the Charter School;
  - (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
  - (2) Government money market mutual funds;
  - (3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest no dependent on any index or other external factor;
  - (4) Bonds or other obligations of the charter school or bonds or other obligations of local unit or units within which the charter school is located;
  - (5) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, approved by the Division of Investment of the Department of the Treasury for investment by charter schools;
  - (6) Local government investment pools;
  - (7) Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4) or
  - (8) Agreements for the repurchase of fully collateralized securities, if:
    - a. the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection a;
    - b. the custody of collateral is transferred to a third party;
    - c. the maturity of the agreement is not more than 30 days; and
    - d. the underlying securities are purchased through a public depository as defined in Section 1 of P.L. 1970, c.236 (C.17:9-41) and for which a master repurchase agreement providing for the custody and security of collateral is executed.

Credit Risk: The Charter School does not have an investment policy regarding the management of credit risk. GASB 40 requires that disclosures be made as to the credit rating of all debt security investments except for obligations of the U.S. government or investments guaranteed by the U.S. government. The Charter School did not have any investments at June 30, 2023.

**BARACK OBAMA GREEN CHARTER SCHOOL**

Notes to the Basic Financial Statements

June 30, 2023

**NOTE 2: DETAILED DISCLOSURE REGARDING ASSETS AND REVENUES  
(CONTINUED)**

Deposits and Investments (Continued)

Investments (Continued)

*Interest Rate Risk:* The Charter School does not have a formal policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The Charter School did not have any investments at June 30, 2023.

*Concentration of Credit Risk:* The Charter School places no limit on the amount they may invest in any one issuer. The Charter School did not have any investments at June 30, 2023.

B. Receivables

Receivables at June 30, 2023, consisted of accounts, intergovernmental, grants, and miscellaneous.

All receivables are considered collectible in full. A summary of the principal items of intergovernmental receivables follows:

	Governmental Fund Financial Statements	Governmental Wide Financial Statements
State Aid	\$ 26,846	\$ 27,005
Federal Aid	33,966	38,416
Other	11,884	11,884
Gross Receivables	72,696	77,305
Less: Allowance for Uncollectibles	-	-
Total Receivables, Net	<u>\$ 72,696</u>	<u>\$ 77,305</u>



**BARACK OBAMA GREEN CHARTER SCHOOL**

Notes to the Basic Financial Statements

June 30, 2023

**NOTE 2: DETAILED DISCLOSURE REGARDING ASSETS AND REVENUES (CONTINUED)**

**C. Interfund Receivables and Payables**

Transfers between funds are used to repay expenses paid by another fund.

The following interfund balances remained on the fund financial statements at June 30, 2023:

Fund	Interfund Receivable	Interfund Payable
General Fund	\$ -	\$ 83
Special Revenue Fund		2,663
Proprietary Fund	2,746	
<b>Total</b>	<b>\$ 2,746</b>	<b>\$ 2,746</b>

**D. Capital Assets**

Capital asset activity for the fiscal year ended June 30, 2023 was as follows:

	Beginning Balance	Additions	Retirements	Ending Balance
<b>Governmental Activities:</b>				
<i>Capital Assets Being Depreciated:</i>				
Machinery and Equipment	\$ 38,131	\$ -	\$ -	\$ 38,131
Right-Of-Use Leased Asset	1,860,434	-	-	1,860,434
Total Capital Assets Being Depreciated	1,898,565	-	-	1,898,565
Less Accumulated Depreciation For:				
Machinery and Equipment	38,131	-	-	38,131
Right-Of-Use Leased Asset	1,140,266	360,084	-	1,500,350
Total Accumulated Depreciation	1,178,397	360,084	-	1,538,481
Total Capital Assets Being Depreciated, Net of Accumulated Depreciation	720,168	(360,084)	-	360,084
Government Activity Capital Assets, Net	<b>\$ 720,168</b>	<b>\$ (360,084)</b>	<b>\$ -</b>	<b>\$ 360,084</b>

The governmental fund balance sheet includes a reconciliation between fund balance-total governmental funds and net position-governmental activities as reported in the Charter School-wide statement of net position. One item of that reconciliation explains that capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. An addition to the fund balance-total governmental funds is made to reflect the carrying value of the Charter School's capital assets at year-end in the Charter School-wide financial statements.

The Charter School has recorded a right-of-use leased asset. The asset is right-of-use asset for leased school facility. The related leases are discussed in the leases subsection of the liabilities section of this note. The right-of-use lease assets are amortized on a straight-line basis over the terms of the related leases.

**BARACK OBAMA GREEN CHARTER SCHOOL**

Notes to the Basic Financial Statements

June 30, 2023

**NOTE 3: DETAILED DISCLOSURES REGARDING LIABILITIES AND EXPENSES /EXPENDITURES**

Long-Term Debt Roll-forward

	Balance			Amounts	
	July 1, 2022	Increase	Decrease	Balance	Due Within
				June 30, 2023	One Year
Lease Liabilities	\$ 805,010	\$ -	\$ 769,343	\$ 35,667	\$ -
Net Pension Liability	623,392	205,247	63,903	764,736	-
<b>Total</b>	<b>\$ 1,428,402</b>	<b>\$ 205,247</b>	<b>\$ 833,246</b>	<b>\$ 800,403</b>	<b>\$ -</b>

Rental Lease

The school leases classroom and office space from Un-Bldg Corp at 35 Watchung Avenue, Plainfield, New Jersey with a security deposit of \$60,000. The lease is for twenty-four (24) months commencing May 1, 2012 and expiring on April 30, 2016 with an option to renew for an additional period of five (5) years. In addition, the school shall pay the landlord the cost of trash removal from the premise on a monthly basis. On May 2019, the lease was renewed for an additional term of fifty (50) months commencing May 1, 2019 and ending on June 30, 2024.

Future minimum lease payments are as follows:

<u>Year Ended April 30,</u>	<u>Amount</u>
2024	<u>\$ 35,667</u>
Total future minimum lease payments	<u>\$ 35,667</u>

The school also leases the Parish Hall from Watchung Avenue Presbyterian Church (WAPC) for the purpose of using the space for their Physical Education and Health Program. WAPC also let the school have two (2) storage spaces below the stage in the Parish Hall. The school can also use the Sanctuary area of the church for their Town Hall Day one Friday during the months of September, December, April, and June for assembly with students and faculty. The Parish Hall and Sanctuary will become the school's Emergency Evacuation Site in cases of emergency when children and faculty are required to leave the central location at 35 Wachung Avenue. The school has use of the premises during normal operating hours for the 2022-2023 academic year. The lease was renewed for 2023-2024 academic year under the same terms and conditions.

In addition, the school buys parking passes from Plainfield Parking Bureau to save parking spots for faculty and guests in the public parking lot near the school.

Total lease payments for the year ended June 30, 2023 amounted to \$63,686.

**BARACK OBAMA GREEN CHARTER SCHOOL**

Notes to the Basic Financial Statements

June 30, 2023

**NOTE 4: PENSION PLANS**

A substantial number of the Charter School’s employees participate in one of the following defined benefit pension plans: the Teachers’ Pension and Annuity Fund (“TPAF”) and the Public Employees’ Retirement System (“PERS”), which are administered by the New Jersey Division of Pensions and Benefits (the “Division”). In addition, several Charter School employees participate in the Defined Contribution Retirement Program (“DCRP”), which is a defined contribution pension plan. This plan is administered by Prudential Financial for the Division. Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to:

State of New Jersey  
Division of Pensions and Benefits  
P.O. Box 295  
Trenton, New Jersey 08625-0295  
<http://www.nj.gov/treasury/pensions>.

**A. Public Employees’ Retirement System (PERS)**

**Plan Description**

The State of New Jersey, Public Employees; Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about the PERS, please refer to the Division’s Annual Comprehensive Financial Report (ACFR) which can be found at [www.state.nj.us/treasury/pensions/annrpts.shtml](http://www.state.nj.us/treasury/pensions/annrpts.shtml).

**Vesting and Benefit Provisions**

The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service. The following represents the membership tiers for PERS:

<b>Tier</b>	<b>Descriptions</b>
1	Members who were enrolled prior to July 1, 2007
2	Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
3	Members who were eligible to enroll on or after November 2, 2008, and prior to May 22, 2010
4	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
5	Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits of 1/55<sup>th</sup> of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching 62. Service retirement benefits of 1/60<sup>th</sup> of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and to Tier 5 members upon reaching age 65. Early

**BARACK OBAMA GREEN CHARTER SCHOOL**

Notes to the Basic Financial Statements

June 30, 2023

**NOTE 4: PENSION PLANS**

**Public Employees' Retirement System (PERS) (Continued)**

**Vesting and Benefit Provisions (Continued)**

retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to Tiers 3 and 4 with 25 years or more of service credit before age 62 and Tier 5 with 30 more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a members retires prior to the age of which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

**Contributions**

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2022, the State's pension contribution was less than actuarial determined amount. The local employers' contribution amounts are based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. Charter School contributions to PERS amounted to \$63,902 for fiscal year 2023.

The employee contribution rate was 7.50% effective July 1, 2018.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At June 30, 2023, the Charter School reported a liability of \$764,736 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 01, 2021 which was rolled forward to June 30, 2022. The Charter School's proportion of the net pension liability was based on a projection of the Charter School's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. For

**BARACK OBAMA GREEN CHARTER SCHOOL**

Notes to the Basic Financial Statements

June 30, 2023

**NOTE 4: PENSION PLANS**

**Public Employees' Retirement System (PERS) (Continued)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)**

the June 30, 2022 measurement date, the Charter School's proportion was 0.0050673724%, which was a decrease of 0.0001948722% from its proportion measured as of June 30, 2021.

For the fiscal year ended June 30, 2023, the Charter School recognized pension expense of (\$28,398), in the government-wide financial statements. This pension expense was based on the pension plans June 30, 2022 measurement date.

At June 30, 2023, the Charter School reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 5,520	\$ 4,867
Changes in Assumptions	2,369	114,511
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	31,652	-
Changes in Proportion and Differences between Charter School Contributions and Proportionate Share of Contributions	251,571	299,411
Charter School Contributions Subsequent to the Measurement Date	<u>63,902</u>	<u>-</u>
	<u>\$ 355,014</u>	<u>\$ 418,789</u>

\$63,902, included in deferred outflows of resources, will be included as a reduction of the net pension liability in the fiscal year ending June 30, 2024.

**BARACK OBAMA GREEN CHARTER SCHOOL**

Notes to the Basic Financial Statements

June 30, 2023

**NOTE 4: PENSION PLANS**

**Public Employees' Retirement System (PERS) (Continued)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)**

Other amounts reported as deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts) related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending June 30,	Total
2023	\$ (65,598)
2024	(33,420)
2025	(16,298)
2026	35,557
2027	(78)
	<u>\$ (79,837)</u>

**Changes in Proportion**

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average of the expected remaining service lives of all plan members, which is 5.04, 5.13, 5.16, 5.21, 5.63, and 5.48 years for the 2022, 2021, 2020, 2019, 2018, and 2017, respectively.

The amortization of the other deferred outflows of resources and deferred inflows of resources related to pensions will be over the following number of years:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2017	5.48 years	-
June 30, 2018	-	5.63 years
June 30, 2019	-	5.21 years
June 30, 2020	5.16 years	-
June 30, 2021	5.13 years	-
June 30, 2022	-	5.04 years

**BARACK OBAMA GREEN CHARTER SCHOOL**

Notes to the Basic Financial Statements

June 30, 2023

**NOTE 4: PENSION PLANS**

**Public Employees' Retirement System (PERS) (Continued)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)**

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in Assumptions		
Year of Pension Plan Deferral:		
June 30, 2017	-	5.48 years
June 30, 2018	-	5.63 years
June 30, 2019	-	5.21 years
June 30, 2020	-	5.16 years
June 30, 2021	5.13 years	-
June 30, 2022	-	5.04 years
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2018	-	5.00 years
June 30, 2019	-	5.00 years
June 30, 2020	-	5.00 years
June 30, 2021	-	5.00 years
June 30, 2022	-	5.00 years

**Actuarial Assumptions**

The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 01, 2021. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2022. This actuarial valuations used the following actuarial assumptions, applied to all periods in the measurement.

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
	2.75 - 6.55%
	based on years of service
Investment Rate of Return	7.00%

**BARACK OBAMA GREEN CHARTER SCHOOL**

Notes to the Basic Financial Statements

June 30, 2023

**NOTE 4: PENSION PLANS**

**Public Employees' Retirement System (PERS) (Continued)**

**Actuarial Assumptions (Continued)**

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021. The actuarial assumptions used in the July 01, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

**Long-Term Expected Rate of Return**

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2022) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2022 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.12%
Non-U.S. Developed Markets Equity	13.50%	8.38%
Emerging Markets Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%



**BARACK OBAMA GREEN CHARTER SCHOOL**

Notes to the Basic Financial Statements

June 30, 2023

**NOTE 4: PENSION PLANS**

**Public Employees' Retirement System (PERS) (Continued)**

**Discount Rate**

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

**Sensitivity of the Charter School's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**

The following presents the Charter School's proportionate share of the collective net pension liability of the participating employers as of June 30, 2022, calculated using the discount rate as disclosed above as well as what the Charter School's proportionate share of the collective net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Charter School's Proportionate Share of the Net Pension Liability	\$ 990,783	\$ 771,213	\$ 584,350

**Pension Plan Fiduciary Net Position**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the respective fiduciary net position of the PERS and additions to/deductions from PERS's fiduciary net position have been determined on the same basis as they are reported by TPAF and PERS. Accordingly, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. For additional information about PERS, please refer to the plan's Annual Comprehensive Financial Report (ACFR) which can be found at [www.nj.gov/treasury/pensions](http://www.nj.gov/treasury/pensions).

**BARACK OBAMA GREEN CHARTER SCHOOL**

Notes to the Basic Financial Statements

June 30, 2023

**NOTE 4: PENSION PLANS**

**B. Teacher's Pension Annuity Fund (TPAF)**

**Pension Description**

The State of New Jersey, Teacher's Pension and Annuity Fund (TPAF), is a cost-sharing multiple-employer defined benefit pension plan with a special funding situation, by which the State of New Jersey (the State) is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. TPAF is administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about TPAF, please refer to the Division's Annual Comprehensive Financial Report (ACFR) which can be found at [www.state.nj.us/treasury/pensions/annrpts.shtml](http://www.state.nj.us/treasury/pensions/annrpts.shtml).

**Vesting and Benefit Provisions**

The vesting and benefit provision are set by N.J.S.A. 18A:66. TPAF provides retirement, death and disability benefits. All benefits vest after ten years of service. Members are always fully vested for their own contributions and, after three years of service credit, become vested of 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts. The following represents the membership tiers for TPAF:

<b>Tier</b>	<b>Descriptions</b>
<b>1</b>	Members who were enrolled prior to July 1, 2007
<b>2</b>	Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
<b>3</b>	Members who were eligible to enroll on or after November 2, 2008 and prior to May 22, 2010
<b>4</b>	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
<b>5</b>	Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits of 1/55<sup>th</sup> of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60<sup>th</sup> of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, Tiers 3 and 4 with 25 years or more of service credit before age 62, and Tier 5 before age 65 with 30 or more years of service credit. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the retirement age for his/her respective tier. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

**BARACK OBAMA GREEN CHARTER SCHOOL**

Notes to the Basic Financial Statements

June 30, 2023

**NOTE 4: PENSION PLANS**

**Teacher's Pension Annuity Fund (TPAF) (Continued)**

**Contributions**

The contribution policy for TPAF is set by N.J.S.A 18A:66 and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2022, the State's pension contribution was less than the actuarially determined amount.

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A. 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers, such as the Charter School. However, the notes to the financial statements of the Charter School must disclose the portion of the Charter School's total proportionate share of the net pension liability that is associated with the Charter School. In addition, the Charter School must recognize pension expense associated with the employer as well as revenue in an amount equal to the nonemployer contributing entities' total proportionate share of the collective pension expense associated with Charter School. During the fiscal year ended June 30, 2023, the State of New Jersey contributed \$61,024 to the TPAF for normal pension benefits on behalf of the Charter School, which is less than the contractually required contribution of \$560,224. The employee contribution rate was 7.50% effective July 1, 2018.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At June 30, 2023, the Charter School was not required to report a liability for its proportionate share of the net pension liability because of a 100% special funding situation by the State of New Jersey. The State's proportionate share of the net pension liability, attributable to the Charter School is as follows:

Charter School's Proportionate Share of the Net Pension Liability	\$ -
State of New Jersey 's Proportionate Share of the Net Pension Liability Associated with the Charter School	<u>6,906,259</u>
Total	<u>\$ 6,906,259</u>

**BARACK OBAMA GREEN CHARTER SCHOOL**

Notes to the Basic Financial Statements

June 30, 2023

**NOTE 4: PENSION PLANS**

**Teacher's Pension Annuity Fund (TPAF) (Continued)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)**

The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 01, 2021. The total pension liability was calculated, through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2022. For the June 30, 2022 measurement date, the Charter School's proportion of the net pension liability, was based on a projection of the Charter School's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the State of New Jersey, actuarially determined. At June 30, 2022, Charter School's proportion was 0.00% due to the 100% special funding situation with the State of New Jersey. For the June 30, 2022 measurement date, the State's proportionate share of the TPAF net pension liability associated with the Charter School was 0.0133856706%, which was an increase of 0.0012688630% from its proportion measured as of June 30, 2021.

For the fiscal year ended June 30, 2023, the Charter School recognized \$185,867 in pension expense and revenue, in the government-wide financial statements, for the State of New Jersey on behalf TPAF pension contributions. This pension expense and revenue was based on the pension plans June 30, 2022 measurement date.

The State reported the collective deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts) for the year ended June 30, 2022:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in Assumptions	\$ 3,013,097,864	\$19,441,140,477
Difference Between Expected and Actual Experience	699,820,974	122,664,916
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	1,172,371,073	-
	<u>\$ 4,885,289,911</u>	<u>\$ 19,563,805,393</u>

**BARACK OBAMA GREEN CHARTER SCHOOL**

Notes to the Basic Financial Statements

June 30, 2023

**NOTE 4: PENSION PLANS**

**Teacher's Pension Annuity Fund (TPAF) (Continued)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)**

The amortization of the deferred outflows of resources and deferred inflows of resources related to pensions will be over the following number of years:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<hr/>	<hr/>
Difference Between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2014	-	8.50 years
June 30, 2015	8.30 years	-
June 30, 2016	-	8.30 years
June 30, 2017	8.30 years	-
June 30, 2018	8.29 years	-
June 30, 2019	-	8.04 years
June 30, 2020	-	7.99 years
June 30, 2021	7.93 years	-
June 30, 2022	-	7.83 years
Changes in Assumptions		
Year of Pension Plan Deferral:		
June 30, 2014	8.50 years	-
June 30, 2015	8.30 years	-
June 30, 2016	8.30 years	-
June 30, 2017	-	8.30 years
June 30, 2018	-	8.29 years
June 30, 2019	-	8.04 years
June 30, 2020	7.99 years	-
June 30, 2021	-	7.93 years
June 30, 2022	7.83 years	-
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2017	5.00 years	-
June 30, 2018	5.00 years	-
June 30, 2019	5.00 years	-
June 30, 2020	5.00 years	-
June 30, 2021	5.00 years	-
June 30, 2022	5.00 years	-

**BARACK OBAMA GREEN CHARTER SCHOOL**

Notes to the Basic Financial Statements

June 30, 2023

**NOTE 4: PENSION PLANS**

**Teacher's Pension Annuity Fund (TPAF) (Continued)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)**

Amounts reported as deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts) related to pensions will be recognized in pension expense excluding that attributable to employer-paid member contributions as follows:

Fiscal Year Ending June 30,	Total
2023	\$ (2,658,825,381)
2024	(3,823,762,872)
2025	(3,351,102,048)
2026	(1,509,375,379)
2027	(1,647,727,819)
Thereafter	<u>(1,687,721,983)</u>
	<u>\$ (14,678,515,482)</u>

**Actuarial Assumptions**

The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 01, 2021. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2022. This actuarial valuations used the following actuarial assumptions, applied to all periods in the measurement.

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
	2.75% - 5.65%
	based on years of service
Investment Rate of Return	7.00%

**BARACK OBAMA GREEN CHARTER SCHOOL**

Notes to the Basic Financial Statements

June 30, 2023

**NOTE 4: PENSION PLANS**

**Teacher's Pension Annuity Fund (TPAF) (Continued)**

Pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality table with a 93.9% adjustment for males and 85.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Healthy Retiree mortality table with a 114.7% adjustment for males and 99.6% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability mortality rates were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 106.3% adjustment for males and 100.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021. The actuarial assumptions used in the July 01, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

**Long-Term Expected Rate of Return**

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2022) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2022 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.12%
Non-U.S. Developed Markets Equity	13.50%	8.38%
Emerging Markets Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%

**BARACK OBAMA GREEN CHARTER SCHOOL**

Notes to the Basic Financial Statements

June 30, 2023

**NOTE 4: PENSION PLANS**

**Teacher’s Pension Annuity Fund (TPAF) (Continued)**

**Discount Rate**

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 100% of the actuarially determined contributions for the State. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments in determining the total pension liability.

**Sensitivity of the Charter School’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**

As previously mentioned, TPAF has a special funding situation where the State pays 100% of the Charter School's annual required contribution. As such, the proportionate share of the net pension liability as of June 30, 2022, the pension plans measurement date, attributable to the Charter School is \$0, and the State of New Jersey's proportionate share of the net pension liability, attributable to the Charter School, using a discount rate of , as well as using a discount rate that is 1% lower or 1% higher than the current rates used is as follows:

	<u>1% Decrease (6.00%)</u>	<u>Current Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
Charter School's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -
State of New Jersey's Proportionate Share of the Net Pension Liability Associated with the Charter School	<u>8,110,632</u>	<u>6,917,258</u>	<u>5,911,990</u>
	<u>\$ 8,110,632</u>	<u>\$ 6,917,258</u>	<u>\$ 5,911,990</u>



**BARACK OBAMA GREEN CHARTER SCHOOL**

Notes to the Basic Financial Statements

June 30, 2023

**NOTE 4: PENSION PLANS**

**Teacher's Pension Annuity Fund (TPAF) (Continued)**

**Pension Plan Fiduciary Net Position**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the respective fiduciary net position of the TPAF and additions to/deductions from TPAF's fiduciary net position have been determined on the same basis as they are reported by TPAF and PERS. Accordingly, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. For additional information about TPAF, please refer to the plan's Annual Comprehensive Financial Report (ACFR) which can be found at [www.nj.gov/treasury/pensions](http://www.nj.gov/treasury/pensions).

**C. Defined Contribution Retirement Program (DCRP)**

**Plan Description**

The Defined Contribution Retirement Program (DCRP) is a multiple-employer defined contribution pension fund established on July 1, 2007 under the provisions of Chapter 92, P.L. 2007, and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et. seq.). The DCRP is a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) § 401(a) et seq., and is a "governmental plan" within the meaning of IRC § 414(d). The DCRP provides retirement benefits for eligible employees and their beneficiaries. Individuals covered under DCRP are employees enrolled in TPAF or PERS on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in TPAF or PERS on or after November 2, 2008, who do not earn the minimum annual salary for Tier 3 enrollment but who earn salary of at least \$5,000.00 annually (The minimum salary is \$8,400 and is subject to adjustment in future years); and employees otherwise eligible to enroll in TPAF or PERS after May 21, 2010 who do not work the minimum number of hours per week required for Tiers 4 or 5 enrollment, but who earn salary of at least \$5,000 annually. The minimum number of hours is 32 hours per week for local education employees.

**Vesting and Benefit Provisions**

Eligible members are provided with a defined contribution retirement plan intended to qualify for favorable Federal income tax treatment under IRC Section 401(a), a noncontributory group life insurance plan and a noncontributory group disability benefit plan. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employee contributions shall immediately become and shall at all times remain fully vested and nonforfeitable. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employer contributions shall be vested and nonforfeitable on the date the participant commences the second year of employment or upon his or her attainment of age 65, while employed by an employer, whichever occurs first.

**BARACK OBAMA GREEN CHARTER SCHOOL**

Notes to the Basic Financial Statements

June 30, 2023

**NOTE 4: PENSION PLANS**

**Defined Contribution Retirement Program (DCRP) (Continued)**

**Contributions**

The contribution policy is set by N.J.S.A. 43:15C-3 and requires contributions by active members and contributing employers. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the Charter School contributes 3% of the employees' base salary, for each pay period, to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period.

For the fiscal year ended June 30, 2023, there were no employee contributions reported, and there were no recognized pension expense reported and recognized by the Charter School, on which to equal the required contributions.

**NOTE 5: POST-RETIREMENT MEDICAL BENEFITS**

The State of New Jersey sponsors and administers the post-retirement health benefit program plan for charter schools.

As a result of implementing GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*, the post-retirement health benefit program plan is reported in an Agency Fund in the New Jersey Annual Comprehensive Financial Report effective for the fiscal year ended June 30, 2022. Therefore, the plan has no assets accumulated in a trust. In accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pension* (GASB No. 75), the plan is classified as a single employer defined benefit OPEB plan with a special funding situation that is not administered through a trust that meets the criteria in paragraph 4 of GASB No. 75.

**Plan Description and Benefits Provided**

The State of New Jersey sponsors and administers the following post-retirement health benefit program plan covering certain local charter school employees, including those Board employees and retirees eligible for coverage.

**State Health Benefit Program Fund – Local Education Retired Employees Plan** (including Prescription Drug Program Fund) – N.J.S.A. 52:14-17.32f provides medical coverage, prescription drug benefits and Medicare Part B reimbursement to qualified retired education employees and their covered dependents. The State of New Jersey provides employer-paid coverage to members of the TPAF who retire from a board of education or county college with 25 years of service or on a disability retirement. Under the provisions of Chapter 126, P.L. 1992, the State also provides employer-paid coverage to members of the PERS and Alternate Benefits Program (ABP) who retire from a board of education or county college with 25 years of service or on a disability retirement.

**BARACK OBAMA GREEN CHARTER SCHOOL**

Notes to the Basic Financial Statements

June 30, 2023

**NOTE 5: POST-RETIREMENT MEDICAL BENEFITS (CONTINUED)**

**Plan Description and Benefits Provided (Continued)**

Retirees who are not eligible for employer paid health coverage at retirement can continue in the program if their employer participates in this program or if they are participating in the health benefits plan of their former employer and are enrolled in Medicare Parts A and B by paying the cost of the insurance for themselves and their covered dependents.

Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the above Fund. The financial reports may be accessed via the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, website at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

**Plan Membership**

Membership of the defined benefit OPEB plan consisted of the following at June 30, 2021:

Active Plan Members	213,901
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	150,427
Inactive Plan Members Entitled to but Not Yet Receiving Benefits	-
Total Plan Members	<u>364,328</u>

**Measurement Focus and Basis of Accounting**

The financial statements of the post-employment health benefit plans are prepared in accordance with U.S. generally accepted accounting principles as applicable to governmental organizations. In doing so, the Division adheres to reporting requirements established by the Governmental Accounting Standards Board (GASB).

The accrual basis of accounting is used for measuring financial position and changes in net position of the post-employment health benefit plans. Under this method, contributions are recorded in the accounting period in which they are legally due from the employer or plan member, and deductions are recorded at

**BARACK OBAMA GREEN CHARTER SCHOOL**

Notes to the Basic Financial Statements

June 30, 2023

**NOTE 5: POST-RETIREMENT MEDICAL BENEFITS (CONTINUED)**

**Measurement Focus and Basis of Accounting (Continued)**

the time the liabilities are due and payable in accordance with the terms of each plan. The accounts of the Division are organized and operated on the basis of funds. All funds are accounted for using an economic resources measurement focus.

**Collective Net OPEB Liability**

The collective net OPEB liability of the State, as the non-employer contributing entity, of the plan at June 30, 2022 is \$50,646,462,966, and the plan fiduciary net position as a percentage of the total OPEB liability is zero percent.

The total OPEB liabilities were determined based on actuarial valuation as of June 30, 2021, which were rolled forward to June 30, 2022.

**Actuarial Methods and Assumptions**

In the June 30, 2021 OPEB actuarial valuation, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary's report and are included here in this note to the financial statements. The Plan selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 75. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

**Post-Retirement Medical Benefits Contributions**

The funding policy of the OPEB plan is pay as you go basis; therefore, there is no prefunding of the liability. Contributions to pay for the health benefit premiums of participating employees in the OPEB plan are made by the State, as a nonemployer contributing entity, under a special funding situation in accordance with State statutes as previously disclosed. The State as a non-employer contributing entity made contributions of \$1.33 billion to the OPEB plan in fiscal year 2022.

The State sets the contribution rate based on a pay as you go basis rather than the actuarial determined contribution, an amount actuarially determined in accordance with the parameters of GASB Statement 75. The actuarial determined contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and any unfunded actuarial liabilities (or funding excess) of the plan using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the Plan. The State's contributions, as a nonemployer contributing entity, to the State Health Benefits Program Fund-Local Education Retired for retirees' post-retirement benefits on behalf of the Charter School for the fiscal years ended June 30, 2023, 2022, and 2021 were \$144,009, \$130,562, and \$112,481, respectively, which equaled the required contributions for each year. The State's contributions to the State

**BARACK OBAMA GREEN CHARTER SCHOOL**

Notes to the Basic Financial Statements

June 30, 2023

**NOTE 5: POST-RETIREMENT MEDICAL BENEFITS (CONTINUED)**

**Post-Retirement Medical Benefits Contributions (Continued)**

Health Benefits Program Fund – Local Education Retired for PERS retirees' post-retirement benefits on behalf of the Charter School was not determined or made available by the State of New Jersey. The on-behalf OPEB contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB No. 85.

**OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

GASB Statement No. 75 requires participating employers in the State Health Benefit Program Fund – Local Education Retired to recognize their proportionate share of the collective OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources and collective OPEB expense. The nonemployer allocation percentages presented are based on the ratio of the State's contributions made as a nonemployer toward the actuarially determined contribution amount to total contributions to the plan during the measurement period July 01, 2021 through June 30, 2022. Nonemployer allocation percentages have been rounded for presentation purposes. In accordance with GASB No. 75, the Charter School is not required to recognize an OPEB liability for the post-employment health benefit plan. The State of New Jersey, as a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to the plan on behalf of the Charter School. Accordingly, the Charter School's proportionate share percentage determined under Statement No. 75 is zero percent and the State's proportionate share is 100% of the OPEB liability attributable to the Charter School. Therefore, in addition, the Charter School does not recognize any portion of the collective deferred outflows of resources and deferred inflows of resources related to the plan. At June 30, 2022, the State had deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Actual and Expected Experience	\$ 9,042,402,619	\$ 15,462,950,679
Net Difference Between Expected and Actual Earnings on OPEB Plan Investments	-	-
Assumptions Changes	<u>8,765,620,577</u>	<u>17,237,289,230</u>
Sub Total	17,808,023,196	32,700,239,909
Contributions Made in Fiscal Year Ending 6/30/2023 Measurement Date	TBD	Not Available
Total	<u>\$ 17,808,023,196</u>	<u>\$ 32,700,239,909</u>

**BARACK OBAMA GREEN CHARTER SCHOOL**

Notes to the Basic Financial Statements

June 30, 2023

**NOTE 5: POST-RETIREMENT MEDICAL BENEFITS (CONTINUED)**

**OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)**

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in State's OPEB expense as follows:

Measurement Period Ending June 30,	Total
2023	\$ (2,517,151,602)
2024	(2,517,151,602)
2025	(2,517,151,602)
2026	(2,175,449,761)
2027	(1,243,951,140)
Total Thereafter	<u>(3,921,361,006)</u>
	<u>\$ (14,892,216,713)</u>

For the fiscal year ended June 30, 2023, the Charter School recognized in the government-wide statement of activities (accrual basis) OPEB expense of \$491,282. This amount has been included in the government-wide statement of activities (accrual basis) as a revenue and expense in accordance with GASB No. 85.

At June 30, 2023, the State's proportionate share of the OPEB liability attributable to the Charter School is \$1,640,444. The nonemployer allocation percentages are based on the ratio of the State's proportionate share of the OPEB liability attributable to the Charter School at June 30, 2021 to the total OPEB liability of the State Health Benefit Program Fund – Local Education Retired Employees Plan at June 30, 2022. At June 30, 2022, the state's share of the OPEB liability attributable to the Charter School was 0.0032390100%, which was an increase of 0.0001317212% from its proportionate share measured as of June 30, 2021 of 0.0031072888%.

**Actuarial Assumptions**

The OPEB liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of June 30, 2021, which was rolled forward to June 30, 2022. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

Total Nonemployer OPEB Liability                      \$50,646,462,966

	<u>TPAF/ABP</u>	<u>PERS</u>	<u>PFRS</u>
Salary Increases:	2.75 - 4.25%	2.75 - 6.55%	3.25 - 16.25%
	based on service years	based on service years	based on service years

**BARACK OBAMA GREEN CHARTER SCHOOL**

Notes to the Basic Financial Statements

June 30, 2023

**NOTE 5: POST-RETIREMENT MEDICAL BENEFITS (CONITNUED)**

**Actuarial Assumptions (Continued)**

Preretirement mortality rates were based on the Pub-2010 Health "Teachers" (TPAF/ABP, "General" (PERS), and "Safety" (PFRS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Postretirement mortality rates were based on the Pub-2010 "General" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Disability mortality was based on the Pub-2010 "General" classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021 for current disables retirees. Future disabled retirees was based on the Pub-2010 "Safety" (PFRS), "General" (PERS), and "Teachers" (TPAF/ABP) classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

Actuarial assumptions used in the June 30, 2021 valuation were based on the results of the TPAF, PERS, and PFRS experience studies prepared for July 1, 2018 to June 30, 2021.

100% of active members are considered to participate in the plan upon retirement.

**Health Care Trend Assumption**

For pre-Medicare medical benefits, the trend rate is initially 6.25% and decreases to a 4.50% long-term trend rate after eight years. For post-65 medical benefits PPO, the trend is initially -1.99% in fiscal year 2023, increasing to 13.44% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For HMO the trend is initially -3.54% in fiscal year 2023, increasing to 15.19% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 8.00% and decreases to a 4.50% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

**Discount Rate**

The discount rate used to measure the total OPEB liabilities of the plan was as follows:

<u>Fiscal Year</u>	<u>Measurement Date</u>	<u>Discount Rate</u>
2023	June 30, 2022	3.54%
2022	June 30, 2021	2.16%

The discount rate represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

**BARACK OBAMA GREEN CHARTER SCHOOL**

Notes to the Basic Financial Statements

June 30, 2023

**NOTE 5: POST-RETIREMENT MEDICAL BENEFITS (CONTINUED)**

**Changes in the Total OPEB Liability**

The change in the State's proportionate share of the OPEB liability attributable to the Charter School for the fiscal year ended June 30, 2023 (measurement date June 30, 2022) is as follows:

	Total OPEB Liability (State Share 100%)	State of New Jersey's Total OPEB Liability
	<u>\$</u>	<u>\$</u>
Balance at June 30, 2021 Measurement Date	1,864,611	60,007,650,970
Changes Recognized for the Fiscal Year:		
Service Cost	405,015	2,770,618,025
Interest on Total OPEB Liability	43,474	1,342,187,139
Changes of Benefit Terms	-	-
Differences between Expected and Actual Experiences	(190,911)	1,399,200,736
Effect of Changes of Assumptions	(440,064)	(13,586,368,097)
Contributions - Employees	1,381	(1,329,476,059)
Gross Benefits Paid by the State	<u>(43,062)</u>	<u>42,650,252</u>
<b>Net Changes</b>	<u>(224,167)</u>	<u>(9,361,188,004)</u>
Balance at June 30, 2022 Measurement Date	<u>\$ 1,640,444</u>	<u>\$ 50,646,462,966</u>

Changes of assumptions and other inputs reflect a change in the discount rate from 2.16% in 2021 to 3.54% in 2022.

The change in the total OPEB liability was based on the State's proportionate share of the OPEB liability attributable to the Charter School at June 30, 2022.



**BARACK OBAMA GREEN CHARTER SCHOOL**

Notes to the Basic Financial Statements

June 30, 2023

**NOTE 5: POST-RETIREMENT MEDICAL BENEFITS (CONTINUED)**

**Sensitivity of OPEB Liability**

*Sensitivity of the total OPEB liability to changes in the discount rate.* The following presents the State's proportionate share of the OPEB liability attributable to the Charter School calculated using the discount rate of 3.54%, as well as what the State's proportionate share of the OPEB liability attributable to the Charter School that would be if it were calculated using a discount rate that is 1-percentage-point lower (2.54%) or 1-percentage-point higher (4.54%) than the current rate:

	<u>At 1% Decrease (2.54%)</u>	<u>At Current Discount Rate (3.54%)</u>	<u>At 1% Increase (4.54%)</u>
Net OPEB Liability (Allocable to the Charter School and the responsibility of the State)	\$ 1,928,169	\$ 1,640,444	\$ 1,409,847

*Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates.* The following presents the State's proportionate share of the OPEB liability attributable to the Charter School calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rate</u>	<u>1% Increase</u>
Net OPEB Liability (Allocable to the Charter School and the responsibility of the State)	\$ 1,355,927	\$ 1,640,444	\$ 2,014,174

The sensitivity analyses were based on the State's proportionate share of the OPEB liability attributable to the Charter School at June 30, 2022. Sensitivity analyses specific to the State's proportionate share of the OPEB liability attributable to the Charter School at June 30, 2022 were not provided by the pension system.

**BARACK OBAMA GREEN CHARTER SCHOOL**

Notes to the Basic Financial Statements

June 30, 2023

**NOTE 6: RISK MANAGEMENT**

The Charter School is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

**Property and Liability Insurance**

The Charter School maintains commercial insurance coverage for property, liability, student accident, and surety bonds, as well as all other risks of loss, including health and accident insurance. Settled claims resulting from these risks have not exceeded commercial coverage in any of the past three fiscal years. A complete schedule of insurance coverage can be found in the Statistical Section of this Annual Comprehensive Financial Report.

**New Jersey Unemployment Compensation Insurance**

The Charter School has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method." Under this plan, the Charter School is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The Charter School is billed quarterly for amounts due to the State.

**NOTE 7: DETAILED DISCLOSURE REGARDING FUND EQUITY**

**General Fund**

Of the \$3,737,080 General Fund balance at June 30, 2023, \$75,055 is the Mandated Escrow Reserve account per State requirement, \$834 is reserved for unemployment compensation, and \$3,661,191 is unassigned and undesignated.

**NOTE 8: SUBSEQUENT EVENTS**

Subsequent events were evaluated through December 5, 2023, the date the financial statements were available to be issued.

***REQUIRED SUPPLEMENTARY INFORMATION – PART II***

***SECTION C – BUDGETARY COMPARISON SCHEDULES***

**BARACK OBAMA GREEN CHARTER SCHOOL**  
General Fund  
Budgetary Comparison Schedule  
For The Fiscal Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
<b>REVENUES:</b>					
Local Sources:					
Equalization Aid - Local Share - Charter School Aid	\$ 676,948	\$ (39,862)	\$ 637,086	\$ 645,113	\$ 8,027
<b>Total Local Sources</b>	<b>676,948</b>	<b>(39,862)</b>	<b>637,086</b>	<b>645,113</b>	<b>8,027</b>
Categorical Aid:					
Equalization Aid - State Share - Charter School Aid	4,280,666	(598,079)	3,682,587	3,750,547	67,960
Special Education Categorical Aid	195,920	(35,807)	160,113	167,138	7,025
Security Aid	139,298	(15,642)	123,656	123,441	(215)
<b>Total Categorical Aid</b>	<b>4,615,884</b>	<b>(649,528)</b>	<b>3,966,356</b>	<b>4,041,126</b>	<b>74,770</b>
Other Sources:					
Miscellaneous Revenue				262,668	262,668
Refund from Prior Year				1,036	1,036
On-Behalf TPAF Pension Aid (Non-Budgeted)				548,195	548,195
Reimbursed TPAF Social Security Aid (Non-Budgeted)				128,490	128,490
On-Behalf TPAF Post-Retirement Medical Aid (Non-Budgeted)				144,009	144,009
On-Behalf TPAF Long-Term Disability Insurance Aid (Non-Budgeted)				558	558
<b>Total Other Sources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,084,956</b>	<b>1,084,956</b>
<b>Total Revenues</b>	<b>5,292,832</b>	<b>(689,390)</b>	<b>4,603,442</b>	<b>5,771,195</b>	<b>1,167,753</b>
<b>EXPENDITURES:</b>					
Instruction:					
Salaries of Teachers	2,034,322	(561,330)	1,472,992	1,288,444	184,548
Other Salaries for Instruction	206,783	71,800	278,583	265,134	13,449
Purchased Prof/Tech Services	42,400	118,575	160,975	140,570	20,405
Other Purchased Services	85,935	(67,935)	18,000	15,931	2,069
General Supplies	150,000	14,197	164,197	161,253	2,944
Textbooks	51,300	5,000	56,300	53,037	3,263
Miscellaneous	27,200	13,700	40,900	39,400	1,500
<b>Total Instruction</b>	<b>2,597,940</b>	<b>(405,993)</b>	<b>2,191,947</b>	<b>1,963,769</b>	<b>228,178</b>
Administration:					
Salaries - General Administration	399,216	(30,673)	368,543	364,037	4,506
Salaries of Secretarial/Clerical Assistants	452,200	(113,222)	338,978	330,867	8,111
Total Benefits Cost	548,584	(17,051)	531,533	534,176	(2,643)
Purchases Prof/Tech Services	53,475	15,571	69,046	65,596	3,450
Other Purchased Services	95,030	73,136	168,166	150,522	17,644
Supplies and Materials	35,000		35,000	30,203	4,797
Interest for Lease Purchase Agreements				38,540	(38,540)
Miscellaneous Expenses	29,500	11,000	40,500	36,236	4,264
<b>Total Administration</b>	<b>1,613,005</b>	<b>(61,239)</b>	<b>1,551,766</b>	<b>1,550,177</b>	<b>1,589</b>

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

**BARACK OBAMA GREEN CHARTER SCHOOL**  
General Fund  
Budgetary Comparison Schedule  
For The Fiscal Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
(Continued From Prior Page)					
Support Services:					
Salaries	\$ 94,651	\$ (61,651)	\$ 33,000	\$ 33,000	\$ -
Purchased Prof/Ed Services	40,000		40,000	17,003	22,997
Purchased Prof/Tech Services	5,500		5,500	5,500	-
Rental of Land and Buildings	540,500	(45,900)	494,600	63,686	430,914
Other Purchased Services	75,850		75,850	68,626	7,224
Transportation-Other Than To/From School	48,000	(25,000)	23,000	16,695	6,305
Insurance for Property, Liability and Fidelity	70,000	5,771	75,771	75,771	-
Supplies and Materials	31,600	12,675	44,275	41,806	2,469
Energy Costs (Heat and Electricity)	60,000	(18,546)	41,454	31,886	9,568
Miscellaneous Expenses	15,085	4,915	20,000	11,156	8,844
<b>Total Support Services</b>	<b>981,186</b>	<b>(127,736)</b>	<b>853,450</b>	<b>365,129</b>	<b>488,321</b>
Capital Outlay:					
Lease Purchase Agreements-Principal				389,464	(389,464)
<b>Total Capital Outlay</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>389,464</b>	<b>(389,464)</b>
On-Behalf TPAF Pension Contributions (Non-Budgeted)				548,195	(548,195)
Reimbursed TPAF Social Security Contributions (Non-Budgeted)				128,490	(128,490)
On-Behalf TPAF Post-Retirement Medical Contributions (Non-Budgeted)				144,009	(144,009)
On-Behalf TPAF Long-Term Disability Insurance Contributions (Non-Budgeted)				558	(558)
<b>Total Expenditures</b>	<b>5,192,131</b>	<b>(594,968)</b>	<b>4,597,163</b>	<b>5,089,791</b>	<b>(492,628)</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	100,701	(94,422)	6,279	681,404	675,125
FUND BALANCE, JULY 1	3,055,676	-	3,055,676	3,055,676	-
FUND BALANCE, JUNE 30	<u>\$ 3,156,377</u>	<u>\$ (94,422)</u>	<u>\$ 3,061,955</u>	<u>\$ 3,737,080</u>	<u>\$ 675,125</u>
RECAPITULATION:					
Restricted for:					
Charter School Escrow				\$ 75,055	
Unemployment Compensation				834	
Unassigned Fund Balance				<u>3,661,191</u>	
Fund Balance per Governmental Funds GAAP/Budgetary Basis				<u>\$ 3,737,080</u>	

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

**BARACK OBAMA GREEN CHARTER SCHOOL**  
Special Revenue Fund  
Budgetary Comparison Schedule  
For the Fiscal Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUE SOURCES:</b>					
Local	\$ 2,000	\$ -	\$ 2,000	\$ 59,776	\$ 57,776 *
State	91,914		91,914	91,914	-
Federal	1,314,727		1,314,727	747,667	(567,060)
<b>Total Revenues</b>	<b>1,408,641</b>	<b>-</b>	<b>1,408,641</b>	<b>899,357</b>	<b>(509,284)</b>
<b>EXPENDITURES:</b>					
<b>Instruction:</b>					
Salaries	205,381		205,381	168,224	37,157
Salaries of Teachers	59,323		59,323	48,779	10,544
Purchased Prof/Tech Services	2,800	62,000	64,800	11,876	52,924
General Supplies	111,578		111,578	111,578	-
Other Objects	700		700	700	-
<b>Total Instruction</b>	<b>379,782</b>	<b>62,000</b>	<b>441,782</b>	<b>341,157</b>	<b>100,625</b>
<b>Support Services:</b>					
Salaries	247,332		247,332	239,680	7,652
Personal Services - Employee Benefits	135,916		135,916	131,493	4,423
Other Purchased Prof/Tech Services	7,715		7,715	7,715	-
Miscellaneous (Other) Purchased Services	500		500	500	-
Supplies and Materials	72,142		72,142	17,783	54,359
Student Activities				46,382	(46,382) *
<b>Total Support Services</b>	<b>463,605</b>	<b>-</b>	<b>463,605</b>	<b>443,553</b>	<b>20,052</b>
<b>Facilities Acquisition and Construction Services:</b>					
Buildings	565,254	(62,000)	503,254	103,253	400,001
<b>Total Facilities Acquisition and Construction Services</b>	<b>565,254</b>	<b>(62,000)</b>	<b>503,254</b>	<b>103,253</b>	<b>400,001</b>
<b>Total Expenditures</b>	<b>1,408,641</b>	<b>-</b>	<b>1,408,641</b>	<b>887,963</b>	<b>520,678</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,394</b>	<b>11,394</b>
<b>Fund Balances, Beginning of Year</b>	<b>12,751</b>	<b>-</b>	<b>12,751</b>	<b>12,751</b>	<b>-</b>
<b>Fund Balances, End of Year</b>	<b>\$ 12,751</b>	<b>\$ -</b>	<b>\$ 12,751</b>	<b>\$ 24,145</b>	<b>\$ 11,394</b>
<b>Recapitulation:</b>					
<b>Restricted:</b>					
Student Activities				\$ 24,145	
<b>Total Fund Balance</b>				<b>\$ 24,145</b>	

\* Note - Student Activities Fund are not required to be budgeted.

***NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION – PART II***



**BARACK OBAMA GREEN CHARTER SCHOOL**  
 Required Supplementary Information  
 Budgetary Comparison Schedule  
 Note to RSI  
 Fiscal Year Ended June 30, 2023

**Note A - Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures**

	General Fund	Special Revenue Fund
<b>Sources/Inflows of Resources</b>		
Actual amounts (budgetary) "revenues" from the budgetary comparison schedules	[C-1] \$ 5,771,195	[C-2] \$ 899,357
Difference - Budget to GAAP Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized	_____	-
Total revenues as reports on the statement of revenues, expenditures and changes in fund balance - governmental funds.	[B-2] \$ <u>5,771,195</u>	[B-2] \$ <u>899,357</u>
<b>Uses/Outflows of resources</b>		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1] \$ 5,089,791	[C-2] \$ 887,963
Differences - Budget to GAAP: Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial accounting purposes.	_____	-
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	[B-2] \$ <u>5,089,791</u>	[B-2] \$ <u>887,963</u>

***REQUIRED SUPPLEMENTARY INFORMATION – PART III***

**SECTION L – CHARTER SCHOOL’S PROPORTIONATE SHARE OF THE NET  
PENSION LIABILITY FOR TPAF AND PERS AND CHARTER SCHOOL’S PERS  
AND TPAF CONTRIBUTIONS**

*The schedules are presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.*

**BARACK OBAMA GREEN CHARTER SCHOOL**  
 Required Supplementary Information, Schedules  
 Schedule of the Charter School's Proportionate Share of the Net Pension Liability  
 Public Employees Retirement System  
 Last Nine Fiscal Years  
 Unaudited

	Fiscal Year Ending June 30,								
	2023	2022	2021	2020	2019	2018	2017	2016	2015
Charter School's proportion of the net pension liability	0.0050673724%	0.0052622446%	0.0044230558%	0.0072847336%	0.0049069199%	0.0043200878%	0.0044963577%	0.4387065800%	0.0018834633%
Charter School's proportionate share of the net pension liability	\$ 764,736	\$ 623,392	\$ 721,285	\$ 1,312,598	\$ 966,148	\$ 1,005,647	\$ 1,331,692	\$ 984,808	\$ 352,636
Charter School's covered employees payroll (plan measurement period)	\$ 479,688	\$ 391,429	\$ 373,462	\$ 371,636	\$ 320,068	\$ 711,230	\$ 343,629	\$ 340,551	\$ 298,036
Charter School's proportionate share of the net pension liability as a percentage of it's covered employee payroll	159.42%	159.26%	193.13%	353.19%	301.86%	141.40%	387.54%	289.18%	118.32%
Plan fiduciary net position as a percentage of the total pension liability	62.91%	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%

Note: This schedule does not contain ten years of information as GASB No. 68 was implemented during the fiscal year ended June 30, 2015.

**BARACK OBAMA GREEN CHARTER SCHOOL**  
 Required Supplementary Information Schedules  
 Schedule of the Charter School Contributions  
 Public Employees Retirement System  
 Last Nine Fiscal Years  
 Unaudited

	Fiscal Year Ending June 30,								
	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 63,902	\$ 61,627	\$ 48,386	\$ 70,859	\$ 48,808	\$ 40,021	\$ 39,945	\$ 37,717	\$ 15,527
Contributions in relation to the contractually required contribution	(63,902)	(61,627)	(48,386)	(71,911)	(49,741)	(40,021)	(39,945)	(37,717)	(15,527)
Contribution deficiency/(excess)	\$ -	\$ -	\$ -	\$ (1,052)	\$ (933)	\$ -	\$ -	\$ -	\$ -
Charter School's covered employee payroll (fiscal year)	\$ 479,688	\$ 391,429	\$ 373,462	\$ 371,636	\$ 320,068	\$ 711,230	\$ 343,629	\$ 340,551	\$ 298,036
Contributions as a percentage of covered employee payroll	13.32%	15.74%	12.96%	19.07%	15.25%	5.63%	11.62%	11.08%	5.21%

Note: This schedule does not contain ten years of information as GASB No. 68 was implemented during the fiscal year ended June 30, 2015.

**BARACK OBAMA GREEN CHARTER SCHOOL**  
 Required Supplementary Information Schedules  
 Schedule of the Charter School's Proportionate Share of the Net Pension Liability  
 Teachers Pension and Annuity Fund  
 Last Nine Fiscal Years  
 Unaudited

	Fiscal Year Ending June 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	
State's proportion of the net pension liability attributable of the Charter School	0.0133856706%	0.0121168076%	0.0119986293%	0.0100454445%	0.0130700811%	0.0112336816%	0.0100113784%	0.0106735282%	0.0093267556%	
State's proportionate share of the net pension liability attributable to the Charter School	\$ 6,906,259	\$ 5,825,178	\$ 7,900,953	\$ 6,164,984	\$ 8,314,905	\$ 7,574,153	\$ 7,875,588	\$ 6,746,126	\$ 4,984,847	
Charter School's covered employees payroll (plan measurement period)	\$ 1,729,252	\$ 1,653,771	\$ 1,550,740	\$ 1,462,636	\$ 1,317,172	\$ 1,373,691	\$ 1,066,300	\$ 1,135,015	\$ 1,132,432	
Charter School's proportionate share of the net pension liability as a percentage of its covered employee payroll	399.38%	352.24%	509.50%	421.50%	631.27%	551.37%	738.59%	594.36%	440.19%	
Plan fiduciary net position as a percentage of the total pension liability	32.29%	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	

Note: This schedule does not contain ten years of information as GASB No. 68 was implemented during the fiscal year ended June 30, 2015.

**BARACK OBAMA GREEN CHARTER SCHOOL**  
 Required Supplementary Information Schedules  
 Schedule of the Charter School Contributions  
 Teachers Pension and Annuity Fund  
 Last Nine Fiscal Years  
 Unaudited

	Fiscal Year Ending June 30,								
	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 560,224	\$ 355,085	\$ 271,892	\$ 201,978	\$ 197,574	\$ 126,144	\$ 79,731	\$ 57,362	\$ 39,619
Contributions in relation to the contractually required contribution	(61,024)	(51,543)	(32,875)	(18,836)	(18,872)	(18,737)	(12,703)	(9,026)	(32,953)
Contribution deficiency/(excess)	\$ 499,200	\$ 303,542	\$ 239,017	\$ 183,142	\$ 178,702	\$ 107,407	\$ 67,028	\$ 48,336	\$ 6,666
Charter School's covered employee payroll (fiscal year)	\$ 1,729,252	\$ 1,653,771	\$ 1,550,740	\$ 1,462,636	\$ 1,317,172	\$ 1,373,691	\$ 1,066,300	\$ 1,135,015	\$ 1,132,432
Contributions as a percentage of covered employee payroll	32.40%	21.47%	17.53%	13.81%	15.00%	9.18%	7.48%	5.05%	3.50%

Note: This schedule does not contain ten years of information as GASB No. 68 was implemented during the fiscal year ended June 30, 2015.

**SECTION M – CHARTER SCHOOL'S PROPORTIONATE SHARE OF THE NET  
OPEB LIABILITY FOR TPAF AND PERS**

*The schedules are presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.*



**BARACK OBAMA GREEN CHARTER SCHOOL**  
 Required Supplementary Information Schedules  
 Schedule of Changes in the Charter School's Proportionate Share of Total OPEB Liability and Related Ratios  
 Teachers Pension and Annuity Fund and Public Employees Retirement System  
 Last Seven Fiscal Years  
 Unaudited

	Fiscal Year Ending June 30,						
	2023	2022	2021	2020	2019	2018	2017
Total Non-Employer OPEB Liability-State's Proportionate Share of the Total OPEB Liability Associated with the Charter School	\$ 1,864,611	\$ 1,842,109	\$ 956,615	\$ 551,844	\$ 885,256	\$ 766,733	\$ -
OPEB Liability at Beginning of Measurement Period							
Changes Recognized for the Fiscal Year:							
Service Cost	405,015	491,610	295,068	169,210	233,642	279,153	Not Available
Interest on Total OPEB Liability	43,474	48,370	43,269	27,359	39,804	29,528	Not Available
Effect on Changes of Benefit Terms	-	(1,985)	-	-	-	-	Not Available
Differences Between Expected and Actual Experience	(190,911)	(480,468)	241,765	222,434	(529,285)	-	Not Available
Effect on Changes of Assumptions	(440,064)	1,840	336,490	14,263	(63,327)	(170,409)	Not Available
Contributions from the Employees	1,381	1,237	972	870	510	755	Not Available
Gross Benefit Paid by the State	(43,062)	(38,102)	(32,070)	(29,365)	(14,756)	(20,504)	Not Available
Net Changes	(224,167)	22,502	885,494	404,771	(333,412)	118,523	-
OPEB Liability at the End of Measurement Period	\$ 1,640,444	\$ 1,864,611	\$ 1,842,109	\$ 956,615	\$ 551,844	\$ 885,256	\$ 766,733

Charter School's Proportionat Share of the Total OPEB Liability	0.0032390100%	0.0031072888%	0.0027165757%	0.0022924420%	0.0011967773%	0.0016503703%	0.0013257986%
Charter School's Covered Employees Payroll	\$ 2,208,940	\$ 2,045,200	\$ 1,924,202	\$ 1,834,272	\$ 1,637,240	\$ 2,084,921	\$ 1,409,929
Total Charter School's OPEB Liability as a Percentage of Covered Employee Payroll	74.26%	91.17%	95.73%	52.15%	33.71%	42.46%	54.38%
Charter School's Contributions	None	None	None	None	None	None	None

Note: No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75.

Note: This schedule does not contain ten years of information as GASB No. 75 was implemented during the fiscal year ended June 30, 2018.

***NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III***

**BARACK OBAMA GREEN CHARTER SCHOOL**  
Notes to Required Supplementary Information  
Public Employees Retirement System  
For Fiscal Year Ended June 30, 2023

**NET PENSION LIABILITY (SCHEDULES L-1 AND L-2)**

**A. Benefit Changes**

There were none.

**B. Changes in Assumptions**

The discount rate changed from 7.00% as of June 30, 2021 to 7.00% as of June 30, 2022. Please see Note 4 for details of assumptions used in calculating the net pension liability and statutorily required employer contribution.

**NET OPEB LIABILITY (SCHEDULE M-1)**

**A. Benefit Changes**

There were none.

**B. Changes in Assumptions**

The discount rate changed from 2.16% as of June 30, 2021 to 3.54% as of June 30, 2022. Please see Note 5 for details of assumptions used in calculating the OPEB liability.

**BARACK OBAMA GREEN CHARTER SCHOOL**  
Notes to Required Supplementary Information  
Teachers' Pension and Annuity Fund  
For Fiscal Year Ended June 30, 2023

**NET PENSION LIABILITY (SCHEDULES L-3 AND L-4)**

**A. Benefit Changes**

There were none.

**B. Changes in Assumptions**

The discount rate changed from 7.00% as of June 30, 2021 to 7.00% as of June 30, 2022. Please see Note 4 for details of assumptions used in calculating the net pension liability and statutorily required employer contribution.

**NET OPEB LIABILITY (SCHEDULE M-1)**

**A. Benefit Changes**

There were none.

**B. Changes in Assumptions**

The discount rate changed from 2.16% as of June 30, 2021 to 3.54% as of June 30, 2022. Please see Note 5 for details of assumptions used in calculating the OPEB liability.

***OTHER SUPPLEMENTARY INFORMATION***

**SECTION E – SPECIAL REVENUE FUND  
DETAIL STATEMENTS**

*The Special Revenue Fund is used to account for the proceeds of specific sources (other than expandable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.*

**BARACK OBAMA GREEN CHARTER SCHOOL**

Special Revenue Fund

E-1  
Sheet 1

Combining Schedule of Program Revenues and Expenditures - Budgetary Basis  
For the Fiscal Year Ended June 30, 2023

	ESSA Title I	I.D.E.A. Part B	Safety Grant	Climate Awareness Education Grant	CRRSA ESSER II Grant Program	CRRSA ESSER II Learning Acceleration Grant	CRRSA ESSER II Mental Health Grant
<b>REVENUE SOURCES:</b>							
Local	\$ -	\$ -	2,000	-	-	-	-
State				6,660			
Federal	166,654	46,911			137,260	17,157	5,863
<b>Total Revenues</b>	<b>166,654</b>	<b>46,911</b>	<b>2,000</b>	<b>6,660</b>	<b>137,260</b>	<b>17,157</b>	<b>5,863</b>
<b>EXPENDITURES:</b>							
Instruction:							
Salaries	100,000	31,067					
Salaries of Teachers						15,938	
Purchased Prof/Tech Services				2,800			
General Supplies	7,354			3,160			
Other Objects				700			
<b>Total Instruction</b>	<b>107,354</b>	<b>31,067</b>	<b>-</b>	<b>6,660</b>	<b>-</b>	<b>15,938</b>	<b>-</b>
Support Services:							
Salaries	8,300						2,925
Personal Services - Employee Benefits	51,000	15,844			90,000		223
Other Purchased Prof/Tech Services					47,260	1,219	2,715
Miscellaneous (Other) Purchased Services			500				
Supplies and Materials			1,500				
Student Activities							
<b>Total Support Services</b>	<b>59,300</b>	<b>15,844</b>	<b>2,000</b>	<b>-</b>	<b>137,260</b>	<b>1,219</b>	<b>5,863</b>
Facilities Acquisition and Construction Services:							
Buildings							
<b>Total Facilities Acquisition and Construction Services</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenditures</b>	<b>166,654</b>	<b>46,911</b>	<b>2,000</b>	<b>6,660</b>	<b>137,260</b>	<b>17,157</b>	<b>5,863</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance, July 1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance, June 30</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**BARACK OBAMA GREEN CHARTER SCHOOL**

Special Revenue Fund  
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis  
For the Fiscal Year Ended June 30, 2023

	ESSER III ARP Grant	ESSER III ARP Grant Evidence Based Summer Learning	ESSER III ARP Grant NJTSS Mental Health Supt Staffing	SDA Grant Emergent Needs and Capital Maintenance	Preschool & Charter School Security Compliance Grant	Student Activity Fund	Grand Total
<b>REVENUE SOURCES:</b>							
Local	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 57,776	\$ 59,776
State				65,254	20,000		91,914
Federal	288,822	40,000	45,000				747,667
<b>Total Revenues</b>	<b>288,822</b>	<b>40,000</b>	<b>45,000</b>	<b>65,254</b>	<b>20,000</b>	<b>57,776</b>	<b>899,357</b>
<b>EXPENDITURES:</b>							
Instruction:							
Salaries		37,157					168,224
Salaries of Teachers	32,841						48,779
Purchased Prof/Tech Services	9,076						11,876
General Supplies	81,064				20,000		111,578
Other Objects							700
<b>Total Instruction</b>	<b>122,981</b>	<b>37,157</b>	<b>-</b>	<b>-</b>	<b>20,000</b>	<b>-</b>	<b>341,157</b>
Support Services:							
Salaries	96,653		41,802				239,680
Personal Services - Employee Benefits	9,906	2,843	3,198				131,493
Other Purchased Prof/Tech Services	5,000						7,715
Miscellaneous (Other) Purchased Services							500
Supplies and Materials	16,283					46,382	17,783
Student Activities							46,382
<b>Total Support Services</b>	<b>127,842</b>	<b>2,843</b>	<b>45,000</b>	<b>-</b>	<b>-</b>	<b>46,382</b>	<b>443,553</b>
Facilities Acquisition and Construction Services:							
Buildings	37,999			65,254			103,253
<b>Total Facilities Acquisition and Construction Services</b>	<b>37,999</b>	<b>-</b>	<b>-</b>	<b>65,254</b>	<b>-</b>	<b>-</b>	<b>103,253</b>
<b>Total Expenditures</b>	<b>288,822</b>	<b>40,000</b>	<b>45,000</b>	<b>65,254</b>	<b>20,000</b>	<b>46,382</b>	<b>887,963</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,394</b>	<b>11,394</b>
<b>Fund Balance, July 1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,751</b>	<b>12,751</b>
<b>Fund Balance, June 30</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 24,145</b>	<b>\$ 24,145</b>



**SECTION G – PROPRIETARY FUNDS  
DETAIL STATEMENTS**

*Proprietary Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the Charter School’s board is that the costs of providing goods or services be financed through user charges.*

*Food Services Fund – This fund provides for the operation of food services in all schools within the charter school.*

**THIS SECTION HAS ALREADY BEEN INCLUDED IN STATEMENTS B-4, B-5, AND B-6.**

**STATISTICAL SECTION  
(UNAUDITED)**

***GASB requires that ten years of statistical data be presented. The following information is presented utilizing information available. Each year thereafter, an additional year's data will be included until ten years of data is presented.***

**Contents**

**Financial Trends**

These schedules contain trend information to help the reader understand how the charter school's financial performance and well-being have changed over time.

**Revenue Capacity (Not Applicable To Charter School)**

These schedules contain information to help the reader assess the district's most significant local revenue source, the property tax.

**Debt Capacity**

These schedules present information to help the reader assess the affordability of the charter school's current levels of outstanding debt and the charter school's ability to issue additional debt in the future.

**Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the charter school's financial activities take place.

**Operating Information**

These schedules contain service and infrastructure data to help the reader understand how the information in the charter school's financial report relates to the services the district provides and the activities it performs.

**Sources:** *Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Reports (ACFR) for the relevant year. The charter school implemented GASB Statement 34 in the fiscal year ending June 30, 2011; schedules presenting charter school-wide information include information beginning in that year.*

***FINANCIAL TRENDS***

**BARACK OBAMA GREEN CHARTER SCHOOL**

Net Position by Component  
Last Ten Fiscal Years  
(accrual basis of accounting)  
Unaudited

	Fiscal Year Ending June 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Governmental Activities</b>										
Net Investment in Capital Assets										
Restricted	\$ 100,034	\$ 776,298	\$ 838,568	\$ 75,014	\$ 75,000	\$ 138,604	\$ 153,228	\$ 167,853	\$ 17,977	\$ 24,358
Unrestricted	3,093,195	1,222,573	746,471	1,137,946	928,659	75,000	75,000	-	-	-
<b>Total Governmental Activities Net Assets/Position</b>	<b>\$ 3,193,229</b>	<b>\$ 1,998,871</b>	<b>\$ 1,585,039</b>	<b>\$ 1,212,960</b>	<b>\$ 1,003,659</b>	<b>\$ 782,967</b>	<b>\$ 702,090</b>	<b>\$ 1,112,761</b>	<b>\$ 1,142,309</b>	<b>\$ 922,677</b>
<b>Business-Type Activities</b>										
Net Investment in Capital Assets										
Restricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	7,670	8,915	19,728	22,832	5,892	3,304	33,091	16,850	13,297	-
<b>Total Business-Type Activities Net Assets/Position</b>	<b>\$ 7,670</b>	<b>\$ 8,915</b>	<b>\$ 19,728</b>	<b>\$ 22,832</b>	<b>\$ 5,892</b>	<b>\$ 3,304</b>	<b>\$ 33,091</b>	<b>\$ 16,850</b>	<b>\$ 13,297</b>	<b>\$ -</b>
<b>Charter School-wide</b>										
Net Investment in Capital Assets										
Restricted	\$ 100,034	\$ 776,298	\$ 838,568	\$ 75,014	\$ 75,000	\$ 138,604	\$ 153,228	\$ 167,853	\$ 17,977	\$ 24,358
Unrestricted	3,100,865	1,231,488	766,199	1,160,778	934,551	75,000	75,000	-	-	-
<b>Total Charter School-wide Net Assets/Position</b>	<b>\$ 3,200,899</b>	<b>\$ 2,007,786</b>	<b>\$ 1,604,767</b>	<b>\$ 1,235,792</b>	<b>\$ 1,009,551</b>	<b>\$ 786,271</b>	<b>\$ 735,181</b>	<b>\$ 1,129,611</b>	<b>\$ 1,173,583</b>	<b>\$ 947,035</b>

Source: Annual Comprehensive Financial Report

**BARACK OBAMA GREEN CHARTER SCHOOL**

Changes in Net Position  
Last Ten Fiscal Years  
(accrual basis of accounting)  
Unaudited

	Fiscal Year Ending June 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Expenses</b>										
Governmental Activities:										
Instruction	\$ 3,213,389	\$ 2,795,145	\$ 2,588,941	\$ 2,287,263	\$ 2,095,280	\$ 2,108,993	\$ 1,709,632	\$ 2,514,717	\$ 2,097,071	\$ 1,664,155
Administration	1,424,185	1,792,007	1,596,497	1,423,841	1,232,686	1,824,154	1,556,110	780,950	624,364	642,568
Support Services	828,025	709,790	855,148	766,236	767,274	780,319	712,026	1,266,268	1,304,164	1,015,116
Capital Outlay	103,253	-	-	-	125,006	4,177	45,787	12,559	5,019	-
Interest in Long-Term Debt	38,540	62,986	-	-	-	-	-	-	-	-
Unallocated Depreciation	-	-	-	-	13,598	-	14,624	6,381	6,381	3,200
Unallocated Amortization	360,084	360,084	-	-	-	-	-	-	-	-
Total Governmental Activities Expenses	\$ 5,967,476	\$ 5,720,012	\$ 5,040,586	\$ 4,477,340	\$ 4,233,844	\$ 4,732,267	\$ 4,036,180	\$ 4,580,875	\$ 4,036,999	\$ 3,325,039
Business-Type Activities:										
Food Service	116,160	127,065	165,931	91,030	94,286	123,809	90,935	89,506	87,353	103,364
Total Business-Type Activities Expenses	116,160	127,065	165,931	91,030	94,286	123,809	90,935	89,506	87,353	103,364
Total Charter School Expenses	\$ 6,083,636	\$ 5,847,077	\$ 5,206,517	\$ 4,568,370	\$ 4,328,130	\$ 4,856,076	\$ 4,129,115	\$ 4,670,381	\$ 4,124,352	\$ 3,428,403
<b>Program Revenues</b>										
Governmental Activities:										
Charges for Services	\$ 57,776	\$ 44,295	\$ 28,179	\$ -	\$ -	\$ 50,192	\$ -	\$ -	\$ -	\$ -
Operating Grants and Contributions	295,628	265,589	240,126	235,616	46,110	-	60,191	947,204	694,947	316,870
Capital Grants and Contributions	-	-	-	-	-	-	-	-	-	-
Total Governmental Activities Revenues	\$ 353,404	\$ 309,884	\$ 268,305	\$ 235,616	\$ 46,110	\$ 50,192	\$ 60,191	\$ 947,204	\$ 694,947	\$ 316,870
Business-Type Activities:										
Charges for Services	2,165	-	-	-	-	363	1,643	3,394	3,843	6,049
Operating Grants and Contributions	112,744	116,250	162,824	105,469	84,146	93,658	106,533	89,665	96,807	87,717
Capital Grants and Contributions	-	-	-	-	-	-	-	-	-	-
Total Business-Type Activities Revenues	\$ 114,909	\$ 116,250	\$ 162,824	\$ 105,469	\$ 84,146	\$ 94,021	\$ 107,176	\$ 93,059	\$ 100,650	\$ 93,766
Total Charter School Program Revenues	\$ 468,313	\$ 426,134	\$ 431,129	\$ 341,085	\$ 130,256	\$ 144,213	\$ 167,367	\$ 1,040,263	\$ 795,597	\$ 410,636
<b>Net (Expense)/Revenue</b>										
Governmental Activities	\$ (5,614,072)	\$ (5,410,128)	\$ (4,772,281)	\$ (4,241,724)	\$ (4,187,734)	\$ (4,682,075)	\$ (3,977,989)	\$ (3,633,671)	\$ (3,342,052)	\$ (3,008,169)
Business-Type Activities	(1,251)	(10,815)	(3,107)	14,439	(10,140)	(29,788)	16,241	3,553	13,297	(9,598)
Total Charter School-wide Net Expense	\$ (5,615,323)	\$ (5,420,943)	\$ (4,775,388)	\$ (4,227,285)	\$ (4,197,874)	\$ (4,711,863)	\$ (3,961,748)	\$ (3,630,118)	\$ (3,328,755)	\$ (3,017,767)
<b>General Revenues and Other Changes in Net Position</b>										
Governmental Activities:										
General Purposes	\$ 645,113	\$ 630,096	\$ 631,631	\$ 583,544	\$ 541,139	\$ 611,156	\$ 591,124	\$ 3,475,959	\$ 3,555,360	\$ 3,119,866
Federal and State Aid Not Restricted	5,899,613	5,273,536	4,489,686	3,863,631	3,833,225	4,031,155	3,607,806	-	-	-
Miscellaneous Income	263,704	10,104	8,719	3,850	34,062	120,641	25,165	13,526	7,394	23,146
Transfers	-	-	-	-	-	-	-	-	-	-
Total Governmental Activities	\$ 6,808,430	\$ 5,913,736	\$ 5,130,036	\$ 4,451,025	\$ 4,408,426	\$ 4,762,952	\$ 4,224,095	\$ 3,489,485	\$ 3,562,754	\$ 3,137,005
Business-Type Activities:										
Investment Earnings	6	2	3	1	1	1	-	-	-	-
Transfers and Miscellaneous Income	-	-	-	-	-	-	-	-	-	-
Total Business-Type Activities	6	2	3	1	1	1	-	-	-	-
Total Charter School-wide	\$ 6,808,436	\$ 5,913,738	\$ 5,130,039	\$ 4,451,026	\$ 4,408,427	\$ 4,762,953	\$ 4,224,095	\$ 3,489,485	\$ 3,562,754	\$ 3,143,032
<b>Change in Net Assets/Position</b>										
Governmental Activities	\$ 1,194,358	\$ 503,608	\$ 357,755	\$ 209,301	\$ 220,692	\$ 80,877	\$ 246,106	\$ (144,186)	\$ 220,702	\$ 128,836
Business-Type Activities	(1,245)	(10,813)	(3,104)	14,440	(10,139)	(29,787)	16,241	3,553	13,297	(8,571)
Total Charter School	\$ 1,193,113	\$ 492,795	\$ 354,651	\$ 223,741	\$ 210,553	\$ 51,090	\$ 262,347	\$ (140,633)	\$ 233,999	\$ 120,265

Source: Annual Comprehensive Financial Report

**BARACK OBAMA GREEN CHARTER SCHOOL**  
 Fund Balances - Governmental Funds  
 Last Ten Fiscal Years  
*(modified accrual basis of accounting)*  
 Unaudited

	Fiscal Year Ending June 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General Fund										
Restricted	\$ 75,889	\$ 750,834	\$ 825,855	\$ 75,014	\$ 75,000	\$ 75,000	\$ 17,845	\$ -	\$ -	\$ -
Unassigned	3,661,191	2,304,842	1,845,026	2,222,259	1,847,186	1,410,650	1,291,052	944,908	1,142,309	922,677
<b>Total General Fund</b>	<b>\$ 3,737,080</b>	<b>\$ 3,055,676</b>	<b>\$ 2,670,881</b>	<b>\$ 2,297,273</b>	<b>\$ 1,922,186</b>	<b>\$ 1,485,650</b>	<b>\$ 1,308,897</b>	<b>\$ 944,908</b>	<b>\$ 1,142,309</b>	<b>\$ 922,677</b>
All Other Governmental Funds										
Restricted	\$ 24,145	\$ 12,751	\$ 12,713	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unassigned	-	-	-	-	-	-	-	-	-	-
<b>Total All Other Governmental Funds</b>	<b>\$ 24,145</b>	<b>\$ 12,751</b>	<b>\$ 12,713</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Source: Annual Comprehensive Financial Report**

**BARACK OBAMA GREEN CHARTER SCHOOL**  
 Changes in Fund Balances - Governmental Funds  
 Last Ten Fiscal Years  
 (modified accrual basis of accounting)  
 Unaudited

Fiscal Year Ending June 30,	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Revenues:</b>										
Local Sources:										
Local Tax Levy	\$ 645,113	\$ 630,096	\$ 631,631	\$ 583,544	\$ 541,139	\$ 611,156	\$ 591,124	\$ 737,023	\$ 737,669	\$ 559,659
Miscellaneous	323,480	55,223	36,898	3,850	34,062	120,641	220,904	13,526	7,394	23,146
State Sources	4,954,292	4,067,356	3,836,229	3,654,385	3,420,536	3,561,111	3,281,997	3,114,094	3,152,992	2,749,858
Federal Sources	747,667	854,774	468,175	231,518	234,663	207,928	190,261	240,289	149,119	127,239
Total Revenues	6,670,552	5,607,449	4,972,933	4,473,297	4,230,400	4,500,836	4,284,286	4,104,932	4,047,174	3,459,902
<b>Expenditures:</b>										
Instruction	2,304,926	1,986,014	1,968,669	1,679,043	1,567,338	1,632,732	1,640,811	1,748,073	1,544,212	1,245,438
Administration	2,371,429	2,192,017	1,799,189	1,482,081	1,482,081	1,931,507	1,541,414	1,278,399	1,123,746	1,176,785
Support Services	808,682	679,567	833,078	745,671	744,445	755,667	692,285	1,066,234	1,141,683	920,649
Capital Outlay	492,717	1,445,270	-	-	-	4,177	45,787	168,816	5,019	-
Total Expenditures	5,977,754	6,302,868	4,600,936	4,098,210	3,793,864	4,324,083	3,920,297	4,261,522	3,814,660	3,342,872
Excess (Deficiency) of Revenues Over (Under) Expenditures	692,798	(695,419)	371,997	375,087	436,536	176,753	363,989	(156,590)	232,514	117,030
<b>Other Financing Sources (Uses):</b>										
Transfers In	-	1,170,028	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-	-	(6,027)
Total Other Financing Sources (Uses)	-	1,170,028	-	-	-	-	-	-	-	(6,027)
Net Change in Fund Balance	\$ 692,798	\$ 474,609	\$ 371,997	\$ 375,087	\$ 436,536	\$ 176,753	\$ 363,989	\$ (156,590)	\$ 232,514	\$ 111,003

**Source: Annual Comprehensive Financial Report**



**BARACK OBAMA GREEN CHARTER SCHOOL**  
 General Fund - Other Local Revenue by Source  
 Last Ten Fiscal Years  
*(modified accrual basis of accounting)*  
 Unaudited

Fiscal Year Ending June 30,	Prior Year Refunds	Miscellaneous Revenue	Annual Total
2023	\$ 1,036	\$ 262,668	\$ 263,704
2022	1,012	8,377	9,389
2021	3,444	4,077	7,521
2020	-	3,850	3,850
2019	960	33,102	34,062
2018	50,872	69,769	120,641
2017	-	25,165	25,165
2016	-	13,526	13,526
2015	-	7,394	7,394
2014	-	23,146	23,146

Source: Charter School records

***OPERATING INFORMATION***

**BARACK OBAMA GREEN CHARTER SCHOOL**  
 Full-Time Equivalent Charter School Employees by Function  
 Last Ten Fiscal Years

Function	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Instruction	27.0	28.0	27.0	27.0	25.0	22.0	22.0	22.0	22.0	22.0
Administrative	8.0	8.0	6.0	6.0	5.0	8.0	8.0	8.0	8.0	8.0
Support Services	7.0	6.0	5.0	5.0	5.0	6.0	2.0	2.0	2.0	2.0
Food Service	2.0	2.0	2.0	2.0	2.0	0.0	0.0	0.0	0.0	0.0
<b>Total</b>	<b>44.0</b>	<b>44.0</b>	<b>40.0</b>	<b>40.0</b>	<b>37.0</b>	<b>36.0</b>	<b>32.0</b>	<b>32.0</b>	<b>32.0</b>	<b>32.0</b>

**Source:** Charter School Personnel Records

**BARACK OBAMA GREEN CHARTER SCHOOL**  
 Operating Statistics  
 Last Ten Fiscal Years

Fiscal Year	Enrollment	Operating Expenditures <sup>a</sup>	Cost Per Pupil	Percentage Change	Teaching Staff <sup>b</sup>	Pupil/Teacher Ratio	Average Daily		Percent Change in Average Daily Enrollment	Student Attendance Percentage
							Enrollment (ADE) <sup>c</sup>	Attendance (ADA) <sup>c</sup>		
2023	263.0	\$ 5,485,037	\$ 20,856	1.32%	27.0	8:1	259.00	241.00	9.65%	93.05%
2022	236.0	4,857,598	20,583	7.37%	28.0	9:1	234.00	217.00	-1.71%	92.74%
2021	240.0	4,600,936	19,171	9.46%	27.0	9:1	238.00	207.00	2.52%	86.97%
2020	234.0	4,098,210	17,514	7.56%	27.0	12:1	232.00	214.00	0.86%	92.24%
2019	233.0	3,793,864	16,283	-9.92%	22.0	12:1	230.00	209.00	-2.17%	90.87%
2018	239.0	4,319,906	18,075	9.63%	20.0	12:1	235.00	219.00	0.72%	93.19%
2017	235.0	3,874,510	16,487	-17.75%	20.0	12:1	233.30	217.00	0.90%	93.01%
2016	233.0	4,670,381	20,045	10.32%	20.0	12:1	231.20	227.00	1.60%	98.18%
2015	227.0	4,124,352	18,169	6.33%	20.0	12:1	227.50	223.00	10.73%	98.02%
2014	201.0	3,434,430	17,087	-4.81%	20.0	12:1	203.10	199.00	9.40%	97.98%

**Sources:** Charter School records

**Note:** Enrollment based on annual October Charter School count.

- a Operating expenditures equal total expenditures less debt service and capital outlay.
- b Teaching staff includes only full-time equivalents of certified staff.
- c Average daily enrollment and average daily attendance are obtained from School Register Summary (SRS).

**BARACK OBAMA GREEN CHARTER SCHOOL**  
 School Building Information  
 Last Ten Fiscal Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
27,000	27,000	27,000	27,000	27,000	27,000	27,000	27,000	27,000	27,000	27,000
300	240	240	240	240	260	260	260	260	260	260
263	240	240	234	233	233	239	235	233	240	240

**Charter School Building**

High School  
 35 Watchung Avenue, Plainfield, NJ  
 Square Feet  
 Capacity (students)  
 Enrollment

Number of Schools at June 30, 2023  
 High School = 1

**Source:** Charter School Facilities Office

Note: Increases in square footage and capacity are the result of additions.  
 Enrollment is based on the annual October Charter School count.

**Insurance Schedule**  
**June 30, 2023**

	<u>Coverage</u>	<u>Deductible</u>
Package – New Jersey Schools Insurance Group		
Property	\$ 350,000	\$ 1,000
Comprehensive General liability	16,000,000	
Comprehensive Automobile Liability	16,000,000	
Extra Expense	50,000,000	1,000
Valuable Papers	10,000,000	1,000
Limited Builders Risk	10,000,000	1,000
Boiler and Machinery	100,000,000	25,000
Environmental Impairment Liability		
Ironshore Insurance Company		
Per Occurrence	1,000,000	50,000
School Board Legal Liability		
QBE & NJSIG		
Errors & Omissions	16,000,000	10,000
Workers Compensation – NJEIF		
Part 1: Statutory		
Part 2:	3,000,000	
Restart and Crisis Management		
New Jersey Schools Insurance Group		
Restart Limit	5,000,000	
Crisis Management	1,000,000	Various
Cyber Liability		
Great American Insurance Group		
Limit of Liability	2,000,000	5,000
Surety Bonds		
Hartford		
Board President	N/A	
Board Secretary/Business Administrator	500,000	

Source: Charter School Records

**BARACK OBAMA GREEN CHARTER SCHOOL**  
 New Jersey Performance Framework Financial Ratios  
 Audited Performance Indicators  
 Last Three Fiscal Years

	2021 Audit	2022 Audit	2023 Audit	Source
Cash (unrestricted)	1,698,189	1,810,767	3,746,065	Audit: Exhibit A-1
Current Assets (include cash)	2,898,975	3,247,812	3,883,360	Audit: Exhibit A-1
Current Liabilities	245,039	232,097	178,367	Audit: Exhibit A-1
Total Expenses	5,206,517	5,847,077	6,083,636	Audit: Exhibit A-2
Change in Net Position	354,651	492,795	1,193,113	Audit: Exhibit A-2
Final Average Daily Enrollment (exclude PK)*	238.00	236.00	259.00	DOE Final Enrollment Report
March 30 Budgeted Enrollment (exclude PK)	240	240	300	March 30 Charter School Budget
<i>Complete section only if auditee has mortgage/note/bond payable:</i>				
Depreciation Expense	-	-	-	Auditor/Workpapers
Interest Expense	-	62,986	38,540	Auditor/Workpapers
Principal Payments	-	-	-	Auditor/Workpapers
Interest Payments	-	62,986	38,540	Auditor/Workpapers

		2021	2022	2023	3 YR CUM	Calculation****	Target***
<b>Performance Indicators</b>							
<b>Near Term Indicators</b>							
1a.	Current Ratio (working capital ratio)	11.83	13.99	21.77		Current Assets/Current Liabilities	> 1.1 or between 1.0-1.1 with positive trend
1b.	Unrestricted days cash on hand	119	113	225		Cash/(Total Expenses/365)	60 days or 30-60 days with positive trend
1c.	Enrollment Variance	99%	98%	86%	95%	Average Daily Enrollment/Budgeted Enrollment	>95% or >95% for 3 yr cum
1d.**	Default on loans or delinquent in debt payments	NO	NO	NO		Auditor	not in default
<b>Sustainability Indicators</b>							
2a***	3 Year Cumulative Cash Flow	(428,980)	112,578	1,935,288	1,618,886	Net change in cash flow from prior years	3 yr cum positive with most recent year positive
2b	Debt Service Coverage Ratio	N/A	8.82	31.96		N/A or (Change in Net Position + depreciation + interest expense) / (principal + interest payments)	>-1.10

\* For renaissance schools: use Oct 15 count; if no final count; use head count if ADE not available  
 \*\* Is school in default of loan covenant(s) and/or is delinquent with debt service payments? Yes or No  
 \*\*\* 2023 = 2023 Cash - 2022 Cash; 2022 = 2022 Cash - 2021 Cash; 2021 = 2021 Cash - 2020 Cash  
 \*\*\*\* Refer to NJ Performance Framework

Meets Standard  
 Does Not Meet Standard  
 Falls Far Below Standard

***SINGLE AUDIT SECTION***



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

**INDEPENDENT AUDITOR’S REPORT**

The Honorable President and  
Members of the Board of Trustees  
Barack Obama Green Charter School  
County of Union  
Plainfield, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and in compliance with audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Barack Obama Green Charter School (Charter School), in the County of Union, State of New Jersey, as of and for the fiscal year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Charter School’s basic financial statements and have issued our report thereon dated December 5, 2023.

***Report on Internal Control over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the Charter School’s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Charter School’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Charter School’s internal control.

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

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


***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the Charter School's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 matter that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

***Purpose of this Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, and federal and state awarding agencies and pass-through entities, in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

  
BARRE & COMPANY LLC  
Certified Public Accountants  
Public School Accountant

  
Public School Accountant  
PSA Number CS-01181

Union, New Jersey  
December 5, 2023

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**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM  
AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY U.S.  
UNIFORM GUIDANCE AND NEW JERSEY OMB CIRCULAR 15-08**

**INDEPENDENT AUDITOR’S REPORT**

Honorable President and  
Members of the Board of Trustees  
Barack Obama Green Charter School  
County of Union  
Plainfield, New Jersey

**Report on Compliance for Each Major Federal and State Program**

***Opinion on Each Major Federal and State Program***

We have audited the compliance of the Barack Obama Green Charter School (Charter School), in the County of Union, State of New Jersey, with the types of compliance requirements identified as subject to audit in the *U.S. Office of Management and Budget (OMB) Compliance Supplement* and the *New Jersey OMB Circular 15-08 State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the Charter School’s major federal and state programs for the year ended June 30, 2023. The Charter School’s major federal and state programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Barack Obama Green Charter School, in the County of Union, State of New Jersey, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2023.

***Basis for Opinion on Each Major Federal and State Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*; and New Jersey OMB’s Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Our responsibilities under those standards, the Uniform Guidance, and New Jersey OMB Circular 15-08 are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Barack Obama Green Charter School and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major state program. Our audit does not provide a legal determination of Barack Obama Green Charter School's compliance with the compliance requirements referred to above.

### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Barack Obama Green Charter School's federal and state programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Barack Obama Green Charter School's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, U.S. Uniform Guidance and New Jersey OMB Circular 15-08 will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Barack Obama Green Charter School's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, U.S. Uniform Guidance, and New Jersey OMB Circular 15-08, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Barack Obama Green Charter School's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Barack Obama Green Charter School's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with New Jersey Circular 15-08-OMB, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid but not for the purpose of expressing an opinion on the effectiveness of Barack Obama Green Charter School's internal control over compliance. Accordingly, no such opinion is expressed.

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

### Report on Internal Control over Compliance


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

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results that the testing based on the requirements of the Uniform Guidance and New Jersey OMB's Circular 15-08. Accordingly, this report is not suitable for any other purposes.

  
BARRE & COMPANY LLC  
Certified Public Accountants  
Public School Accountants

  
Richard M. Barre, CPA  
Public School Accountant  
PSA Number CS-01181

Union, New Jersey  
December 5, 2023

**BARACK OBAMA GREEN CHARTER SCHOOL**  
Schedule of Expenditures of Federal Awards  
For the Fiscal Year Ended June 30, 2023

Federal Grantor/Pass-through Grantor/ Program Title	Federal AU/CFDA Number	FAIN	Grant or State Project Number	Program or Award Amount	Grant Period From To	Balance at June 30, 2022	Carryover/ (Valkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment Of Prior Years' Balances	Accounts Receivable	Balance at June 30, 2023	Due to Grantor
													Unexpended Revenue	
<b>Special Revenue Fund:</b>														
<b>U.S. Department of Education</b>														
<b>Passed-through State Department of Education</b>														
<b>Every Student Succeeds Act Cluster:</b>														
Title I Part A Carryover	84.010	S010A220030	ESSA - 6033 - 23	\$ 166,654	7/1/22 9/30/23	\$ -	\$ -	\$ 140,789	\$ (166,654)	\$ -	\$ -	\$ (25,865)	\$ -	\$ -
Title I Part A Carryover	84.010	S010A210030	ESSA - 6033 - 22	153,569	7/1/21 9/30/22	(76,278)	-	76,278	(166,654)	-	-	(25,865)	-	-
Total Every Student Succeeds Act Cluster								217,067	(166,654)			(25,865)		
<b>Special Education Cluster:</b>														
I.D.E.A. Part B Basic	84.027A	H027A201000	IDEA - 6033 - 23	49,675	7/1/22 9/30/23	(24,650)	-	38,876	(46,911)	-	-	(8,035)	-	-
I.D.E.A. Part B Basic Carryover	84.027A	H027A210100	IDEA - 6033 - 22	49,675	7/1/21 9/30/22	(7,063)	-	24,650	(46,911)	-	-	(8,035)	-	-
ARP I.D.E.A. Basic Carryover	84.027X	H027X210100	IDEA - 6033 - 22	14,126	3/1/21 9/30/24	(31,713)	-	7,063	(46,911)	-	-	(8,035)	-	-
Total Special Education Cluster								70,589	(46,911)			(8,035)		
<b>Other Special Revenue Funds:</b>														
CRSA ESSER II Fund	84.425D	S425D200027	N/A	137,260	3/1/20 9/30/23	(103,948)	-	137,260	(137,260)	-	-	-	-	-
CRSA ESSER II Fund	84.425D	S425D200027	N/A	393,744	3/1/20 9/30/23	(109,988)	-	109,988	(137,260)	-	-	-	-	-
CRSA ESSER II Fund Learning Acceleration	84.425D	S425D200027	N/A	30,967	3/1/20 9/30/23	(4,233)	-	4,233	(17,157)	-	-	(66)	-	-
CRSA ESSER II Fund Learning Acceleration	84.425D	S425D200027	N/A	30,967	3/1/20 9/30/23	(4,233)	-	4,233	(17,157)	-	-	(66)	-	-
CRSA ESSER II Fund Mental Health	84.425D	S425D200027	N/A	5,863	3/1/20 9/30/23	(5,863)	-	5,863	(5,863)	-	-	-	-	-
CRSA ESSER II Fund Mental Health	84.425D	S425D200027	N/A	44,850	3/1/20 9/30/23	(17,101)	-	17,101	(5,863)	-	-	-	-	-
ARP ESSER Fund	84.425U	S425U200027	N/A	810,976	3/1/21 9/30/24	(288,822)	-	288,822	(288,822)	-	-	-	-	-
ARP ESSER Fund	84.425U	S425U200027	N/A	1,057,747	3/1/21 9/30/24	(263,795)	-	263,795	(288,822)	-	-	-	-	-
ARP ESSER Fund Accelerated Learning Coach & Educator Support	84.425U	S425U200027	N/A	50,000	3/1/21 9/30/24	(47,642)	-	47,642		-	-	-	-	-
ARP ESSER Fund Evidence Based Summer Learning & Enrichment	84.425U	S425U200027	N/A	40,000	3/1/21 9/30/24	(40,000)	-	40,000	(40,000)	-	-	-	-	-
ARP ESSER Fund NJTSS Mental Health Support Staffing	84.425U	S425U200027	N/A	45,000	3/1/21 9/30/24	(45,000)	-	45,000	(45,000)	-	-	-	-	-
Total Other Special Revenue Funds						(636,779)	-	970,755	(534,102)	-	-	(69)	-	-
Total Special Revenue Fund						(644,710)	-	1,258,411	(747,667)	-	-	(33,969)	-	-
<b>Enterprise Fund:</b>														
<b>U.S. Department of Agriculture</b>														
<b>Passed-through State Department of Education</b>														
<b>School Nutrition Program Cluster:</b>														
School Breakfast Program	10.553	231NJ3094N1189	N/A	21,129	7/1/22 6/30/23	-	-	20,135	(21,129)	-	-	(994)	-	-
School Breakfast Program	10.553	231NJ3094N1189	N/A	37,981	7/1/21 6/30/22	(2,144)	-	2,144	(21,129)	-	-	(994)	-	-
National School Lunch Program - Cash Assistance	10.555	231NJ3094N1189	N/A	52,281	7/1/22 6/30/23	-	-	48,835	(52,281)	-	-	(3,446)	-	-
National School Lunch Program - Cash Assistance	10.555	231NJ3094N1189	N/A	66,228	7/1/21 6/30/22	(3,490)	-	3,490	(52,281)	-	-	(3,446)	-	-
National School Lunch Program - Commodities	10.555	231NJ3094N1189	N/A	10,949	7/1/22 6/30/23	-	-	10,949	(10,949)	-	-	-	-	-
National School Lunch Program - Commodities	10.555	231NJ3094N1189	N/A	9,576	7/1/22 6/30/23	-	-	9,576	(10,949)	-	-	-	-	-
Supply Chain Assistance Funding (1st Round)	10.555	221NJ344N8903	N/A	9,146	1/1/22 9/30/23	-	-	9,146	(9,576)	-	-	-	-	-
Supply Chain Assistance Funding (2nd Round)	10.555	221NJ344N8903	N/A	6,870	1/1/22 9/30/23	-	-	6,870	(9,576)	-	-	-	-	-
Supply Chain Assistance Funding (3rd Round)	10.555	231NJ344N8903	N/A	6,870	1/1/23 9/30/24	-	-	6,870	(6,870)	-	-	-	-	-
Total Enterprise Fund/U.S. Department of Agriculture						(5,634)	-	111,145	(109,961)	-	-	(4,450)	-	-
Total Federal Financial Awards						(650,344)	\$ -	\$ 1,369,556	\$ (857,629)	\$ -	\$ -	\$ (38,416)	\$ -	\$ -

The accompanying Notes to Schedules of Expenditures of Awards and Financial Assistance are an integral part of this schedule.

**BARACK OBAMA GREEN CHARTER SCHOOL**  
Schedule of Expenditures of State Financial Assistance  
For the Fiscal Year Ended June 30, 2023

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period		Balance at June 30, 2022		Carryover/ (Waiver) Amount	Cash Received	Budgetary Expenditures	Adjustments/ Reversals of Prior Years Balance	Balance at June 30, 2023		MEMO		
			From	To	Deferred Revenues (Accounts Receivable)	Due to Grantor					Unearned/ Incentive Payable	Due to Grantor		Budgetary Receivable	Cumulative Total Expenditures
<b>State Department of Education</b>															
General Fund:															
State Aid/Public Cluster:															
Equitization Aid - State Share - Charter School Aid	23-495-034-5120-078	\$ 3,750,547	7/1/22	6/30/23	\$ -	\$ -	\$ -	\$ 3,723,701	\$ (3,750,547)	\$ -	\$ -	\$ (26,846)	\$ -	\$ 26,846	\$ 3,750,547
Equitization Aid - State Share - Charter School Aid	22-495-034-5120-078	2,968,597	7/1/21	6/30/22	(38,402)	-	38,402	167,138	(167,138)	-	-	-	-	-	167,138
Special Education Categorical Aid	23-495-034-5120-089	123,441	7/1/22	6/30/23	-	-	123,441	123,441	(123,441)	-	-	(26,846)	-	26,846	123,441
Security Aid	23-495-034-5120-084	123,441	7/1/22	6/30/23	(38,402)	-	4,052,662	4,052,662	(4,041,126)	-	-	-	-	-	4,041,126
Total State Aid-Public Cluster															
Other General Funds:															
On-Behalf TPAF Post-Retirement Medical Contributions	23-495-034-5094-001	144,009	7/1/22	6/30/23	-	-	144,009	144,009	(144,009)	-	-	-	-	-	144,009
On-Behalf TPAF Pension Contributions	23-495-034-5094-002	548,195	7/1/22	6/30/23	-	-	548,195	548,195	(548,195)	-	-	-	-	-	548,195
Reimbursed TPAF - Social Security	23-495-034-5094-003	126,490	7/1/22	6/30/23	(5,844)	-	116,606	116,606	(126,490)	-	-	(11,884)	-	11,884	126,490
On-Behalf TPAF - Social Security	23-495-034-5094-003	558	7/1/22	6/30/23	-	-	558	558	(558)	-	-	-	-	-	558
On-Behalf TPAF Non-Contributory Insurance	23-495-034-5094-004	558	7/1/22	6/30/23	(5,844)	-	815,212	815,212	(821,252)	-	-	(11,884)	-	11,884	821,252
Total Other General Funds															
Total General Fund					(44,246)	-	4,867,894	4,867,894	(4,862,378)	-	-	(38,730)	-	38,730	4,862,378
Special Revenue Fund:															
SDA Grant Emergent Needs and Capital Maintenance	22-XXX-XXX-XXXX-XXX	65,254	7/1/21	6/30/22	22,779	-	42,475	42,475	(65,254)	-	-	-	-	-	65,254
Climate Awareness Education Grant	23-E00115	6,660	5/1/23	6/30/23	-	-	6,660	6,660	(6,660)	-	-	-	-	-	6,660
Charter School Security Grant	23-XXX-XXX-XXXX-XXX	20,000	4/1/22	3/31/24	-	-	20,000	20,000	(20,000)	-	-	-	-	-	20,000
Total Special Revenue Fund					22,779	-	69,135	69,135	(91,914)	-	-	-	-	-	91,914
<b>State Department of Agriculture</b>															
Enterprise Fund:															
National School Regular and Reduced Supplement Lunch Program (State Share)															
National School Lunch Program (State Share)	23-100-010-3350-023	2,100	7/1/22	6/30/23	-	-	1,970	1,970	(2,100)	-	-	(130)	-	130	2,100
National School Reduced Supplement Breakfast Program (State Share)	22-100-010-3350-023	2,177	7/1/21	6/30/22	(80)	-	80	80	-	-	-	-	-	-	-
Total Enterprise Fund					(80)	-	2,704	2,704	(2,783)	-	-	(159)	-	159	2,783
Total State Financial Assistance					(21,547)	\$ -	4,939,733	4,939,733	(4,957,075)	\$ -	\$ -	(38,889)	\$ -	38,889	4,957,075
State Financial Assistance Not Subject to Major Program Determination:															
General Fund:															
On-Behalf TPAF Post-Retirement Medical Contributions	23-495-034-5094-001	144,009	7/1/22	6/30/23	-	-	(144,009)	(144,009)	144,009	-	-	-	-	-	(144,009)
On-Behalf TPAF Pension Contributions	23-495-034-5094-002	548,195	7/1/22	6/30/23	-	-	(548,195)	(548,195)	548,195	-	-	-	-	-	(548,195)
On-Behalf TPAF Non-Contributory Insurance	23-495-034-5094-004	558	7/1/22	6/30/23	-	-	(558)	(558)	558	-	-	-	-	-	(558)
Total On-Behalf TPAF Pension System Contributions					-	-	(692,762)	(692,762)	692,762	-	-	-	-	-	(692,762)
Total State Financial Assistance Subject to Major Program Determination					(21,547)	\$ -	4,246,971	4,246,971	(4,264,313)	\$ -	\$ -	(38,889)	\$ -	38,889	4,264,313

The accompanying Notes to Schedules of Expenditures of Awards and Financial Assistance are an integral part of this schedule.

**BARACK OBAMA GREEN CHARTER SCHOOL**  
Notes to Schedules of Expenditures of Awards and Financial Assistance  
June 30, 2023

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**NOTE 1. GENERAL**

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state award activity of the Board of Trustees, Barack Obama Green Charter School. The Board of Trustees is defined in Note 1 to the board's basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

**NOTE 2. BASIS OF ACCOUNTING**

The accompanying schedules of expenditures of awards and financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the board's basic financial statements. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the presentation of, the basic financial statements. This does not apply to charter schools as districts are not permitted to defer the June payments to charter schools.

**NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS**

The basic financial statements present the general fund and special revenue fund on a GAAP basis. Budgetary comparison statements or schedules (RSI) are presented for the general fund and special revenue fund to demonstrate finance-related legal compliance in which certain revenue is permitted by law or grant agreement to be recognized in the audit year, whereas for GAAP reporting, revenue is not recognized until the subsequent year or when expenditures have been made.

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the one or more deferred June state aid payments in the current budget year, which is mandated pursuant to *N.J.S.A. 18A:22-44.2*. For GAAP purposes payments are not recognized until the subsequent budget year due to the state deferral and recording of the one or more June state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the one or more June state aid payment in the current budget year, consistent with *N.J.S.A. 18A:22-4.2*.



**BARACK OBAMA GREEN CHARTER SCHOOL**  
Notes to Schedules of Expenditures of Awards and Financial Assistance  
June 30, 2023

**NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONTINUED)**

The net adjustment to reconcile from the budgetary basis to the GAAP basis is none for the general fund and none for the special revenue fund. See Notes to the Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the board's basic financial statements on a GAAP basis as presented below:

	Federal	State	Total
General Fund	\$ -	\$ 4,862,378	\$ 4,862,378
Special Revenue Fund	723,522	91,914	815,436
Food Service Fund	109,961	2,100	112,061
Total Awards & Financial Assistance	\$ 833,483	\$ 4,956,392	\$ 5,789,875

**NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS**

Amounts reported in the accompanying schedules agree with the amounts reported in the related federal and state financial reports.

**NOTE 5. FEDERAL AND STATE LOANS OUTSTANDING**

Barack Obama Green Charter School has no loan balances outstanding at June 30, 2023.

**NOTE 6. OTHER INFORMATION**

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amounts reported as TPAF Pension Contributions, TPAF Post-Retirement Medical Contributions, and TPAF Long-Term Disability Insurance Contributions represent the amount paid by the State on behalf of the Charter School for the year ended June 30, 2023. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2023.

**BARACK OBAMA GREEN CHARTER SCHOOL**  
Notes to Schedules of Expenditures of Awards and Financial Assistance  
June 30, 2023

**NOTE 7. ON-BEHALF PROGRAMS NOT SUBJECT TO STATE SINGLE AUDIT**

On-behalf State Programs for TPAF Pension, Post-Retirement Medical Benefits, and Long-Term Disability Insurance Contributions payments are not subject to a State single audit and, therefore, are excluded from major program determination. The Schedule of State Financial Assistance provides a reconciliation of State financial assistance reported in the Charter School's basic financial statements and the amount subject to State single audit and major program determination.

**NOTE 8. SCHOOLWIDE PROGRAM FUNDS**

Schoolwide programs are not separate federal programs as defined in the Uniform Guidance; amounts used in schoolwide programs are included in the total expenditures of the program contributing the funds in the Schedule of Expenditures of Federal Awards. The following funds by program are included in schoolwide programs in the Charter School.

Program	<u>Total</u>
Title I, Part A: <i>Grants to Local Education Agencies</i>	<u>\$ 166,654</u>
Total	<u><u>\$ 166,654</u></u>

**NOTE 9. DE MINIMIS INDIRECT COSTS**

The Charter School did not elect to use the 10% de minimis indirect cost rate as allowed by the Uniform Guidance.

**NOTE 10. MAJOR PROGRAMS**

Major programs are identified in the Summary of Auditors Results section of the Schedule of Findings and Questioned Costs.

**BARACK OBAMA GREEN CHARTER SCHOOL**  
Schedule of Findings and Questioned Costs  
For the Fiscal Year Ended June 30, 2023

**Section I – Summary of Auditor’s Results**

**Financial Statements**

Type of auditors’ report issued on financial statements Unmodified

Internal control over financial reporting:

1) Material weakness(es) identified? \_\_\_\_\_ Yes   X   No

2) Significant deficiencies identified that are not considered to be material weaknesses? \_\_\_\_\_ Yes   X   None Reported

Noncompliance material to basic financial statements noted? \_\_\_\_\_ Yes   X   No

**Federal Awards**

Internal control over major programs:

1) Material weakness(es) identified? \_\_\_\_\_ Yes   X   No

2) Significant deficiencies identified that are not considered to be material weaknesses? \_\_\_\_\_ Yes   X   None Reported

Type of auditors’ report issued on compliance for major programs Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 Section .516(a) of Uniform Guidance? \_\_\_\_\_ Yes   X   No

Identification of major federal programs:

AL Number(s)	FAIN Number(s)	Name of Federal Program or Cluster
EDUCATION STABILIZATION FUND:		
84.425D	S425D200027	CRRSA ESSER II Fund
84.425D	S425D200027	CRRSA ESSER II Fund Learning Acceleration
84.425D	S425D200027	CRRSA ESSER II Fund Mental Health
84.425U	S425U200027	ARP ESSER Fund
84.425U	S425U200027	ARP ESSER Fund Evidence Based Summer Learning & Enrichment
84.425U	S425U200027	ARP ESSER Fund NJTSS Mental Health Support Staffing

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

Auditee qualified as low-risk auditee?   X   Yes \_\_\_\_\_ No

**BARACK OBAMA GREEN CHARTER SCHOOL**  
Schedule of Findings and Questioned Costs  
For the Fiscal Year Ended June 30, 2023

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**Section I – Summary of Auditor’s Results (Continued)**

**State Awards**

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

Auditee qualified as low-risk auditee?  Yes  No

Internal control over major programs:

    1) Material weakness(es) identified?  Yes  No

    2) Significant deficiencies identified that are not considered to be material weaknesses?  Yes  None Reported

Type of auditors’ report issued on compliance for major programs Unmodified

Any audit findings disclosed that are required to be reported in accordance with NJOMB Circular Letter 15-08?  Yes  No

Identification of major state programs:

<b>GMIS Number(s)</b>	<b>Name of State Program</b>
	STATE AID-PUBLIC CLUSTER:
<u>23-495-034-5120-078</u>	<u>Equalization Aid - State Share - Charter School Aid</u>
<u>23-495-034-5120-089</u>	<u>Special Education Categorical Aid</u>
<u>23-495-034-5120-084</u>	<u>Security Aid</u>

**BARACK OBAMA GREEN CHARTER SCHOOL**  
Schedule of Findings and Questioned Costs  
For the Fiscal Year Ended June 30, 2023

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***Section II –Financial Statement Findings – N/A***

This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements, and abuse related to the financial statements for which *Government Auditing Standards* requires reporting in the Uniform Guidance audit.

**Finding**

There were no matters reported.

***Section III –Federal Awards and State Financial Assistance  
Findings and Questioned Costs – N/A***

This section identifies audit findings required to be reported by Title 2 CFR 200 Section .516 of the *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and NJ OMB Circular Letter 15-08, as applicable.

**FEDERAL AWARDS – N/A**

**Findings**

There were no matters reported.

**STATE AWARDS**

**Findings**

There were no matters reported.

**BARACK OBAMA GREEN CHARTER SCHOOL**  
Summary Schedule of Prior Year Audit Findings  
And Questioned Costs As Prepared by Management  
For the Fiscal Year Ended June 30, 2023

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**STATUS OF PRIOR-YEAR FINDINGS – N/A**

This section identifies the status of prior-year findings related to the basic financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, USOMB *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (511 (a)(b)) and NJ Circular 04-04-OMB and/or 15-08-OMB, as applicable.

**Findings**

There were no matters reported.