

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT
OF THE
COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
NEW JERSEY
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL

JUNE 30, 2023

TABLE OF CONTENTS

INTRODUCTORY SECTION

Letter of Transmittal	1
Roster of Trustees and Officers.....	5
Consultants and Advisors.....	6

FINANCIAL SECTION

Independent Auditor's Report on General Purpose Financial Statements and Supplementary Schedule of Expenditures of Federal Awards and State Financial Assistance	7
Required Supplementary Information - Part I Management's Discussion and Analysis	11

Basic Financial Statements:

A. School-wide Financial Statements

A-1 Statement of Net Position	22
A-2 Statement of Activities	23

B. Fund Financial Statements:

Governmental Funds:

B-1 Balance Sheet.....	24
B-2 Statement of Revenues, Expenditures and Changes in Fund Balances.....	25
B-3 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	26

Proprietary Funds:

B-4 Statement of Net Position	27
B-5 Statement of Revenues, Expenses, and Changes in Fund Net Position	28
B-6 Statement of Cash Flows	29

Fiduciary Funds:

B-7 Statement of Fiduciary Net Position – Not Applicable	30
B-8 Statement of Changes in Fiduciary Net Position – Not Applicable	31

Notes to Financial Statements	32
--	-----------

Required Supplementary Information - Part II

C. Budgetary Comparison Schedules:

C-1 Budgetary Comparison Schedule General Fund	66
C-2 Budgetary Comparison Schedule Special Revenue Fund	69

Notes to Required Supplementary Information:

C-3 Budget to GAAP Reconciliation.....	71
--	----

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL

JUNE 30, 2023

TABLE OF CONTENTS

Required Supplementary Information - Part III

L. Schedules Related to Accounting and Reporting for Pensions (GASB 68):

L-1	Schedule of the Charter School's Proportionate Share of the Net Pension Liability-PERS	72
L-2	Schedule of Charter School Contributions – PERS	73
L-3	Schedule of the Charter School Proportionate Share of the Net Pension Liability-TPAF	74
L-4	Notes to Required Supplementary Information Pension Schedules	75
L-5	Notes to Required Supplementary Information OPEB Liability	76
M-1	Schedule of Changes in the Charter School's Proportionate Share of Total OPEB Liability	77

Other Supplementary Information

E. Special Revenue Fund:

E-1	Combining Schedule of Program Revenues and Expenditures, Special Revenue Fund - Budgetary Basis	78
E-2	Schedule of Preschool Education aid Budgetary Basis – Not Applicable	78

G. Proprietary Funds:

Enterprise Fund:

G-1	Combining Statement of Net Position	79
G-2	Combining Statement of Revenues, Expenses and Changes in Fund Net Position	80
G-3	Combining Statement of Cash Flows	81

Fiduciary Funds:

H-1	Combining Statement of Fiduciary Net Position – Not Applicable	82
H-2	Combining Statement of Changes in Fiduciary Net Position – Not Applicable	83
H-3	Student Activity Agency Fund Schedule of Receipts and Disbursements– Not Applicable	84
H-4	Payroll Agency Fund Schedule of Receipts and Disbursements – Not Applicable	85
H-5	Unemployment Compensation Insurance Trust Fund– Not Applicable	86

J. Financial Trends:

J-1	Net Position by Component	87
J-2	Changes in Net Position	88
J-3	Fund Balances – Governmental Funds	89
J-4	Changes in Fund Balances – Governmental funds	90

J. Revenue Capacity:

J-5	General Fund - Other Local Revenue By Source	91
J-6	Assessed Value and Actual Value of Taxable Property– Not Applicable	92
J-7	Direct and Overlapping Properties– Not Applicable	93
J-8	Principal Property Taxpayers– Not Applicable	94

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL

JUNE 30, 2023

TABLE OF CONTENTS

J. Debt Capacity:

J-9	Property Tax Levies and Collections– Not Applicable	95
J-10	Ratios of Outstanding Debt by Type– Not Applicable	96
J-11	Ratios of Net General Bonded Debt Outstanding– Not Applicable	97
J-12	Direct and Overlapping Governmental Activities Debt– Not Applicable	98

J. Demographic and Economic Information:

J-13	Legal Debt Margin Information– Not Applicable	99
J-14	Demographic and Economic Statistics – Not Applicable	100

J. Operating Information:

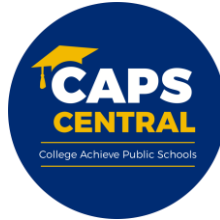
J-15	Principal Employers– Not Applicable	101
J-16	Full Time Equivalent Charter School Employees by Function/Program	102
J-17	Operating Statistics	103
J-18	School Building Information	104
J-19	General Fund-Schedule of Required Maintenance– Not Applicable	105
J-20	Insurance Schedule	106

J. Charter School Performance Framework Financial Indicators:

J-21	Near Term Indicators	107
------	----------------------------	-----

SINGLE AUDIT SECTION K.

K-1	Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	108
K-2	Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with The Uniform Guidance and New Jersey OMB Circular letter 15-08	110
K-3	Schedule of Expenditures of Federal Awards	113
K-4	Schedule of Expenditures of State Financial Assistance	114
K-5	Notes to the Schedule of Awards and Financial Assistance	115
K-6	Schedule of Finding and Questioned Costs	
	Section I – Summary of Auditor’s Results	117
	Section II – Financial Statement Findings	120
	Section III – Federal Awards and State Financial Findings and Questioned Costs	121
K-7	Summary Schedule of Prior Audit Findings.....	122



February 14, 2024

The Honorable Chairman and
Members of the Board of Trustees
College Achieve Central Charter School
County of Union
Plainfield, New Jersey

Dear Board Members:

The Annual Comprehensive Financial Report of the College Achieve Central 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 school. To the best of our knowledge and belief, the data presented in this report are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the school. All disclosures necessary to enable the reader to gain an understanding of the school's financial activities have been included.

The Annual Comprehensive Financial Report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter and list of principal officials. The financial section includes the general-purpose financial statements and schedules, as well as the auditor's report. The statistical section includes audited data from the school's first six fiscal years. The school is required to undergo an annual single audit in conformity with the requirements of 2 CFR 200-Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (U.S. Uniform Guidance), "Audits of State and Local Governments and Non-Profit Organizations," and the State Treasury Circular Letter 15-08 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments." Information related to this single audit, including the auditors' reports on internal control and compliance with applicable laws and regulations and findings and recommendations is included in the single audit section of this report.

- 1) REPORTING ENTITY AND ITS SERVICES** The College Achieve Central Charter School is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board ("GASB") in codification section 2100. All funds of the Charter School are included in this report. The College Achieve Central Charter School constitutes the Charter School's reporting entity.

2) **ENROLLMENT OUTLOOK:** College Achieve Central Charter School served 1,296 students in 2022-23. We are a K-12 school, and 1,430 is our state approved enrollment for the duration of our charter in Plainfield, NJ.

3) **MAJOR ACCOMPLISHMENTS:**

The mission of College Achieve Central Charter School (CACCS) is to prepare all students to excel in and graduate from the top colleges and universities in the nation. We accomplish this through a highly rigorous, proven curriculum and a focus on writing and higher order thinking skills. We believe that a student's success in early grades is the foundation for his or her success in high school and college. As a result, we invest heavily in our students in the early years through small-group instruction during intervention, more time on task, and by placing more than one teacher in a classroom, and by supporting students' growth across all developmental domains-intellectually, socially and emotionally.

We use a longer school day and after school and summer programs to close the knowledge gap in the sciences and history and offer our students an articulated writing program from grades K-12 that ensures cohesion and building off from a solid foundation. In high school, our students build upon their early foundation by completing a rigorous and challenging college-prep and AP curriculum. We expect every student to take three AP classes and exams prior to graduation. This rigorous approach to education equips our students with the skills, knowledge, and work ethic they need to be successful in the nation's top colleges and universities.

4) **INTERNAL ACCOUNTING CONTROLS:** Management of the Charter School is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the 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). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognized that: (1) the cost of a control should not exceed the benefits like 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 school also is responsible for ensuring that an adequate control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluation by the school management.

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

5) **BUDGETARY CONTROLS:** In addition to internal accounting controls, the school maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the school and the State of New Jersey. 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 canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balances at June 30, 2023.

6) **ACCOUNTING SYSTEM AND REPORTS:** The Charter Schools’ accounting records reflect generally accepted accounting principles, as promulgated by the Government Accounting Standards Board (GASB). The accounting system of the school is organized on the basis of funds and account groups. These funds and account groups are explained in “Notes to the Financial Statements,” Note 1.

7) **FINANCIAL INFORMATION AT FISCAL YEAR-END:** As demonstrated by the various statements and schedules included in the financial section of report, the school continues to meet its responsibility for sound financial management. The following schedule presents a summary of the General, Special Revenue and Proprietary funds for the fiscal period ended June 30, 2023.

Revenue	Amount	Percent of Total
State / Local Share	\$21,760,803	71%
State Sources	4,341,668	14%
Federal Aid - Restricted	3,805,845	12%
Misc.	76,839	0%
Proprietary Fund	<u>829,098</u>	<u>3%</u>
Total	<u>\$30,814,253</u>	<u>100%</u>

The following schedule presents a summary of the General, Special Revenue and Proprietary fund expenditures for the fiscal period ended June 30, 2023.

Expenditures	Amount	Percent of Total
General Fund	\$25,553,243	84%
Special Revenue Fund	4,036,263	13%
Proprietary Fund	<u>1,000,613</u>	<u>3%</u>
Total	<u>\$30,590,119</u>	<u>100%</u>

- 8) **CASH MANAGEMENT:** The investment policy of the school is guided in large by the state Statute as detailed in “Notes to the Financial Statements,” Note 2. The school had adopted a cash management plan, which requires it to deposit public 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 Governmental Units from a loss of funds on deposit with failed banking institutions in New Jersey. The law requires governmental units to deposit funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.
- 9) **RISK MANAGEMENT:** The school carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, and hazard and theft insurance on property and Contents.

10) **OTHER INFORMATION:**

Independent Audit – State statutes require an annual audit by an independent Certified Public Accountant or Registered Municipal Accountant. The Accounting firm of Gerald D. Longo, CPA was selected by the Charter School.

In addition to meeting the requirements set forth in the state statutes, the Charter School is required to undergo an annual single audit in conformity with the provisions of the *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 the New Jersey OMB's Circular 15-08, *"Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*. Information related to this single audit, including the auditor's report on internal control and compliance with applicable *laws and regulations* and findings and recommendations are included in the single audit section of this report.

Respectfully submitted,



Dr. Brian Falkowski
School Business Administrator

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL

ROSTER OF TRUSTEES

JUNE 30, 2023

<u>BOARD OF TRUSTEES</u>	<u>TERM EXPIRES</u>
Roger F. Grutzmacher, President	6/2023
Frank Fischer	6/2024
Jamie Rojas	6/2024
Dale Caldwell	6/2023

Administration:

Michael Piscal, CEO of College Achieve Public Schools Inc.

Ms. Corri Tate Ravare, Executive Director

Dr. Brian S. Falkowski, SBA/ Board Secretary, School Business Office LLC

CONSULTANTS AND ADVISORS
June 30, 2023

AUDIT FIRM

Gerald D. Longo, CPA
62 Old Queens Blvd.
Manalapan, NJ 07726-3648

ATTORNEYS

Thomas O. Johnston, Esq.
Johnston Law Firm LLC
151 Forest Street, Suite A
Montclair, New Jersey 07042

OFFICIAL DEPOSITORY

PNC Bank
PO Box 609
Pittsburgh, Pennsylvania 15230

FINANCIAL SECTION

GERALD D. LONGO
CERTIFIED PUBLIC ACCOUNTANT
62 OLD QUEENS BLVD.
MANALAPAN, NEW JERSEY 07726-3648

TELEPHONE
732 446-4768

FAX
732 792-0868

Independent Auditor's Report

The Honorable Chairman and
Members of the Board of Trustees
College Achieve Central Charter School
County of Union
Plainfield, New Jersey

Report on the Audit of the Financial Statements

Opinions

I have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the College Achieve Central Charter School, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the College Achieve Central Charter School's basic financial statements as listed in the table of contents.

In my 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, each major fund, and the aggregate remaining fund information of the College Achieve Central Charter School as of June 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

I conducted my audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and *audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey*. My responsibilities under those standards and Specifications are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of the College Achieve Central Charter School and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the College Achieve Central 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

My 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 my 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 generally accepted auditing standards, Government Auditing Standards, and the Specifications 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 generally accepted auditing standards, Government Auditing Standards, and Audit Requirements prescribed by the Office of School Finance Department of Education, State of New Jersey:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the College Achieve Central 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 my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the College Achieve Central Charter School's ability to continue as a going concern for a reasonable period of time.

I am 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 I 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; the schedules related to accounting and reporting for Pensions and Post-Retirement Benefits and the other required supplementary information and notes to the required supplementary information be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I 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

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the College Achieve Central Charter School's basic financial statements. The combining and individual fund financial statements and the schedules of expenditures of federal awards and state financial assistance, as required by 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 Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, respectively, are presented for additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 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 GAAS. In my opinion, the combining and individual fund financial statements and the schedules 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 Comprehensive Financial Report for the year ended June 30, 2023. The other information comprises the introductory and statistical sections but does not include the basic financial statements and my auditors' report thereon. My opinions

on the basic financial statements do not cover the other information, and I do not express an opinion or any form of assurance thereon.

In connection with my audit of the basic financial statements, my 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, I conclude that an uncorrected material misstatement of the other information exists, I am required to describe it in my report.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, I have also issued my report dated February 14, 2024, on my consideration of the College Achieve Central Charter School’s internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College Achieve Central Charter School’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the College Achieve Central Charter School’s internal control over financial reporting and compliance.

Licensed Public School Accountant No. 20CS00206400



Gerald D. Longo
Certified Public Accountant
February 14, 2024

**REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS**

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2023
(Unaudited)

This section of College Achieve Central Charter School annual financial report presents its discussion and analysis of the Board’s financial performance during the fiscal year that ended on June 30, 2023. Please read it in conjunction with the transmittal letter at the front of this report and the Board’s financial statements, which immediately follows this section.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2022-23 fiscal year include the following:

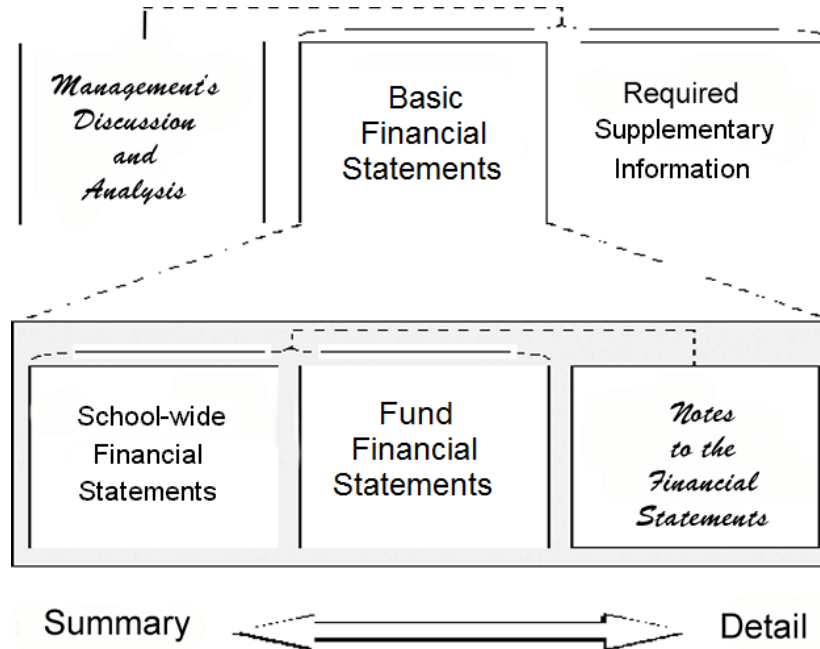
- Total Net Position - Governmental is \$1,067,827.
- The Unrestricted – Unassigned Fund balance at June 30, 2023 is \$3,587,161.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of the annual report consists of four parts – Independent Auditor’s Report, required supplementary information that includes the management’s discussion and analysis (this section), the basic financial statements, and supplemental information. The basic financial statements include two kinds of statements that present different views of the College Achieve Central Charter School.

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023
(Unaudited)

Figure A-1. Required Components of the Board's Annual Financial Report



- The first two statements are school-wide financial statements that provide both short-term and long-term information about the College Achieve Central Charter School overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the College Achieve Central Charter School, reporting the College Achieve Central Charter School operation in more detail than the school-wide statements.
- The governmental funds statements tell how basic services such as regular and special education were financed in the short term as well as what remains for future spending.
- Proprietary funds statements offer short- and long-term financial information about the Food Service activities the College Achieve Central Charter School operates like businesses.

**COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2023
(Unaudited)**

The financial statements also include notes that explain some of the information in the statements and provide data that are more detailed. Figure A-1 summarizes the major features of the College Achieve Central Charter School financial statements, including the portion of the College Achieve Central Charter School activities they cover and the types of information they contain. The remainder of this overview section of management’s discussion and analysis highlights the structure and contents of each of the statements.

Figure A-2 - Major Features of the School-wide and Financial Statements

	School-wide Statements	Fund Financial Statements	
		Governmental Funds	Proprietary Funds
Scope	Entire school (except fiduciary funds)	The activities of the College Achieve Central Charter School that are for the school operations and not proprietary or fiduciary, such as teachers' salaries, special education and building maintenance, food service, and community education	Activities the College Achieve Central Charter School operates similar to private businesses: Internal service fund
Required financial statements	Statement of net position	Balance sheet	Statement of net position
	Statement of activities	Statement of revenue expenditures and changes in fund balances	Statement of revenue, expenses, and changes in fund net position
Accounting Basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Statement of cash flows Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon there after; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, and short-term and long-term
Type of inflow/out flow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods 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

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2023
(Unaudited)

School-wide Statements

The school-wide statements report information about the College Achieve Central Charter School as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the College Achieve Central Charter School assets and liabilities. All of the current year’s revenue and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two school-wide statements report the College Achieve Central Charter School net position and how they have changed. Net position – the difference between the College Achieve Central Charter School assets and liabilities – are one way to measure the College Achieve Central Charter School financial health or position.

In the school-wide financial statements, the College Achieve Central Charter School activities are shown in two categories:

- *Governmental activities*- Most of the College Achieve Central Charter School basic services are included here, such as regular and special education, transportation, administration, food services, and community education. Property taxes and state aid finance most of these activities.
- *Business-type activities*- The College Achieve Central Charter School Food Service Fund and the after school program are included here.

Fund Financial Statements

The fund financial statements provide more detailed information about the College Achieve Central Charter School funds – focusing on its most significant or “major” funds – not the College Achieve Central Charter School as a whole.

Funds are accounting devices the College Achieve Central Charter School uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by State law.

College Achieve Central Charter School uses other funds, established in accordance with the State of New Jersey Uniform Chart, to control and manage money for particular purposes (e.g., repaying its long-term debts) or to show that it is properly using certain revenues (e.g., federal funds).

**COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2023
(Unaudited)**

The College Achieve Central Charter School has two kinds of funds:

- **Governmental funds-** Most of the College Achieve Central Charter School basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the College Achieve Central Charter School programs. Because this information does not encompass the additional long-term focus of the school-wide statements, we provide additional information at the bottom of the governmental funds statements that explain the relationship (or differences) between them.

- **Proprietary funds-** Services for which the College Achieve Central Charter School charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the school-wide statements.

FINANCIAL ANALYSIS OF THE COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL AS A WHOLE

Net position. The College Achieve Central Charter School Net Position Governmental is \$1,067,827 as of June 30, 2023. (See Table A-1).

Schoolwide	<u>\$1,067,827</u>
------------	--------------------

The Statement of Net Position of \$1,067,827 reflects total capital assets of \$376,685 at June 30, 2023 net of assumed depreciation of (\$90,879) from inception, for a net capital asset balance of \$285,806.

**COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023
(Unaudited)**

The College Achieve Central Charter School financial position is the product of these factors:

- Special Revenue Fund - Revenues were \$4,036,263
- Special Revenue Fund - Expenditures were \$4,036,263
- General Fund Revenues were \$25,948,892
- General Fund Expenditures were \$25,553,243

**Table A-1
COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Statement of Net Position
As of June 30, 2023**

	<u>Total</u>
Current and Other Assets	\$4,386,316
Deferred Pension Outflows	1,292,076
Capital Assets - Net	285,806
Right to Use Lease Assets	37,514,279
Total Assets and Deferred Pension Inflows	<u>\$43,478,477</u>
Current and Other Liabilities	\$ 799,155
Net Pension Liability - noncurrent	2,664,586
Lease Liabilities - noncurrent	38,185,877
Deferred Pension Inflows	761,032
Total Liabilities and Deferred Pension Inflows	<u>\$ 42,410,650</u>
Net Position:	
Invested In Capital Assets, Net	285,806
Unrestricted	782,021
Total Net Position	<u>\$1,067,827</u>
Total Liabilities, Deferred Inflows and Net Position	<u>\$43,478,477</u>
Fund Balance - June 30, 2023	\$3,587,161
Right-to-Use Adjustment	(\$671,598)
Invested In Capital Assets, Net	285,806
Net Position before Pension Adjustment - June 30, 2023	<u>3,201,369</u>
Less: Pension Adjustment	<u>(2,133,542)</u>
Net Position - June 30, 2023	<u><u>\$ 1,067,827</u></u>

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023
(Unaudited)

Table A-2
COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Changes in Net Position - School Wide
For the Fiscal Year Ended June 30, 2023

Revenues	<u>Total</u>	<u>%</u>
Program revenues		
Charges for services		
Operating grants and contributions		
General revenues		
Federal and State Aid-Unrestricted	\$ 26,102,471	85%
Federal Aid-Restricted	3,805,845	12%
Other	76,839	0%
Proprietary Fund	829,098	3%
Total Revenues	<u>\$ 30,814,253</u>	<u>100%</u>
Expenses		
Regular Instruction	\$ 12,912,402	42%
General Administrative	8,960,603	29%
School Administrative	4,959,112	17%
On-behalf TPAF Social Security / Pension / Medical	2,757,389	9%
Capital Outlay	0	0%
Proprietary Fund	1,000,613	3%
Total Expenses	<u>\$ 30,590,119</u>	<u>100%</u>
Increase in Net Position	\$ 224,134	
Net Position - Beginning of Year July 1, 2022	1,315,615	
Increase in Capital Assets	209,046	
Net Position Before Pension Adjustments	<u>1,748,795</u>	
Amortization over Lease Payments	(582,236)	
Pension Adjustments	(98,732)	
Net Position - End of Year June 30, 2023	<u><u>\$ 1,067,827</u></u>	

**COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2023
(Unaudited)**

**Table A-3 (See Exhibit A-2)
COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Total Cost and Net Cost of Services - Governmental
For the Fiscal Year Ended June 30, 2023**

<u>Functions/Programs</u>	<u>Source</u>	<u>Total Cost of Services</u>	<u>Net Cost of Services</u>
Governmental Activities			
Instruction			
Regular	B-2	\$ 12,912,402	\$ 9,292,034
Support Services			
General Administrative Services	B-2	8,960,603	8,344,708
School Administrative Services	B-2	4,959,112	4,959,112
On-behalf TPAF Social Security	B-2	2,757,389	2,757,389
Capital Outlay	B-2	-	-
Proprietary	G-2	1,000,613	1,000,613
Total Governmental Activities		<u>\$ 30,590,119</u>	<u>\$ 26,553,856</u>

FINANCIAL ANALYSIS OF THE COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL FUNDS

The financial performance of the College Achieve Central Charter School as a whole is reflected in its governmental total activities Exhibit A-2. As the College Achieve Central Charter School completed the year, it reported a combined unassigned fund balance of \$3,587,161.

Revenues for the College Achieve Central Charter School General, Special Revenue and Proprietary Funds were \$30,814,253 while total expenses were \$30,590,111.

GENERAL FUND

The General Fund includes the primary operations of the College Achieve Central Charter School in providing educational services to students in grade K through 12.

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023
(Unaudited)

The following schedule presents a summary of School Wide Revenues.

Table A-4 (See Exhibit B-2)
COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Changes in Revenues - School Wide
For the Fiscal Years Ended June 30

Revenues	Year Ended 06/30/2023	Year Ended 06/30/2022	Amount of Increase (Decrease)
Local Sources:			
Local Share	\$ -	\$ -	\$ -
Other Local Revenue	76,839	143,770	(66,931)
Total Local Sources	\$ 76,839	\$ 143,770	\$ (66,931)
Intergovernmental			
Local Sources	\$ 26,102,471	\$ 22,129,953	\$ 3,972,518
Federal Sources	3,805,845	2,934,841	871,004
Proprietary Fund	829,098	1,410,534	(581,436)
Total Intergovernmental Sources	\$ 30,737,414	\$ 26,475,328	\$ 4,262,086
Total Revenue - School Wide	\$ 30,814,253	\$ 26,619,098	\$ 4,195,155

The following schedule presents a summary of School Wide Expenditures.

Table A-5 (See Exhibit B-2)
COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Changes in Expenditures - School Wide
For the Fiscal Years Ended June 30

Expenditures	Year Ended 06/30/2023	Year Ended 06/30/2022	Amount of Increase (Decrease)
Current:			
Regular Instruction	\$ 12,912,402	\$ 11,215,074	\$ 1,697,328
General Administrative Services	8,960,603	6,238,078	2,722,525
School Administration	4,959,112	5,103,808	(144,696)
On-behalf TPAF Social Security/ Pension / Medical	2,757,389	2,533,750	223,639
Capital outlay	-	18,939	(18,939)
Proprietary Fund	1,000,613	1,239,019	(238,406)
Total Expenditures - School Wide	\$ 30,590,119	\$ 26,348,668	\$ 4,241,451

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2023
(Unaudited)

UNRESERVED-UNDESIGNATED FUND BALANCE AS A PERCENTAGE OF EXPENDITURES

The following table shows the School Wide Unreserved – Unassigned Fund Balance.

Table A-6
COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Changes in Unreserved Fund Balances - School Wide
For the Fiscal Years Ended June 30

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Unreserved-Unassigned					
Fund Balance	\$3,587,161	\$3,363,027	\$3,092,597	\$80,511	\$15,999
Expenditures	\$30,590,119	\$26,348,668	\$17,756,656	\$17,310,858	\$13,627,790
Percentage	12.0%	13.0%	17.5%	0.40%	0.12%

The College Achieve Central Charter School values its fund balances as a vehicle for addressing unbudgeted and emergent needs that occur during school year. The amount of fund balance designated to support the subsequent years budget is \$3,587,161 for the 2023-24 school year.

CAPITAL ASSETS

Table A-7
COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Changes in Capital and Right-to-Use Lease Assets - School Wide
For the Fiscal Year Ended June 30, 2023

	<u>2023</u>	<u>2022</u>
Capital Assets:		
Furniture	\$141,352	\$141,352
Equipment	4,400	4,400
Improvements	230,933	--
Total - General Fund	\$376,685	\$145,752
Less: Accumulated Depreciation and Amortization	(90,879)	(68,992)
Total - Net Capital Assets - General Fund	\$285,806	\$76,760
Right-to-use lease assets:		
Premise	\$39,787,871	\$0
Total	\$39,787,871	\$0
Less: Accumulated Amortization	(2,273,592)	0
Right-to-use lease assets, net	\$ 37,514,279	\$0

**COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023
(Unaudited)**

FACTORS BEARING ON THE SCHOOL'S FUTURE

While many factors influence the Charter School's future, the availability of State funding and the economy will have the most impact on educational and fiscal decisions in the future.

These and many other factors were considered by the Charter School's administration during the process of developing the fiscal year 2023-24 budget. The primary factors were the Charter School's projected student population, anticipated state and federal aid as well as increasing salary and related benefit costs. These indicators were considered when adopting the budget for fiscal year 2023-2024.

CONTACTING THE COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the College Achieve Central Charter School finances and to demonstrate the College Achieve Central Charter School accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Business Office, College Achieve Central Charter School, 365 Emerson Ave, Plainfield, NJ 07062

BASIC FINANCIAL STATEMENTS

The basic financial statements provide a financial overview of the College Achieve Central Charter School operations. These financial statements present the financial position and operating results of all funds as of June 30, 2023.

SCHOOL-WIDE FINANCIAL STATEMENTS

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Statement of Net Position
As of June 30, 2023

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and Cash Equivalents - Unrestricted	\$ 2,705,501	\$ -	\$ 2,705,501
Interfund	49,787	(49,787)	-
Receivables - Health Insurance Co-op - CA Charter Schools	368,781		368,781
Receivables	1,191,541	49,787	1,241,328
Security Deposit - Rental	70,706		70,706
Capital assets, net	285,806	-	285,806
Right-to-use lease assets-net	37,514,279		37,514,279
Total Assets	<u>42,186,401</u>	<u>-</u>	<u>42,186,401</u>
Deferred outflows of resources - Pension	1,292,076	-	1,292,076
Total Assets and Deferred Outflows of Resources	<u>\$ 43,478,477</u>	<u>\$ -</u>	<u>\$ 43,478,477</u>
LIABILITIES			
Accounts Payable	\$ 383,267	\$ -	\$ 383,267
Accounts Payable - CAPS - CMO Fee	142,708		142,708
Payroll Taxes Payable	144,316		144,316
Payable to Districts	111,364		111,364
Deferred Revenue	17,500		17,500
Net Pension Liability - Long Term	2,664,586		2,664,586
Lease liabilities - Long Term	38,185,877		38,185,877
Total Liabilities	<u>41,649,618</u>	<u>-</u>	<u>41,649,618</u>
Deferred inflows of resources - Pension	761,032	-	761,032
Total Liabilities and Deferred Inflows of Resources	<u>\$ 42,410,650</u>	<u>\$ -</u>	<u>\$ 42,410,650</u>
NET POSITION			
Invested in capital assets, net	\$ 285,806	\$ -	\$ 285,806
Unrestricted	782,021	-	782,021
Total net position	<u>\$ 1,067,827</u>	<u>\$ -</u>	<u>\$ 1,067,827</u>
Total Liabilities, Deferred Inflows and Net Position	<u>\$ 43,478,477</u>	<u>\$ -</u>	<u>\$ 43,478,477</u>
Fund Balance June 30, 2023 - B-1	\$ 3,587,161		
Right-to-use lease assets-net of accumulated amortization	37,514,279		
Principal balance of lease liabilities	(38,185,877)		
Cost of capital assets - net accumulated depreciation	285,806		
Net Position before pension adjustments	<u>3,201,369</u>		
Less: pension adjustments net (Deficit)	(2,133,542)		
Total Net Position June 30, 2023	<u>\$ 1,067,827</u>		

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

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Statement of Activities
For the Fiscal Year Ended June 30, 2023

Functions/Programs	Expenses	Program Revenues		Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	
Governmental activities:						
Instruction:						
Regular	\$ (12,912,402)		\$ (3,420,368)		\$ (9,492,034)	\$ (9,492,034)
Support services:						
General administratrion	(8,960,603)		(615,895)		\$ (8,344,708)	\$ (8,344,708)
School administrative services/ operations plant	(4,959,112)				(4,959,112)	(4,959,112)
On - behalf TPAF Social Security / Pension / Med	(2,757,389)				(2,757,389)	(2,757,389)
Capital Outlay	-				-	-
Total governmental activities	<u>(29,589,506)</u>		<u>(4,036,263)</u>		<u>(25,553,243)</u>	<u>(25,553,243)</u>
Business-type activities:						
Food Service	(1,000,613)	(1,000,613)			(1,000,613)	(1,000,613)
Total business-type activities	<u>(1,000,613)</u>	<u>(1,000,613)</u>			<u>(1,000,613)</u>	<u>(1,000,613)</u>
Total primary government	<u>(30,590,119)</u>	<u>\$ (1,000,613)</u>	<u>\$ (4,036,263)</u>		<u>\$ (25,553,243)</u>	<u>\$ (26,553,856)</u>
General revenues:						
Local Share				\$ -		\$ -
State Share				21,760,803	30,227	21,791,030
State and Federal Aid				4,111,250	775,736	4,886,986
Miscellaneous Income				76,839	23,135	99,974
Increase in capital assets				209,046		209,046
Total General Revenues, Special Items,				<u>26,157,938</u>	<u>829,098</u>	<u>26,987,036</u>
Change in Net Position - Increase before Pension Adjustment				604,695	(171,515)	433,180
Amortization expense over principal payments on leases				(582,236)		(582,236)
Net (Decrease) in Pension Adjustment				(98,732)		(98,732)
Change in Net Position Increase (Decrease)				<u>(76,273)</u>	<u>(171,515)</u>	<u>(247,788)</u>
Net Position - July 1, 2022				1,144,100	171,515	1,315,615
Net Position - June 30, 2023				<u>\$ 1,067,827</u>	<u>\$ -</u>	<u>\$ 1,067,827</u>

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

FUND FINANCIAL STATEMENTS

GOVERNMENTAL FUNDS

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Balance Sheet
Governmental Funds
As of June 30, 2023

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash and Cash Equivalents - Unrestricted	\$ 2,705,501	\$ -	2,705,501
Receivables - Health Insurance Co-op CA Charter Schools	368,781		368,781
Receivables	612,134	579,407	1,191,541
Interfund	611,694	(561,907)	49,787
Security Deposit - Rental	70,706	-	70,706
Total Assets	<u>\$ 4,368,816</u>	<u>\$ 17,500</u>	<u>\$ 4,386,316</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 383,267	\$ -	\$ 383,267
Accounts Payable - CAPS - CMO Fee	142,708		142,708
Payroll Taxes Payable	144,316		144,316
Deferred Revenue		17,500	17,500
Due to Districts	111,364	-	111,364
Total Liabilities	<u>781,655</u>	<u>17,500</u>	<u>799,155</u>
Fund Balances:			
Unassigned	3,587,161	-	3,587,161
Total Fund Balances	<u>3,587,161</u>	<u>-</u>	<u>3,587,161</u>
Total Liabilities and Fund Balances	<u>\$ 4,368,816</u>	<u>\$ 17,500</u>	<u>\$ 4,386,316</u>

Amounts reported for Governmental Activities in the statement of net position (A-1) are different because:

Total Governmental Fund Balance - June 30, 2023	\$3,587,161
Right-to-use assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$39,787,871 less the accumulated amortization (\$2,273,592)	37,514,279
Lease liabilities used in governmental activities are not financial resourced and therefore are not reported in the funds	(38,185,877)
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is and the accumulated depreciation	376,685 (90,879)
	285,806
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	-
Net position of Governmental Activities before pension adjustments - June 30, 2023	\$ 3,201,369
Deferred pension liability - Long Term	(2,664,586)
Pension Deferred - Inflows	(761,032)
Pension Deferred - Outflows	1,292,076
Net Position of government activities - June 30, 2023	<u>\$ 1,067,827</u>

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

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Statement of Revenues, Expenditures, And Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2023

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total Governmental Funds</u>
REVENUES			
Local sources:			
State / Local Share	\$ 21,760,803	\$ 230,418	\$ 21,991,221
Miscellaneous	76,839	-	76,839
Total - Local Sources	<u>21,837,642</u>	<u>230,418</u>	<u>22,068,060</u>
State Sources	4,111,250	-	4,111,250
Federal Sources	-	3,805,845	3,805,845
Total Revenues	<u>\$ 25,948,892</u>	<u>\$ 4,036,263</u>	<u>\$29,985,155</u>
EXPENDITURES			
Current:			
Regular instruction	\$ 9,492,034	\$ 3,420,368	\$ 12,912,402
Support services- General Administrative	8,344,708	615,895	8,960,603
Support Services- School Admin/ operations plant serv	4,959,112		4,959,112
On-behalf TPAF Social Security, Pen and Med	2,757,389		2,757,389
Capital outlay	-		-
Total Expenditures	<u>\$25,553,243</u>	<u>\$4,036,263</u>	<u>\$29,589,506</u>
Excess (Deficiency) of revenues over expenditures	<u>395,649</u>		<u>395,649</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-		-
Transfers out	-		-
Total other financing sources and uses	<u>-</u>		<u>-</u>
Net change in fund balances - Increase	395,649		395,649
Fund balance - July 1, 2022	<u>3,191,512</u>		<u>3,191,512</u>
Fund balance - June 30, 2023	<u>\$ 3,587,161</u>		<u>\$ 3,587,161</u>

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

COLLEGE ACHIEVE CENTRAL 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 funds (from B-2) - Increase \$ 395,649

Amounts reported for governmental activities in the statement of activities (A-2) are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.

Depreciation expense	\$ (21,887)
Capital outlays	<u>230,933</u>

\$ 209,046

Amortization expense over principal payments on leases (582,236)

Pension contributions are reported in governmental funds as expenditures; however, in the statement of activities, the contributions are adjusted for actuarial valuation adjustments, including service and interest costs, administrative costs, investment returns, and experience/assumption. This is the amount by which net pension liability and deferred inflows/outflows related to pension changed during the period.

(98,732)

Change in net position of governmental activities (A-2) - (Decrease)

\$ (76,273)

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

PROPRIETARY FUNDS

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Statement of Net Position
Proprietary Funds
As of June 30, 2023

		Proprietary Funds
		Business-type
		Activities
		<u>Enterprise funds</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$	-
Accounts receivable		49,787
Interfund		(49,787)
Total current assets		<u>-</u>
Total assets	\$	<u><u>-</u></u>
LIABILITIES		
Current liabilities		
Total current liabilities	\$	<u>-</u>
Total liabilities		<u>-</u>
NET POSITION		
Unrestricted		<u>-</u>
Total net position	\$	<u><u>-</u></u>

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

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2023

	Proprietary Funds Business-type Activities Enterprise
Operating revenues:	
Other Grants	-
Total operating revenues	-
Operating expenses:	
Supplies, Materials and Other Expenses	(1,000,613)
Total Operating Expenses	(1,000,613)
Operating income (loss)	(1,000,613)
Nonoperating revenues (expenses):	
State sources:	
State school breakfast program	10,206
State school lunch program	20,021
Federal sources:	
National School Snack Program	8,758
National school Breakfast program	158,273
National School Lunch Program	608,705
Total nonoperating revenues (expenses)	805,963
Income (loss) before contributions & transfers	(194,650)
Transfers in (out) - Subsidy from General Fund	23,135
Change in net position (decrease)	(171,515)
Total net position - Beginning of Year July 1, 2022	171,515
Total net position - End of Year June 30, 2023	\$ -

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

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2023

Proprietary Funds
Business-type
Activities
Enterprise Funds

CASH FLOWS FROM OPERATING ACTIVITIES**Cash Flow from Operating Activities**

Cash Payments Supplies, Material and Other	\$ (1,000,613)
Net cash (used for) operating activities	<u>(1,000,613)</u>

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

Transfer of subsidy from General Fund	23,135
State and Federal Subsidies	973,478
Net cash (used for) non-capital financing activities	<u>1,000,613</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Net cash (used for) investing activities	<u> </u>
Net increase (decrease) in cash and cash equivalents	<u>0</u>
Cash Balances and Cash Equivalents - Beginning of Year - July 1, 2022	<u>0</u>
Cash Balances and Cash Equivalents - End of Year - June 30, 2023	<u><u>\$0</u></u>

Reconciliation of operating income (loss) to net cash provided**(used) by operating activities:**

Operating income (loss)	\$ (194,650)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities	
Transfer of subsidy from General Fund	23,135
(Increase) decrease in accounts receivable, net	220,700
Decrease in Interfund	<u>(44,185)</u>
Total adjustments	<u>194,650</u>
Net cash provided by (used in) operating activities	<u><u>\$ -</u></u>

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

FIDUCIARY FUNDS

Exhibit B-7

**COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Statement of Fiduciary Net Position
Fiduciary Funds
As of June 30, 2023**

NOT APPLICABLE

Exhibit B-8

**COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2023**

NOT APPLICABLE

NOTES TO THE BASIC FINANCIAL STATEMENTS

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

1. DESCRIPTION OF THE CHARTER SCHOOL AND REPORTING ENTITY

College Achieve Central Charter School ("Charter School") is an instrumentality of the State of New Jersey, established to function as an education institution. The Board of Trustees (the 'Board') consists of appointed officials and are responsible for the fiscal control of the Charter School. A director is appointed by the Board and is the administrative control of the Charter School.

A reporting entity is comprised primary government, component units and other organizations that are included to insure that the financial statements of the Charter School are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the Charter School. For the Charter School, this includes general operations, food service and student related activities for the Charter School.

The primary criterion for including activities within the Charter School's reporting entity, as set forth in Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards, is the degree of oversight responsibility maintained by the Charter School. Oversight responsibility includes financial interdependency, section of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. The combined financial statements include all funds of the Charter School over which the Board exercises operating control. There were 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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of the Charter School is presented to assist in understanding the Charter School's financial statements and notes are a representation of the Charter School's management, who is responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles in the United States as applied to governmental units and have been consistently applied in the preparation of these financial statements.

The financial statements of the Charter School have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

A. Basis of Presentation

The Charter School's basic financial statements consists of government-wide statements, including a statement of net assets and a statement of activities, and fund financial statements that provide a more detailed level of financial information.

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The statement of net position and the statement of activities display information about the Charter School as a whole. These statements include the financial activities of the primary government, except for fiduciary funds.

Government-Wide Statements

The statement of net position presents the financial condition of the governmental activities of the Charter School at fiscal year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the Charter School's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, 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 are presented as general revenues of the Charter School, with certain limited expectations. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the Charter School.

Fund Financial Statements

During the fiscal year, the Charter School segregates transactions related to certain Charter School functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance.

Fund financial statements are designed to present financial information of the Charter School at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column.

B. Fund Accounting

The Charter School uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts.

Governmental Funds

Government funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the Charter School's major governmental funds:

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 noninstructional equipment that are classified in the Capital Outlay subfund.

As required by the New Jersey State Department of Education, the Charter School included 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 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 that 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 of the Enterprise Funds) and local appropriations that are legally restricted to expenditures for specified purposes.

Proprietary Funds

The focus of Proprietary Fund measurement is upon determination of net income, 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 fund of the Charter School:

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

All proprietary funds are accounted for on a cost of services or "capital maintenance" measurement focus. This means that all assets and all liabilities, whether current or noncurrent, associated with their activity are included on their balance sheets. Their reported fund equity (net position) is segregated into invested in capital assets net of related debt and unrestricted net position, if

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

applicable. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total position.

Depreciation of fixed assets used by proprietary funds is charged as an expense against their operations.

C. Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. ***Basis of accounting*** refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide statements of net position and the statement of activities, both governmental and business-like activities are presented using the economic resources measurement focus. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds and expendable trust funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet.

Operating statement of these funds present increases (i.e., revenues and other financing sources), and decreases (i.e. Expenditures and other finances uses) during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

All proprietary funds are accounted for on a flow economic resources measurement focus. With this measurement focus, the accounting adjectives are the determination of operating income, changes in net position (or cost recovery). financial position, and cash flow. All assets and all liabilities, whether current or non-current, associated with their activities are included on the balance sheet. Fund equity (i.e., net total assets) is classified as net position.

Basis of Accounting

In the government wide statement of net position and statements of activities. both governmental and business like activities are presented using the accrual basis of accounting. Under the accrual basis of accounting revenues are recognized when earned and expenses are recognized when the liability, resulting from exchange and exchange like transactions, is incurred (i.e. the exchange takes place).

In the fund financial statements, governmental fund and agency funds are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting. revenues are recognized when they become both measurable and available. "Measurable" means the amount of

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

the transaction can be determine and "available" means collectible with the current period or soon enough thereafter to be used to pay liabilities of the current period. State equalization monies are recognized as revenue during the period in which they are appropriated. A one-year availability period is used for revenue recognition for all other governmental funds revenues.

D. Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general and special revenue funds. The budgets are submitted to the county office for approval. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year subject to the limitation of P.L 2004 c73 (S 1701).

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 accounting principles generally accepted in the United States of America (GAAP) with the exception of the 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.

Exhibit C-3 represents a reconciliation of the General Fund revenues and Special Revenue Fund revenues and expenditures from the budgetary basis of accounting as presented in the Budgetary Comparison Schedule - General Fund and Special Revenue Fund to the GAAP basis of accounting as presented in Exhibit B-2.

E. Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general and special revenue funds. The budgets are submitted to the county office for approval. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later. The legal level of budgetary control is established at line item accounts within each fund. Line

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year subject to the limitation of P.L 2004 c73 (S 1701).

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 accounting principles generally accepted in the United States of America (GAAP) with the exception of the 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.

Exhibit C-3 represents a reconciliation of the General Fund revenues and Special Revenue Fund revenues and expenditures from the budgetary basis of accounting as presented in the Budgetary Comparison Schedule - General Fund and Special Revenue Fund to the GAAP basis of accounting as presented in Exhibit B-2.

F. Encumbrances

Under encumbrance accounting purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Open encumbrances in governmental funds, other than the special revenue fund, are reported as reservations of fund balances at fiscal year end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services.

Open encumbrances in the special revenue fund, for which the Charter School has received advances, are reflected in the balance sheet as deferred revenues at fiscal year end. There were \$0 of encumbrances at June 30, 2023. The encumbered appropriation authority carries over into the next fiscal year. An entry will be made at the beginning of the next fiscal year to increase the appropriation reflected in the certified budget by the outstanding encumbrance amount as of the current fiscal year end.

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

G. Cash, Cash Equivalents and Investments

Cash and cash equivalents include petty cash, 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. 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 has adopted a cash management plan that requires it to deposit public 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 Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey.

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 Act. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks, the deposits of which 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.

H. Inventories and Prepaid Expenses

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

Inventories in the Proprietary Funds are valued at cost, which approximates market, using the first-in-first-out (FIFO) method.

I. Short-Term Interfund Receivables/Payables

Short-term interfund receivables/payables represent 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.

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

J. Capital Assets

General Fund capital assets result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their fair market value as of the date received. The Charter School maintains a capitalization threshold of \$2,000. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

All reported capital assets except for land are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description of Capital Cost</u>	<u>Estimated Lives (Years)</u>
Right-of-use Assets	*
Furniture and Equipment	7
*Shorter of useful life or lease term (35 years)	

K. Compensated Absences

Compensated absences are those absences for which employees will be paid, such as vacation and sick leave. A liability for compensated absences that are attributable to services already rendered, and that are not contingent on a specific event that is outside the control of the Charter School and its employees, is accrued as the employees earn the rights to the benefits. Compensated absences that relate to future services, or that are contingent on a specific event that is outside the control of the Charter School and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

The entire sick leave and vacation liabilities are reported on the government-wide financial statements.

For governmental fund financial statements, the current portion of unpaid compensated absences is in the amount expected to be paid using expendable available resources. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated unpaid leave are paid. The noncurrent portion of the liability is not reported. The Charter School had a compensated absence liability of \$0 at June 30, 2023.

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

L. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements. In general, payables and accrued liabilities those, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the governmental funds. However, the noncurrent portion of compensated absences and mortgage payable that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are normally expected to be paid with expendable, available financial resources.

M. Net Position/Fund Balance

School-Wide Statements

In the school-wide statements, there are three classes of net position:

- Invested 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. Also included in invested in capital assets are amounts the Charter School prepaid in advance of the work performed.
- Restricted Net Position - reports net position when constraints placed on the residual amount of noncapital assets are either externally imposed by creditors (such as through 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 invested in capital assets or net position - restricted is classified as net position – unrestricted, which includes deferred inflows and outflows

Fund Balance and Equity

The Charter School follows GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions (“GASB 54”), in establishing fund balance classifications that comprise a hierarchy based primarily on the extent to which government is bound to observe constraints imposed upon the use of resources reported in governmental funds. Under GASB 54, fund balances in the governmental funds' financial statements are reported under the modified accrual basis of accounting and classified into the following five categories, as defined below:

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

1. Nonspendable – includes amounts that cannot be spent because they either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Assets included in this fund balance category include prepaid assets, inventories, long-term receivables, and corpus of any permanent funds.
2. Restricted – includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.
3. Committed – includes amounts that can be used only for the specific purposes determined by a formal action of the government’s highest level of decision-making authority.
4. Assigned – amounts intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed.
5. Unassigned – includes all spendable amounts not contained in the other classifications.

When both restricted and unrestricted resources are available for use, it is the Charter School’s policy to use restricted resources first, then unrestricted resources as they are needed. For the unrestricted fund balance, the Charter School first spends committed funds, then assigned funds, and finally, unassigned funds.

N. Unearned/Deferred Revenue

Unearned/Deferred revenue in the special revenue fund represents cash that has been received but not yet earned.

O. Fund Equity

Reserves represent those portions of fund equity not available for appropriation for expenditure or legally segregated for a specific future use. Designated fund balances represent plans for future use of financial resources.

P. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect reported amounts and disclosures. Actual results could differ from those estimates.

Q. On-Behalf Payments

Revenues and expenditures of the General Fund include payment made by the state of New Jersey for Pension and social security contributions for certified teacher members of the New Jersey Teachers Pension and Annuity Fund. The amounts are not required to be included in the Charter School's annual budget.

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

R. Deferred Outflows/Inflows

Deferred amounts on net pension liability are reported in the school-wide statement of net position and result from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; (4) changes in proportion and differences between employer contributions and proportionate share of contributions; and (5) contributions made subsequent to the measurement date. These amounts are deferred and amortized over future years.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The School has one type which arise only under the accrual basis of accounting that qualify for reporting in this category. The item that qualifies for reporting in this category is the deferred amounts on net pension liability. Deferred amounts on net pension liability are reported in the school-wide statement of net position and result from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; and (4) changes in proportion and differences between employer contributions and proportionate share of contributions. These amounts are deferred and amortized over future years.

S. Fair Value of Financial Instruments

The Charter School follows the accounting and disclosure standards pertaining to GASB No. 72, Fair Value Measurement and Application, for qualifying assets and liabilities. Fair value is defined as the price that the Charter School would receive upon selling an asset or pay to settle a liability in an orderly transaction between market participants at the measurement date.

The Charter School uses a framework for measuring fair value that includes a hierarchy that categorizes and prioritizes the sources used to measure and disclose fair value. This hierarchy is broken down into three levels based on inputs that market participants would use in valuing the financial instruments based on market data obtained from sources independent of the Charter School. Inputs refer broadly to the assumptions that market participants would use in pricing the financial instrument, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that are developed using market data, such as publicly available information about actual events or transactions, and which reflect the assumptions that market participants would use when pricing an asset or liability. Unobservable inputs are inputs for which market data are not available and that are developed using the best information available about the assumptions that market participants would use when pricing an asset or liability.

The three-tier hierarchy of inputs is summarized in the three broad levels as follows:

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Level 1 - Inputs that reflect unadjusted quoted prices in active markets for identical assets at the measurement date.

Level 2 - Inputs other than quoted prices that are observable for the asset either directly or indirectly, including inputs in markets that are not considered to be active.

Level 3 - Inputs that are unobservable and which require significant judgment or estimation.

An asset or liability's level within the framework is based upon the lowest level of any input that is significant to the fair value measurement.

T. Adoption of New Accounting Standards

GASB 87: Leases

During fiscal year 2022, the Charter School adopted GASB Statement No. 87, Leases (GASB 87), which requires the Charter School to recognize intangible right-to-use lease assets and lease liabilities for its lessee agreements.

The Charter School accounts for any lease with a term greater than one year in accordance with GASB 87. The lease terms are defined as the noncancellable period of any lease, plus any options to extend under such leases, when management is reasonably certain those options will be exercised. Accordingly, the net present value of the estimated future minimum payments are reflected as a right-to-use lease asset and lease liability. The right-to-use lease assets will be recognized on a straight-line basis over the lesser of the life of the asset or the remaining lease period. The right-to-use lease assets related to the facility leases are being amortized over the term of each respective lease as follows:

School Premises 2 – 35 years

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

- GASB Statement 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.

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- 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.

Other accounting standards 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.

3. CASH, CASH EQUIVALENTS AND INVESTMENTS

Custodial Credit Risk Related to Deposits - Custodial credit risk is the risk that, in the event of a bank failure, the Charter School's deposits might not be recovered. Although the Charter School does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the Charter School in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled agency funds such as salary withholdings, and student activity funds, or funds that may pass to the Charter School relative to the happening of a future condition. Such funds are classified as uninsured and uncollateralized. As of June 30, 2023, none of the Charter School's bank balances were exposed to custodial risk. As of June 30, 2023, the Charter School cash balances were insured for \$250,000 by the FDIC and the remaining balance was subject to the provisions of GUDPA.

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

3. CASH, CASH EQUIVALENTS AND INVESTMENTS (continued)

Investments

The Board is permitted to invest public funds in accordance with the types of securities authorized by N.J.S.A. 18A:20-37. Examples of the allowable investments are bonds or other obligations of the United States or obligations guaranteed by the United States of America, Government Money Market Mutual Funds, bonds or other obligations of the Charter School or bonds or other obligations of the local unit or units within which the Charter School is located, Local Government investment pools, and agreements or the repurchase of fully collateralized securities, if transacted in accordance with the above statute.

As of June 30, 2023, the Charter School had no investments.

4 PENSION PLANS

Description of Plans - Substantially all of the employees of the School are covered by either the Public Employee's Retirement System or the Teacher's Pension and Annuity Fund (both of which are contributory defined benefits plans). Both were established by state statute and are administered by the New Jersey Division of Pension and Benefit (Division). According to the State of New Jersey Administrative Code, all obligations of both Systems will be assumed by the State of New Jersey should the Systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirements System and the Teacher's Pension and Annuity Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625.

Teachers' Pension and Annuity Fund (TPAF) - The Teachers' Pension and Annuity Fund was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66 to provide coverage including post-retirements health care to substantially all full time certified teachers or professional staff of the public school systems in the State.

The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple-employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the School and the systems other related non-contributing employers.

Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

Public Employees' Retirement System (PERS) - The public Employees' Retirement Systems (PERS) was established as of January 1, 1955 under the provisions of N.J.S.A. 43:15A to provide coverage including post-retirement health care to substantially all full time employees of the State or any

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

4 PENSION PLANS (continued)

county municipality, School, or public agency provided the employee is not a member of another state-administered retirement system.

The public Employees' Retirement System is a cost-sharing multiple-employer plan. Membership is mandatory for substantially all full time employees of the State of New Jersey or any county, municipality, School, or public agency, provided the employee is not required to be a member of another state administered retirement system or other state or local jurisdiction.

Defined Contribution Retirement Program (DCRP) - The Defined Contribution Retirement Program (DCRP) was established under the provision of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 to provide coverage to elected and certain appointed officials, effective July 1, 2007. Membership is mandatory for such individuals with vesting occurring after one year of membership.

Vesting and Benefit Provisions - The vesting and benefit provisions for PERS are set by N.J.S.A 43:15a and 43:03B and N.J.S.A. 18A: for TPAF. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirements benefits for age and service are available at age 55 and are generally determine to be 1/55 of the final average salary for each year of service credit as defined.

Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age.

The TPAF and PERS provides for specified medical benefits for member who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System.

Members are always fully vested for their own contributions and, after three years of service credit, become vested for 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 member's accounts.

Significant Legislation - Effective June 28, 2011, P.L. 2011, c. 78 enacted certain changes in the operations and benefit provisions of the TPAF and the PERS systems.

Pension Plan Design Changes - Effective June 28, 2011, P.L. 2011, c. 78, new members of TPAF and PERS, hired on or after June 28, 2011, will need 30 years of creditable service and have attained the age of 65 for receipt of the early retirement benefit without a reduction of 1/4 of 1% for receipt of the early retirement benefit without a reduction of 1/4 of 1% for each month that the member is under age 65. New members will be eligible for a service retirement benefit at age 65.

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

4 **PENSION PLANS (continued)**

Funding Changes - Under the new legislation, the methodology for calculating the unfunded accrued liability payment portion of the employer's annual pension contribution to the PERS, and TPAF.

The unfunded actuarial accrued liability (UAAL) will be amortized for each plan over an open-ended 30 year period and paid in level dollars. Beginning with the July 1, 2019 actuarial valuation (July 1, 2019 for PERS), the UAAL will be amortized over a closed 30 year period until the remaining period reaches 20, when the amortization period will revert to an open-ended 20 year period.

COLA Suspension

The payment of automatic cost-of-living adjustment to current and future retirees and beneficiaries are suspended until reactivated as permitted by this law.

Contribution Requirements

The contribution policy is set by N.J.S.A. 43:15A and N.J.S.A. 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation.

Effective June 28, 2011, P.L. 2001, c. 78 provides for increases in the employee contribution rates: from 5.5% to 6.5% plus an additional 1% phased-in over 7 years beginning in the first year, meaning after 12 months, after the law's effective date for TPAF and PERS.

Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for cost-of-living adjustments, non-contributory death benefits, and post-retirement medical premiums. Under current statute the School is a non-contributing employer of TPAF (i.e., the State of New Jersey makes the employer contribution on behalf of public school districts and Schools).

Annual Pension Costs (APC)

Per the requirements of GASB Statement No. 27 for the year ended June 30, 2011 for TPAF, which is a cost sharing plan with special funding situations, annual pension cost differs from the annual required contribution. For PERS, which is a cost sharing multi-employer defined benefit pension plan, the annual pension cost equals contributions made. TPAF employer contributions are made annually by the State of New Jersey to the pension system on behalf of the Board. PERS employer contributions are made annually by the Board to the pension system in accordance with Chapter 114, P.L. 1997. In the DCRP, which is a defined contribution plan, member contributions are matched by a 3% employer contribution.

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

4 PENSION PLANS (continued)

The School's contribution to PERS for the year ended June 30, 2023 was \$222,655.

In accordance with N.J.S.A 18A:66-66 the School recorded as revenue for the year ended June 30, 2023 for the employer's share of social security contributions for TPAF members, as calculated on their base salaries in the amount of \$390,560. Also, the State paid \$2,366,829 into the TPAF pension representing on-behalf employer's portion of the TPAF Pension System Contributions, TPAF Post-Retirement Medical Benefits Contributions and TPAF Long Term Disability Insurance Premium Contributions for the School. These amounts have been included in the school wide financial statements and the fund financial statements as a revenue and expenditure in accordance with GASB No. 24.

5 PENSION PLANS – GASB 68 DISCLOSURES

Teachers' Pension and Annuity Fund (TPAF)

Summary of Significant Accounting Policies

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 position of the Teachers' Pension and Annuity Fund (TPAF) and additions to/deductions from the TPAF's fiduciary net position have been determined on the same basis as they are reported by the TPAF.

For this purpose, 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.

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

The employer contributions for the Charter School are legally required to be funded by the State in accordance with N.J.S.A 18:66-33. Therefore, the Charter School (employer) is considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a non-employer contributing entity. Since the Charter School (employer) does 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 Charter School. However, the state's portion of the net pension liability that was associated with the Charter School was \$21,442,722 as measured on June 30, 2022 and \$16,087,663 as measured on June 30, 2021.

For the year ended June 30, 2023, the Charter School recognized pension expense of \$577,056 and revenue of \$577,056 for support provided by the State. The measurement period for the pension expense and revenue reported in the Charter School's financial statements (A-2) at June

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

5 PENSION PLANS – GASB 68 DISCLOSURES (continued)

30, 2023 is based upon changes in the collective net pension liability with a measurement period of June 30, 2021 through June 30, 2022. Accordingly, the pension expense and the related revenue associated with the support provided by the State are based upon the changes in the collective net pension liability between July 1, 2021 and June 30, 2022.

Although the Charter School does not report net pension liability or deferred outflows or inflows related to the TPAF, the following schedule illustrates the collective net pension liability and deferred items and the State's portion of the net pension liability associated with the Charter School.

The collective amounts are the total of all New Jersey local governments participating in the TPAF plan.

	<u>June 30, 2022</u>	<u>June 30, 2021</u>
Collective deferred outflows of resources	\$4,996,491,160	\$6,356,228,800
Collective deferred inflows of resources	\$19,532,696,776	\$27,175,330,929
Collective net pension liability (Non-employer - State of New Jersey)	\$51,594,415,806	\$48,165,991,182
State's portion of the net pension liability that was associated with the Charter School	\$21,441,722	\$16,087,663
State's portion of the net pension liability that was associated with the Charter School as a percentage of the collective net pension liability	.041558%	.033464%

Actuarial Assumptions

The total pension liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation (Price):	2.75%
Inflation (Wage):	3.25%
Salary Increases: Thereafter	2.75 - 5.65% based on years of service
Investment Rate of Return:	7%

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. Postretirement

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

5 PENSION PLANS – GASB 68 DISCLOSURES (continued)

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-2020.

The actuarial assumptions used in the July 1, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2018.

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2022) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits. The long term expected 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 real 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:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
US 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%

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

5 PENSION PLANS – GASB 68 DISCLOSURES (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 of the Net Pension Liability to Changes in the Discount Rate

At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
\$60,591,896,759	\$51,676,587,003	\$44,166,559,329

Pension Plan Fiduciary Net Position

Detailed information about the pension plan’s fiduciary net position is available in the separately issued State of New Jersey Divisions of Pensions and Benefits financial report at:
<http://www.nj.gov/treasury/pensions/gasb-notices.shtml>.

Public Employees’ Retirement System (PERS)

Summary of Significant Accounting Policies

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 position of the PERS and additions to/deductions from PERS fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, 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.

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

At June 30, 2023, the Charter School reported a liability of \$2,664,586 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 was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022.

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

5 PENSION PLANS – GASB 68 DISCLOSURES (continued)

The Charter School’s proportion of the net pension liability is based on the ratio of the contributions as an individual employer to total contributions to the PERS during the years ended June 30, 2022. At June 30, 2022, the Charter School’s proportion was .017656%.

For the year ended June 30, 2023, the Charter School recognized pension expense of \$544,042. At June 30, 2023, the Charter School reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 19,232	\$ 16,960
Changes of assumptions	8,256	398,994
Net difference between projected and actual earnings on pension plan investments	110,285	
Changes in proportion and differences between Charter School contributions and proportionate share of contributions	931,648	345,078
Charter School contributions subsequent to the measurement date.	222,655	0
Total	<u>\$1,292,076</u>	<u>\$761,032</u>

The Charter School reported \$222,655 as deferred outflows of resources related to pensions resulting from school Charter School contributions subsequent to the measurement date (i.e. for the school year ended June 30, 2023, the plan measurement date was June 30, 2022) will be recognized as a reduction of the net pension liability measured as of June 30, 2023.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	Year Ended June 30:
2023	(228,561)
2024	(116,444)
2025	(56,788)
2026	123,889
2027	(272)
Total:	<u>(\$278,176)</u>

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

5 PENSION PLANS – GASB 68 DISCLOSURES (continued)

	<u>June 30, 2021</u>	<u>June 30, 2022</u>
Collective deferred outflows of resources	\$166,077,208	\$1,164,738,169
Collective deferred inflows of resources	\$3,236,303,905	\$8,339,123,762
Collective net pension liability (Non-State-Local Group)	\$15,219,184,920	\$11,972,782,878
Charter School's proportion of net pension liability	2,664,586	2,231,908
Charter School's proportion percentage	.017656%	.01884%

Actuarial Assumptions

The collective total pension liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. This actuarial valuation used the following actuarial assumptions:

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%

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.

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 net pension liability measured as of June 30, 2022, calculated using the discount rate of 7.00%, as well as what the Charter School's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower or one-percentage-point higher than the current rate:

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

5 **PENSION PLANS – GASB 68 DISCLOSURES (continued)**

	2022		
	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Charter School’s proportionate share of the net pension liability	\$3,064,274	\$2,664,586	\$2,264,898

Pension Plan Fiduciary Net Position

Detailed information about the pension plan’s fiduciary net position is available in the separately issued State of New Jersey Divisions of Pensions and Benefits financial report at:
<http://www.nj.gov/treasury/pensions/gasb-notices.shtml>.

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 Investments 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 real 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:

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

5 PENSION PLANS – GASB 68 DISCLOSURES (continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
US 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%

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 and the nonemployer contributing entity 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.

6 POST RETIREMENT MEDICAL BENEFITS

General Information about the OPEB Plan

State Health Benefit State Retired Employees Plan:

Pension and Other Postemployment Benefits (OPEB) Obligations in Fiscal Year 2022 the State funded the various defined benefit pension systems at 108 percent of the full actuarially determined contributions. Employer contributions to the pension plans are calculated per the requirements of the governing State statutes using generally accepted actuarial procedures and practices. The actuarial funding method used to determine the State's contribution is a matter of State law. Any change to the funding method requires the approval of the State Legislature and the Governor. The amount the State actually contributes to the pension plans may differ from the actuarially determined contributions of the pension plans because the State's contribution to the

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

6 **POST RETIREMENT MEDICAL BENEFITS (continued)**

pension plans is subject to the appropriation of the State Legislature and actions by the Governor. GASB Statement No. 68, Accounting and Financial Reporting for Pensions, requires participating employers to recognize their proportionate share of the collective net pension liability. Under the new statement, the calculation of the pension liability was changed to a more conservative methodology and each employer was allocated a proportional share of the pension plans' net pension liability. The State's share of the net pension liability, based on a measurement date of June 30, 2021, which is required to be recorded on the financial statements, is \$75.1 billion. The Fiscal Year 2023 projected aggregate State contribution to the pension plans of \$6.8 billion represents 104 percent of the actuarially determined contribution. The State provides post-retirement medical (PRM) benefits for certain State and other retired employees meeting the service credit eligibility requirements. In Fiscal Year 2022, the State paid PRM benefits for 161,238 State and local retirees. The State funds post-retirement medical benefits on a "pay-as-you-go" basis, which means that the State does not pre-fund, or otherwise establish a reserve or other pool of assets against the PRM expenses that the State may incur in future years. For Fiscal Year 2022, the State contributed \$1.9 billion to pay for "pay-as-you-go" PRM benefit costs incurred by covered populations, a slight increase from \$1.8 billion in Fiscal Year 2021. The State has appropriated \$2.1 billion in Fiscal Year 2023 as the State's contribution to fund increases in prescription drugs and medical claims costs. In accordance with the provisions of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, the State is required to quantify and disclose its obligations to pay Other Postemployment Benefits (OPEB) to retired plan members. This new standard supersedes the previously issued guidance, GASB Statement No. 45, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, effective for Fiscal Year 2018. The State is now required to accrue a liability in all instances where statutory language names the State as the legal obligor for benefit payments. The Fiscal Year 2022 State OPEB liability to provide these benefits is \$88.9 billion, a decrease of \$12.7 billion, or 12.5 percent from the \$101.6 billion liability recorded in Fiscal Year 2021. Additional information on Pensions and OPEB can be accessed on the Division of Pensions & Benefits Financial Reports webpage: <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

Total OPEB Liability

The total nonemployer OPEB liability as of June 30, 2022 was determined by an actuarial valuation as of June 30, 2021, which was rolled forward to June 30, 2022. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Preretirement mortality rates were based on the Pub-2010 Healthy "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"

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

6 POST RETIREMENT MEDICAL BENEFITS (continued)

classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP -2021 for current disabled 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.

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

	TPAF	PERS
Salary increases:	2.75% to 4.25% based on years of service	2.75% to 6.55% based on years of service

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

Health Care Trend Assumptions

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 liability was 3.54%. This 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.

Changes in the Total OPEB Liability reported by the State of New Jersey:

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

6 POST RETIREMENT MEDICAL BENEFITS (continued)

	Total OPEB Liability
The State's Total OPEB Liability Balance at June 30, 2021	\$60,007,650,970
Changes for the year:	
Service Cost	2,770,618,025
Interest on the Total OPEB Liability	1,342,187,139
Changes in Benefit Terms	-
Differences Between Expected and Actual Experience	1,399,476,059
Changes of Assumptions	(13,586,368,097)
Gross Benefit Payments by the state	(1,329,476,059)
Contributions from Members	42,374,929
Net Changes	(9,361,188,004)
The State's Total OPEB Liability Balance at June 30, 2022	\$50,646,462,966
The State's Total OPEB Liability attributable to the Charter School	\$5,032,964

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the State for school board retirees, as well as what the State's total OPEB liability for school board would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	June 30, 2021		
	At 1% Decrease 1.16%	At Discount Rate 2.16%	At 1% Increase 3.16%
Total OPEB Liability (School Retirees)	\$71,879,745,555	\$60,007,650,970	\$50,659,089,138
	June 30, 2022		
	At 1% Decrease 2.54%	At Discount Rate 3.54%	At 1% Increase 4.54%
Total OPEB Liability (School Retirees)	\$59,529,589,697	\$50,646,462,966	\$43,527,080,995

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the State, as well as what the State's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	June 30, 2021		
	At 1% Decrease	Health Care Cost Trend Rate	At 1% Increase
Total OPEB Liability (School Retirees)	\$48,576,388,471	\$60,007,650,970	\$75,358,991,782
	June 30, 2022		
	At 1% Decrease	Health Care Cost Trend Rate	At 1% Increase
Total OPEB Liability (School Retirees)	\$41,862,397,291	\$50,646,462,966	\$62,184,866,635

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

6 POST RETIREMENT MEDICAL BENEFITS (continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2022, the Charter School recognized OPEB expense and related revenue of \$1,882,508 determined by the State as the total OPEB liability for benefits provided through a defined benefit OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASBS No. 75 and in which there is a special funding situation.

In accordance with GASBS No. 75, the Charter School's proportionate share of school retirees OPEB is zero, and there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources. At June 30, 2022, the State reported deferred outflows of resources and deferred inflows of resources related to retired school employee's OPEB from the following sources:

	Deferred Outflows of	Deferred Inflows of
Differences between expected and actual experience	\$9,042,402,619	\$15,462,950,679
Changes of assumptions or other inputs	8,765,620,577	17,237,289,230
Total	<u>\$17,808,023,196</u>	<u>\$32,700,239,909</u>

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

Fiscal Year 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)
Thereafter	(3,921,361,006)
	<u>(\$14,892,216,713)</u>

7 ECONOMIC DEPENDENCY / CONCENTRATIONS

The Charter School receives a substantial amount of its support from federal, state governments and College Achieve Public Charter Schools, Inc. (a related party). A significant reduction in the level of support, if it were to occur, could have an effect on the Charter School's programs and activities.

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

8 **CONTINGENT LIABILITIES**

The Charter School participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government.

If expenditures are disallowed due to noncompliance with grant program regulations, the Charter School may be required to reimburse the grantor government. As of June 30, 2023, significant amounts of grant expenditures have not been audited by the various grantor agencies but the Charter School believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the Charter School.

The Charter School’s attorney’s letter advises that there is no litigation, pending litigation claims, contingent liabilities, unasserted claims for assessments or statutory violations which involved the Charter School and which might materially affect the Charter School’s financial position.

9 **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 and surety bonds. A complete schedule of insurance coverage can be found in the Statistical Section (UNAUDITED) of this Annual Comprehensive Financial Report.

New Jersey Unemployment Compensation - The Charter School has elected to fund its New Jersey Unemployment Compensation under the "Contributory Method". Under this plan, the Charter School is required to remit employee withholdings to the State on a quarterly basis. All of the Charter School's claims are paid by the State.

10 **RECEIVABLES AND RELATED PARTY**

Receivables as of 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 and proprietary fund receivables are as follows:

	General Fund	Special Revenue Fund	Proprietary Fund	Total
Receivables:				
Receivables – CA Charters Schools	\$368,781			\$368,781
Accounts	<u>612,134</u>	<u>\$579,407</u>	<u>\$49,787</u>	<u>1,241,328</u>
Gross Receivables	<u>\$980,915</u>	<u>\$579,407</u>	<u>\$49,787</u>	<u>\$1,610,109</u>

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

10 **RECEIVABLES AND RELATED PARTY (continued)**

Accounts Receivables – Health Insurance Co-Op – CA Charter Schools - The following amounts are due from other College Achieve Charter Schools for amounts advanced for Health Insurance CO-OP payment health insurance premiums:

College Achieve Greater Asbury Park Charter School	\$184,243
College Achieve Paterson Charter School	<u>184,538</u>
Total	<u><u>\$368,781</u></u>

These amounts were subsequently collected in July 2023.

11 **CAPITAL ASSETS**

The following schedule is a summarization of the governmental activities changes in capital assets for the year ended June 30, 2023.

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

	<u>Balance</u> <u>July 1, 2022</u>	<u>Increase/</u> <u>Decrease</u>	<u>Balance</u> <u>June 30, 2023</u>
Governmental Activities			
Capital Assets, being Depreciated:			
Furniture	\$141,352	\$ -	\$141,352
Equipment	4,400	-	4,400
Improvements	-	230,933	230,933
Total Capital Assets, being Depreciated	<u>\$145,752</u>	<u>\$230,933</u>	<u>\$376,685</u>
Less: Accumulated Depreciation			
Furniture	\$(64,592)	\$(14,190)	\$ 78,782
Equipment	(4,400)	-	(4,400)
Improvements	-	(7,697)	(7,697)
Total Accumulated Depreciation	<u>\$(68,992)</u>	<u>\$(21,887)</u>	<u>\$(90,879)</u>
Governmental Activities Capital Assets, Net	<u>\$ 76,760</u>	<u>\$209,046</u>	<u>\$285,806</u>

Depreciation expense of \$21,887 was charged to an unallocated function.

	<u>Beginning</u> <u>Balance</u> <u>July 1, 2022</u>	<u>Net Additions</u> <u>(Deletions)</u>	<u>Ending</u> <u>Balance</u> <u>June 30, 2023</u>
Governmental Activities			
Right to use lease assets:			
Premises	\$39,787,871	---	\$39,787,871
Total	\$39,787,871	\$0	\$39,787,871
Less: accumulated amortization for:	(1,136,796)	(1,136,796)	(2,273,592)
Right to use lease assets, net	<u>\$38,651,075</u>	<u>(\$1,136,796)</u>	<u>\$37,514,279</u>

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

12. RELATED PARTY TRANSACTIONS - COLLEGE ACHIEVE PUBLIC CHARTER SCHOOLS, INC.

Rental Commitments

A lease was entered into with Edvillage, 107 Westervelt LLC on December 1, 2021 for the property at 107-111 Westervelt Ave. Plainfield, NJ. The term of the lease is through June 30, 2024 with automatic renewals equal to each charter renewal until June 30, 2056 with increases of 2.25%.

CAPS entered into with Friends of Central Jersey Arts Charter School in June 2021 for the property at 1225 South Ave, Plainfield. The term of the lease is through July 31, 2025 with an option of one 5 year renewal through July 31, 2030 CACCS entered into a sublease with CAPS with rent 10% more than base rent.

A lease was entered into with College Achieve Public Schools in July 2019 for the property at 365 Emerson Ave, Plainfield. The term of the lease is through June 30, 2024.

The Charter School leases its premises under the terms of non-cancelable leases from Westervelt LLC and others through the Charter School's current charter. Certain leases are automatically extended upon the charter renewal and can be extended through various dates through June 30, 2056. Interest expense on the leases was \$1,927,701 for the year ended June 30, 2023, which is reflected as lease interest expense in the accompanying budgetary comparison schedule – general fund (exhibit C-1). The net value of the right-to-use lease assets and lease liabilities was (\$671,598) as of June 30, 2023, which was calculated using a discount rate of 4% (the School's estimated incremental borrowing rate as of July 1, 2021). Amortization of the related right-to-use lease assets was \$1,136,796 for the year ended June 30, 2023.

Future minimum payments due under these agreements and future amortization are as follows:

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Long Term Lease Schedule
June 30, 2023

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Amortization</u>
2023 - 2057	\$38,185,877	\$32,651,998	\$37,514,279

In addition the charter school is to maintain the following covenants under this lease as follows:

Financial Covenants - Tenant agrees to maintain the following financial covenants applicable to it as a member of the defined term Covenant Group (College Achieve Central Charter School and Edvillage 107 Westervelt, LLC:

(a) *Debt Service Coverage Ratio* - The Tenant covenants that the Covenant Group shall maintain in each Fiscal Year a Debt Service Coverage Ratio of at least 110%, subject to statutory, governmental,

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

12. RELATED PARTY TRANSACTIONS - COLLEGE ACHIEVE PUBLIC CHARTER SCHOOLS, INC. (continued)

judicial and/or administrative limitations on the ability of members of the Covenant Group to collect revenues.

(b) *Cash on Hand Ratio* - The Tenant covenants that the Covenant Group shall maintain in each Fiscal Year the ratio obtained by dividing (i) Cash on Hand for such Fiscal Year by (ii) Cash Operating Expenses for such Fiscal Year, calculated as of the last day of such Fiscal Year at least 15%.

For the fiscal year ended June 30, 2022, the Covenant Group achieved a debt service coverage ratio of 2.253 and a cash on hand ratio of 1.778%. The Group covenant calculations for the year ended June 30, 2023 are not yet available.

Operations and Maintenance Covenant - In addition to Rent due herein, the Tenant shall make a monthly payment directly to the Master Trustee for deposit into the Series 2021 O&M Account, in an amount calculated based on the projected 5-year cost set forth in the Capital Needs Assessment, divided by 60 (the "O&M Requirement"). The O&M Requirement shall be adjusted downwards by the amount of any included capital outlay improvements which are completed by the School or Landlord (the "Modified O&M Requirement). The monthly payment amount shall be sufficient to grow the balance of the 2021 O&M Account to equal the Modified O&M Requirement as of the fifth anniversary of the Capital Needs Assessment, with a minimum of \$5,000 per month and maximum of \$50,000 per month.

Working Capital Loans

The school received non-interest bearing working capital loans in the amount of \$150,000 and \$400,000 from College Achieve Public Schools, Inc (CAPS) (a related party) during the year ended June 30, 2023.

The amounts were repaid in full and the outstanding balance at June 30, 2023 was \$0.00.

Management Agreement

For management services, the School is required to compensate CAPS an annual fee in accordance with its Management Agreement with a fixed yearly fee equal to 15.0% of the combined Core Federal/State/Local Revenues. From time-to-time CAPS may reduce the fee in support of CAPS Central, at the sole discretion of CAPS. For the 2022-23 school year, the School paid CAPS a fee of \$3,642,080 which was approximately 15.0% of the School's Core Federal/State/Local Revenues. Under the Master Indenture and pursuant to an Assignment and Subordination of Management Fees by the Manager to the Master Trustee, payment of Management Fees is subordinate to payment of debt service on the Series 2021 Bonds. The Manager is the manager of three K-12 charter schools, including (i) CAPS Paterson located in Paterson, New Jersey ("CAPS Paterson"), (ii) CAPS Asbury Park, located in Asbury Park, New Jersey ("CAPS Asbury Park" and, together with CAPS Paterson, the "Other CAPS Schools"), and (iii) the School (together with the Other CAPS Schools, the "CAPS Network Schools"). Each of the Other CAPS Schools is its own New Jersey nonprofit

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

12. RELATED PARTY TRANSACTIONS - COLLEGE ACHIEVE PUBLIC CHARTER SCHOOLS, INC. (continued)

corporation. Included in Accounts Payable, at June 30, 2023 is \$142,708 due to CAPS on the management fee.

Issuance of Series 2021 Bonds by Ed Village 107 Westervelt, LLC

College Achieve Central Charter School A NJ Nonprofit Corporation, a public charter school organized pursuant to P.L. 1995 c. 426, N.J.SA 18A:36A ("School") is managed by College Achieve Public Charter Schools, Inc. ("CAPS"), a 501(c)(3) nonprofit charter management organization. CAPS is not an affiliate of the School. EdVillage 107 Westervelt LLC (the "Borrower") is a New Jersey limited liability company organized in June 2021, the sole member of which is CAPS a New Jersey nonprofit corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986 (the "Code"). Pursuant to a Loan Agreement, the Public Finance Authority of Wisconsin loaned the proceeds of the Series 2021 Bonds to the Borrower, which proceeds were used to (a) finance the acquisition of the property at 197 Westervelt Avenue, ("Westervelt Campus") which will be leased to the School for operation of a charter school known as College Achieve Central Charter School (b) fund a debt service reserve fund for the Series 2021 Bonds, and (c) pay all or a portion of the costs of issuance of the Series 2021 Bonds. On December 1, 2021, the Series 2021 Bonds were issued and the Borrower acquired the Westervelt Campus from the School's current landlord, an unrelated third party, for a purchase price of \$17,800,000. The Borrower will lease the Westervelt Campus to the School pursuant to the terms of a Lease Agreement, dated as of the 1st day of December 2021 (the "Lease Agreement"), by and between the Borrower and the School. The Borrower's sole expected source of revenue will be the Lease Payments (as defined in the Lease Agreement) it receives from the School pursuant to the Lease Agreement. The Lease Payments are structured to be sufficient for the Borrower to make debt service payments on the Series 2021 Bonds.

13. SUBSEQUENT EVENTS

The Charter School has evaluated subsequent events occurring after the financial statement date through February 14, 2024 which is the date the financial statements were available to be issued. Based upon this evaluation, the Charter School has determined that the following subsequent event needs to be disclosed.

Advances from College Achieve Public Schools, Inc.

Subsequent to June 30, 2023, the school received non-interest bearing working capital advances in the amount of \$1,696,032 from College Achieve Public Schools, Inc.(CAPS) (a related party).

As of the date of this report, a total of \$1,296,032 has been repaid, leaving an outstanding balance of \$400,000. The school will be repaying the balance in monthly \$100,000 installments.

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

15. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Explanation of Certain Differences Between the Governmental Fund Balance Sheet (B-1) and the Government-wide Statement of Net Position (A-1).

The governmental fund balance sheet includes reconciliation between fund balance - total governmental funds and net position - governmental activities as reported in the Government-wide statement of net position.

One element of that reconciliation explains that long-term liabilities, including deferred pension liability are not due and payable in the current period and therefore are not reported in the funds. The reconciliation is as follows:

Fund balance per B-1 as of June 30, 2023 - Governmental	\$3,587,161
Cost of capital assets net accumulated depreciation	285,806
Right -to-use assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$39,787,871 less the accumulated amortization (\$2,273,592)	37,514,279
Lease liabilities used in governmental activities are not financial resourced and therefore are not reported in the funds	(38,185,877)
Pension deferred outflows	1,292,076
Pension deferred inflows	(761,032)
Deferred pension liability	(2,664,586)
Net position (per A-1) as of June 30, 2023 - Governmental	\$1,067,827

16. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Interfunds - The composition of interfund balances as of June 30, 2023 is as follows:

The interfund receivables and payables above predominately resulted from payments made by certain funds on behalf of other funds.

Interfund Transfers:

	Transfer In:			
	General Fund Accts Rec	Special Revenue (Payable)	Food Service	Balance
Transfer Out:				
General Fund	611,694	(561,907)	(49,787)	\$0
Total Transfers	611,694	(561,907)	(49,787)	\$0

For the fiscal year ended June 30, 2023, a transfer from the general fund in the amount of \$23,135 was made to fund the operating (loss) in the food service enterprise fund.

**REQUIRED SUPPLEMENTARY INFORMATION
PART II**

BUDGETARY COMPARISON SCHEDULES

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2023

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES:					
Local Sources:					
Local Share	\$ -	\$ -	\$ -	\$ -	\$ -
State / Local Share	21,730,816	29,987	21,760,803	21,760,803	-
Miscellaneous	4,755	(4,755)	0	76,839	(76,839)
Total - Local Sources	<u>21,735,571</u>	<u>25,232</u>	<u>21,760,803</u>	<u>21,837,642</u>	<u>(76,839)</u>
Special Education	583,106	33,277	616,383	616,383	-
Security Aid	604,519	45,393	649,912	649,912	-
Non-Public Aid	-	-	-	87,566	(87,566)
TPAF Pension (On-Behalf - Non-Budgeted)	-	-	-	1,872,908	(1,872,908)
TPAF Post Retirement Medical (On-Behalf - Non-Budgeted)	-	-	-	492,008	(492,008)
TPAF . LTD (On-Behalf - Non-Budgeted)	-	-	-	1,913	(1,913)
TPAF Social Security (Reimbursed - Non-Budgeted)	-	-	-	390,560	(390,560)
Total State Sources	<u>1,187,625</u>	<u>78,670</u>	<u>1,266,295</u>	<u>4,111,250</u>	<u>(2,844,955)</u>
SEMI Revenue	-	-	-	-	-
Total - Federal Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>22,923,196</u>	<u>103,902</u>	<u>23,027,098</u>	<u>25,948,892</u>	<u>(2,921,794)</u>
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction					
Teachers Salary	6,344,241	(196,666)	6,147,575	5,923,673	\$ 223,902
Other Salaries	1,279,611	181,002	1,460,613	1,460,613	-
Prof/Tech Services	1,822,996	(33,271)	1,789,725	1,789,725	-
Other Purchased Services (400-500 series)	100,000	131,893	231,893	231,893	-
General Supplies	721,000	(648,990)	72,010	68,854	3,156
Textbooks	434,000	(416,724)	17,276	17,276	-
Other Objects	-	-	-	-	-
TOTAL REGULAR PROGRAMS - INSTRUCTION	<u>10,701,848</u>	<u>(982,756)</u>	<u>9,719,092</u>	<u>9,492,034</u>	<u>227,058</u>

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Support Services - General Administrative					
Salaries of Administrative Salaries	1,654,064	377,539	2,031,603	2,031,603	-
Salaries of Secretarial and Clerical Assistants	531,535	(44,754)	486,781	486,781	-
Cost of Benefits	2,547,201	543,139	3,090,340	3,086,154	4,186
Consultants	120,000	(41,923)	78,077	78,077	-
Other Purchased Services (400-500 series)	2,754,493	(393,236)	2,361,257	2,361,257	-
Communications/Telephone	78,324	(13,201)	65,123	65,123	-
Supplies and Materials	86,000	19,101	105,101	105,101	-
Other Objects	112,475	18,137	130,612	130,612	-
	<u>7,884,092</u>	<u>464,802</u>	<u>8,348,894</u>	<u>8,344,708</u>	<u>4,186</u>
Support Services - School Admin/Operation Plant Services					
Salaries	655,891	(45,846)	610,045	610,045	-
Purchased Professional and Technical Services	205,535	131,000	336,535	336,535	-
Other Purchased Services	225,000	603,199	828,199	828,199	-
Rental of Land and Building- other than Lease Purchase Agreements	-	-	-	-	-
Insurance	313,614	(30,393)	283,221	283,221	-
General Supplies	77,700	72,494	150,194	150,194	-
Transportation- Trips	30,000	50,939	80,939	80,939	-
Energy (Energy and Electricity)	162,000	2,582	164,582	164,582	-
Lease Interest Expense	1,872,955	54,746	1,927,701	1,927,701	-
Principal Payments on Lease	554,561	-	554,561	554,561	-
Other Objects	20,000	(20,000)	-	-	-
Total Undist. Expend. - Other Oper. & Maint. Of Plant	<u>4,117,256</u>	<u>818,721</u>	<u>4,935,977</u>	<u>4,935,977</u>	<u>-</u>
Food Service					
Other Purchased Services	-	23,135	23,135	23,135	-
Total Food Services	<u>-</u>	<u>23,135</u>	<u>23,135</u>	<u>23,135</u>	<u>-</u>
On-behalf TPAF Pension Contributions (non-budgeted)				1,872,908	(1,872,908)
On-behalf TPAF Medical Contributions (non-budgeted)				492,008	(492,008)
On-behalf - LTD Contribution (non-budgeted)				1,913	(1,913)
Reimbursed TPAF Social Security Contributions (non-budgeted)				390,560	(390,560)
TOTAL ON-BEHALF CONTRIBUTIONS	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,757,389</u>	<u>(2,757,389)</u>
TOTAL UNDISTRIBUTED EXPENDITURES					
	<u>12,001,348</u>	<u>1,306,658</u>	<u>13,308,006</u>	<u>16,061,209</u>	<u>(2,753,203)</u>
TOTAL GENERAL CURRENT EXPENSE	<u>22,703,196</u>	<u>323,902</u>	<u>23,027,098</u>	<u>25,553,243</u>	<u>(2,526,145)</u>

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
CAPITAL OUTLAY					
Equipment					
Regular Programs - Instruction:					
Instructional Equipment	110,000	(110,000)	-	-	-
Non-Instructional Equipment	50,000	(50,000)	-	-	-
LeasePurchase Agreements	60,000	(60,000)	-	-	-
Interest Expense	-	-	-	-	-
Total Equipment	<u>220,000</u>	<u>(220,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES- GENERAL FUND	22,923,196	103,902	23,027,098	25,553,243	(2,526,145)
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	395,649	(395,649)
Other Financing Sources:					
Operating Transfer In:	-	-	-	-	-
Total Other Financing Sources:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)	-	-	-	395,649	(395,649)
Fund Balance, July 1, 2022	-	-	3,191,512	3,191,512	
Fund Balance, June 30, 2023	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,191,512</u>	<u>\$ 3,587,161</u>	<u>\$ (395,649)</u>

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Budgetary Comparison Schedule
Special Revenue Fund
For the Fiscal Year Ended June 30, 2023

Exhibit C-2
Page 1

	<u>Budget</u>	<u>Transfers</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES:					
Local Sources	-		-	-	
State Sources	\$ 230,418		\$ 230,418	\$ 230,418	
Federal Sources	3,805,845		3,805,845	3,805,845	
Total Revenues	<u>4,036,263</u>		<u>4,036,263</u>	<u>4,036,263</u>	
EXPENDITURES:					
Instruction					
Salaries of Teachers	598,468		598,468	598,468	
Other Salaries for Instruction	-		-	-	
Purchased Professional and Technical Services	1,217,777		1,217,777	1,217,777	
Other Purchased Services (400-500 series)	563,488		563,488	563,488	
Textbooks					
General Supplies	156,295		156,295	156,295	
Recruitment	-		-	-	
Personal Services- Employee Benefits	117,538		117,538	117,538	
Instructional Supplies	766,802		766,802	766,802	
Equipment- Non instructional	-		-	-	
Miscellaneous Expense					
Total Instruction	<u>3,420,368</u>	<u>-</u>	<u>3,420,368</u>	<u>3,420,368</u>	
Support Services					
Salaries of Supervisor of Instruction	91,425		91,425	91,425	
Salaries of Program Directors					
Salaries of Other Professional Staff	-		-	-	
Salaries of Secretaries & Clerical Assistants					
Other Salaries					
Personal Services - Employee Benefits	-		-	-	
Purchased Professional - Educational Services	63,119		63,119	63,119	
Other Purchased Professional Services	-		-	-	
Supplies	-		-	-	
Communication	-		-	-	
Repairs and maintenance	230,418		230,418	230,418	
Tuition					
Travel					
Other purchased Services (400-500 series)	-		-	-	
Building Improvements	230,933		230,933	230,933	
Total Support Services	<u>615,895</u>		<u>615,895</u>	<u>615,895</u>	

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Budgetary Comparison Schedule
Special Revenue Fund
For the Fiscal Year Ended June 30, 2023

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Buildings Improvements					
Instructional Equipment					
Noninstructional Equipment					
Total Facilities Acquisition and Construction Services					
Transfer to Charter School					
Total Expenditures	4,036,263		4,036,263	4,036,263	
Other Financing Sources (Uses)					
Transfer in from General Fund					
Transfer Out to Whole School Reform (General Fund)					
Total Other Financing Sources (Uses)					
Total Outflows					
Excess (Deficiency) of Revenues Over (Under)					
Expenditures and Other Financing Sources (Uses)					

**NOTES TO REQUIRED SUPPLEMENTARY
INFORMATION**

**COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Required Supplementary Information
Budgetary Comparison Schedule
Note to RSI
For the Fiscal Year Ended June 30, 2023**

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

The general fund budget and the special revenue budget basis are GAAP, therefore no reconciliation is required.

**COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
 SCHEDULE OF CHARTER SCHOOL CONTRIBUTIONS - PERS
 FOR THE FISCAL YEARS ENDED JUNE 30*
 (Unaudited)
 Public Employees' Retirement System (PERS)**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Charter School Proportion of the net pension liability (asset)	.017656%	.018840	.017180%	.0189267%	0.010409%
Charter School Proportionate share of the net pension liability (asset)	2,664,588	2,231,908	2,810,705	3,410,322	2,049,502
Charter School Covered employee payroll	1,590,274	1,091,676	1,210,647	1,273,313	767,056
Charter School Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	167.6%	204.5%	232.3%	267.8%	267.19%
Plan fiduciary net position as a percentage of the total pension liability	59.7%	48.9%	43.1%	37.3%	53.60%

*Until a full ten year trend is compiled, information will be presented for those years for which the information is available.

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
SCHEDULE OF CHARTER SCHOOL CONTRIBUTIONS - PERS
FOR THE FISCAL YEARS ENDED JUNE 30*
(Unaudited)
Public Employees' Retirement System (PERS)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contractually required contribution	\$222,655	\$221,641	\$187,497	\$184,102	\$58,971	\$184,102
Contributions in relation to the contractually required contribution	(\$222,655)	(\$221,641)	(\$187,497)	(\$184,102)	(\$58,971)	(\$184,102)
Contribution deficiency (excess)	\$0	\$0	\$0	\$0	\$0	\$0
Charter School Covered employee payroll	\$1,590,274	\$1,091,676	\$1,210,647	\$1,273,313	\$635,749	\$1,075,820
Contributions as a percentage of covered employee payroll	14.3%	20.3%	15.5%	14.5%	9.28%	17.11%

*Until a full ten year trend is compiled, information will be presented for those years for which the information is available.

**COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
SCHEDULE OF THE CHARTER SCHOOL PROPORTIONATE SHARE
OF NET PENSION LIABILITY - TPAF
FOR THE FISCAL YEARS ENDED JUNE 30
(Unaudited)
Teachers' Pension and Annuity Fund (TPAF)**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Charter School Proportion of the net pension liability (asset)**	\$0	\$0	\$0	\$0	N/A	N/A
Charter School Proportionate share of the net pension liability (asset)**	\$0	\$0	\$0	\$0	N/A	N/A
State's proportionate share of the net pension liability (asset) associated with the Charter School	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$0	\$0	\$0	\$0	\$0
Charter School Covered employee payroll	\$5,402,395	\$4,650,637	\$4,205,904	\$5,441,480	\$3,278,642	\$733,466
Charter School Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	32.29%	35.52%	24.60%	26.95%	26.50%	25.40%

**NOTE: TPAF is a special funding situation as defined by GASB Statement No. 68 in which the State of New Jersey is 100% responsible (employer) for contributions to the plan. Since the charter school does not contribute directly to liability to report in the financial the plan there is no net pension statements of the charter school.

**COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
AND SCHEDULE OF DISTRICT CONTRIBUTIONS NOTES TO REQUIRED SUPPLEMENTARY
INFORMATION FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Change of Benefit Terms: None

Change of Assumptions: Assumptions used in calculating the net pension liability and statutorily required employer contribution are presented in the notes to the financial statements.

**COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CHANGES IN THE DISTRICT'S
PROPORTIONATE SHARE OF THE OPEB LIABILITY AND SCHEDULE OF DISTRICT PROPORTIONATE
SHARE OF THE OPEB LIABILITY NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Change of Benefit Terms: None

Change of Assumptions: Assumptions used in calculating the OPEB liability are presented in the notes to the financial statements.

**COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE CHARTER SCHOOL'S PROPORTIONATE SHARE OF
TOTAL OPEB LIABILITY
(UNAUDITED)
Postemployment Health Benefit Plan**

	Fiscal Years*					
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<u>The State of New Jersey's Total OPEB Liability</u>						
Service Cost	\$2,770,618,025	\$3,217,874,264	\$1,790,973,822	\$1,734,404,850	\$1,984,642,729	\$2,391,878,884
Interest	1,342,187,139	1,556,661,679	1,503,341,357	1,827,787,206	1,970,236,232	1,699,441,736
Difference Between Expected and Actual Experience	1,399,200,736	11,449,632,500	11,544,750,637	(7,323,140,818)	(5,002,065,740)	
Benefit Payment	(1,329,476,059)	59,202,105	(1,180,515,618)	(1,280,958,373)	(1,232,987,247)	(1,242,412,566)
Contributions from Members	42,650,252		35,781,384	37,971,171	42,614,005	45,748,749
Changes of Assumptions or other inputs	(13,586,368,097)	(1,186,417,186)	12,386,549,981	622,184,027	(5,291,448,855)	(7,086,599,129)
Net change in total OPEB liability	(\$9,361,188,004)	(\$7,802,311,638)	\$26,080,881,563	(\$4,381,751,937)	(\$7,529,008,876)	(\$4,191,942,326)
Total OPEB Liability - Beginning	\$60,007,650,970	\$67,809,962,608	\$41,729,081,045	\$46,110,832,982	\$53,639,841,858	\$57,831,784,184
Total OPEB Liability - Ending	\$50,646,462,966	\$60,007,650,970	\$67,809,962,608	\$41,729,081,045	\$46,110,832,982	53,639,841,858
The State of New Jersey's total OPEB liability**	\$50,646,462,966	\$60,007,650,970	\$67,809,962,608	\$41,729,081,045	\$46,110,832,982	\$53,639,841,858
The State of New Jersey's OPEB liability attributable to the Charter School	\$5,032,964	\$5,736,727	\$5,562,860	\$884,529	\$417,193	\$0
The Charter School's proportionate share of the total OPEB liability	0	0	0	0	0	0
Charter School's covered employee payroll	6,992,669	4,460,787	\$5,416,551	\$1,897,662	\$1,143,170	\$0
Total Charter School's OPEB liability as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Charter School's contribution	None	None	None	None	None	None
State's covered employee payroll	\$14,753,355,408	\$14,425,669,769	\$14,267,738,657	\$13,929,081,045	\$13,640,275,833	\$13,493,400,208
Total State's OPEB liability as a percentage of its covered-employee payroll	343.29%	416.00%	475.00%	300.00%	338.00%	397.53%

**Note: Other Post Employment Benefits (OPEB) for employees of the Teachers' Pension and Annuity Fund (TPAF) and the Public Employees Retirement System (PERS) is considered a special funding situation as defined by GASB Statement No. 75 in which the State of New Jersey is 100% responsible for contributions to the health insurance plan. The district (employer) does not contribute to the plan and the district's OPEB liability is zero.

*Until a full ten year trend is compiled, information will be presented for those years for which information is available.

SPECIAL REVENUE FUND

Special Revenue Funds are used to account for the proceeds of special revenue resources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
 Special Revenue Fund
 Combining Schedule of Revenues and Expenditures- Budgetary Basis
 For the Fiscal Year Ended June 30, 2023

	TOTAL	Title I	Title I SIA	Title III	Title III Immigrant	IDEA BASIC	IDEA PRE K	CRRSA ACT LEARN	CRRSA ACT ACCEL	CRRSA ACT MENT HLTH	ARP ESSER GR	ARP ESSER LEARN CH	ARP ESSER EVID SUMMER	ARP ESSER EVID BEY	ARP ESSER MENT HLTH	ARP HOMELESS CHILD	SDA EMERGENT
REVENUES																	
Intergovernmental																	
State	\$230,418																\$230,418
Federal	\$3,805,845	\$657,428	\$160,600	\$32,405	\$8,771	\$300,683	\$5,984	\$69,972	\$26,500	\$2,355,992	\$78,119	\$40,000	\$16,148	\$45,000	\$8,243		
Other Sources																	
Miscellaneous																	
Total Revenues	4,036,263	657,428	160,600	32,405	8,771	300,683	5,984	69,972	26,500	2,355,992	78,119	40,000	16,148	45,000	8,243	230,418	
EXPENDITURES																	
Instruction																	
Salaries	598,468	167,468	13,999	26,525				52,500		285,819		37,157	15,000				
Other Purchased Services	563,488	50,000	0	0						445,245	60,000				8,243		
Purchased Prof. and Tech.and Edu Services	1,217,777	134,764	35,000	3,851	8,771	300,683	5,984			728,724		0					
General Supplies	156,295	85,000	10,000	0						58,452		2,843					
Recruitment	0																
Personal Services - Employee Benefits	117,538	85,408	1,071	2,029						27,882			1,148				
Rent																	
Textbooks																	
Instruction supplies	766,802	134,788	100,530					4,972	26,500	500,012							
Instructional Equipment				0													
Equipment Non- Instructional																	
Miscellaneous Expense																	
Total Instruction	3,420,368	657,428	160,600	32,405	8,771	300,683	5,984	57,472	26,500	2,046,134	60,000	40,000	16,148	0	8,243	0	
Support Services																	
Salaries of Supervisors of Instruction	91,425	0	0					12,500		78,925							
Salaries of Program Directors																	
Salaries of Other Prof. Staff																	
Salaries of Secretarial and Clerical Ass't																	
Personal Services - Employee Benefits																	
Supplies and Materials	0	0	0	0													
Communication	0																
Purchased Professional/Educational Services	63,119										18,119			45,000			
Repairs and Maintenance	230,418																230,418
Class- room Improvements																	
Building Improvements	230,933									230,933							
Non instructional Equipment																	
Total Support Services	615,895	0	0	0	0	0	0	12,500	0	309,858	18,119	0	0	45,000	0	230,418	
TOTAL EXPENDITURES	\$4,036,263	\$657,428	\$160,600	\$32,405	\$8,771	\$300,683	\$5,984	\$69,972	\$26,500	\$2,355,992	\$78,119	\$40,000	\$16,148	\$45,000	\$8,243	\$230,418	

PROPRIETARY FUNDS

ENTERPRISE FUND

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that the cost of providing goods and services be financed through user charges or where the board has decided that periodical determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

Food Service Fund - The fund provides for the operation of food services in all schools.

Exhibit G-1

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Statement of Net Position
Proprietary Fund
As of June 30, 2023

	Proprietary Fund Business-Type Activities Enterprise
	<u>Enterprise</u>
ASSETS	
Current Assets	
Cash and Cash Equivalents	\$0
Interfund	(\$49,787)
Intergovernmental Receivable	
Federal	47,916
State	1,871
Total Current Assets	<u> </u>
Total Assets	<u><u> </u></u>
LIABILITIES	
Account Payable	<u> 0</u>
Total Current Liabilities	<u> 0</u>
Net Position	
Unrestricted	0
Invested in capital assets - net	
Total Net Position	<u><u> \$0</u></u>

Exhibit G-2

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Fund
For the Fiscal Year Ended June 30, 2023

	Proprietary Fund Business-Type Activities Enterprise
OPERATING REVENUES	
Other Grants	
Total Other Grants	-
	<hr style="border-top: 3px double black;"/>
OPERATING EXPENSES	
Supplies, Materials & Other	(\$1,000,613)
Total Operating Expenses	(1,000,613)
	<hr style="border-top: 3px double black;"/>
Income (Loss) From Operations	(1,000,613)
	<hr style="border-top: 3px double black;"/>
Nonoperating Revenues	
State Sources	
State Breakfast	10,206
State Lunch	20,021
Federal Sources	
School Breakfast Program	158,273
National School Snack	8,758
National School Lunch Program	608,705
Total Nonoperating Revenues	805,963
	<hr style="border-top: 3px double black;"/>
Net Income (Loss)	(194,650)
Transfer in - Subsidy From General Fund	23,135
	<hr style="border-top: 3px double black;"/>
Total Net Position - July 1, 2022	171,515
	<hr style="border-top: 3px double black;"/>
Total Net Position - June 30, 2023	\$0
	<hr style="border-top: 3px double black;"/>

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Statements of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2023

	Proprietary Fund Business-Type Activities
Cash flows from operating activities	\$0
Cash Payments supplies, material and other	(1,000,613)
Net Cash (Used) by Operating Activities	<u>(1,000,613)</u>
 Cash Flows from Noncapital Financing Activities	
Transfer of subsidy from General Fund	23,135
Cash Received from State and Federal Subsidy Reimbursements	973,478
Net Cash Provided by Noncapital Financing Activities	<u>1,000,613</u>
 Cash Flows from Investing Activities	
Net Cash Provided by Investing Activities	<u>0</u>
Net Increase in Cash and Cash Equivalents	0
Cash and Cash Equivalents, Beginning of Year - July 1, 2022	0
Cash and Cash Equivalents, End of Year - June 30, 2023	<u>\$0</u>
 Reconciliation of Operating Income to Net Cash Used by Operating Activities	
Operating Income (Loss)	(\$194,650)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities	0
Transfer of subsidy from General Fund	23,135
Decrease in Interfund	(49,185)
(Increase) Decrease in Accounts Receivable	220,700
Change in Assets and Liabilities	0
Total Adjustment	<u>194,650</u>
 Net Cash Provided by (Used In) Operating Activities	<u>\$ -</u>

FIDUCIARY FUNDS

(NOT APPLICABLE)

**COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Combining Statement of Agency Funds Net Position
Fiduciary Funds
As of June 30, 2023**

NOT APPLICABLE

Exhibit H-2

**COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Nonexpendable Trust Fund
Combining Statement of Agency Fund Net Position
Fiduciary Funds
As of June 30, 2023**

NOT APPLICABLE

Exhibit H-3

**COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Student Activity Agency Fund
Schedule of Receipts and Disbursements
Fiduciary Funds
For the Fiscal Year Ended June 30, 2023**

NOT APPLICABLE

Exhibit H-4

**COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Payroll Agency Fund
Schedule of Receipts and Disbursements
Fiduciary Funds
For the Fiscal Year Ended June 30, 2023**

NOT APPLICABLE

Exhibit H-5

**COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Unemployment Compensation Insurance Trust Fund
Statement of Receipts and Disbursements
Fiduciary Funds
For the Fiscal Year Ended June 30, 2023**

NOT APPLICABLE

STATISTICAL SECTION

This part of the College Achieve Central Charter School annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the school's overall financial health.

Contents

Exhibits

Financial Trends

J-1 to J-5

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

Revenue Capacity

J-6 to J-9

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

Debt Capacity

J-10 to J-13

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

Demographic and Economic Information

J-14 and J-15

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

Operating Information

J-16 to J-20

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

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

FINANCIAL TRENDS

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
NET POSITION BY COMPONENT
FOR THE FISCAL YEARS ENDED JUNE 30
ACCRUAL BASIS OF ACCOUNTING
(UNAUDITED)

	2023	2022	2021	2020	2019	2018
Governmental activities						
Invested in capital assets, net	\$ 285,806	\$ 76,760	\$ 91,241	\$ 105,722	\$ 120,352	\$ 114,769
Amortization exp over prin paymts over leases	-	(89,362)	-	-	4,475	4,475
Unrestricted (Deficit)	782,021	1,156,702	1,247,107	(921,121)	(411,483)	117,121
Total governmental activities net position	<u>\$ 1,067,827</u>	<u>\$ 1,144,100</u>	<u>\$ 1,338,348</u>	<u>\$ (815,399)</u>	<u>\$ (286,656)</u>	<u>\$ 236,365</u>
Business-type activities						
Invested in capital assets, net						
Restricted	-	-	-	-	7,462	593
Unrestricted	-	-	-	-	7,462	593
Total business-type activities net position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,462</u>	<u>\$ 593</u>
School-wide						
Invested in capital assets, net	285,806	76,760	91,241	105,722	120,352	\$ 114,769
Restricted	-	-	-	-	4,475	4,475
Amortization exp over prin paymts over leases	-	(89,362)	-	-	-	-
Unrestricted (Deficit)	782,021	1,156,702	1,247,107	(921,121)	(404,021)	117,714
Total school net position	<u>\$ 1,067,827</u>	<u>\$ 1,144,100</u>	<u>\$ 1,338,348</u>	<u>\$ (815,399)</u>	<u>\$ (279,194)</u>	<u>\$ 236,958</u>

Source: School Financial Statements

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
CHANGES IN NET POSITION
FOR THE FISCAL YEARS ENDED JUNE 30
ACCURAL BASIS OF ACCOUNTING
(UNAUDITED)

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Expenses						
Governmental activities						
Instruction						
Regular	12,912,402	11,215,074	7,473,868	7,933,250	5,824,176	4,989,866
Support Services:						
General administration	8,960,603	6,238,078	4,798,010	4,217,561	2,431,497	2,142,918
School Administrative Services	4,959,112	5,103,808	3,502,669	3,445,549	2,405,945	1,598,478
On-behalf TPAF Social Security / Pension / Medical	2,757,389	2,533,750	1,646,550	1,098,526	2,307,643	1,352,700
Capital outlay	0	18,939	11,562	52,699	0	0
Amortization exp over prin paymts over leases	0	89,362				
Unallocated depreciation	21,887	14,481	14,481	14,630	0	0
Total governmental activities expenses	<u>29,611,393</u>	<u>25,213,492</u>	<u>17,447,140</u>	<u>16,762,215</u>	<u>12,969,261</u>	<u>10,083,962</u>
Business-type activities:						
Proprietary Fund	1,000,613	1,239,019	323,997	563,277	658,529	811,288
Total business-type activities expense	<u>1,000,613</u>	<u>1,239,019</u>	<u>323,997</u>	<u>563,277</u>	<u>658,529</u>	<u>811,288</u>
Total school expenses	<u>30,612,006</u>	<u>26,452,511</u>	<u>17,771,137</u>	<u>17,325,492</u>	<u>13,627,790</u>	<u>10,895,250</u>
Program Revenues						
Governmental activities:						
Operating grants and contributions	4,036,263	3,035,600	1,068,842	781,040	1,004,792	765,913
Total governmental activities program revenues	<u>4,036,263</u>	<u>3,035,600</u>	<u>1,068,842</u>	<u>781,040</u>	<u>1,004,792</u>	<u>765,913</u>
Business-type activities:						
Charges for services						3,914
Proprietary Fund	829,098	14,105,334	323,997	555,811	398,021	576,144
Total business-type activities program revenues	<u>829,098</u>	<u>14,105,334</u>	<u>323,997</u>	<u>555,811</u>	<u>398,021</u>	<u>576,144</u>
Total school program revenues	<u>4,865,361</u>	<u>17,140,934</u>	<u>1,392,839</u>	<u>1,336,851</u>	<u>1,402,813</u>	<u>1,345,971</u>
Net (Expense)/Revenue						
Governmental activities	(\$25,575,130)	(\$22,177,892)	(\$16,378,287)	(\$15,981,275)	(\$11,964,468)	(\$9,318,049)
Business-type activities	(171,515)	171,515	0	(7,472)	(260,508)	(231,231)
Total school-wide net expense	<u>(\$25,746,645)</u>	<u>(\$22,006,377)</u>	<u>(\$3,334,720)</u>	<u>(\$3,334,720)</u>	<u>(\$3,334,720)</u>	<u>(\$9,549,280)</u>
Governmental activities:						
Local Share			3,379,486	0	0	
State Share	21,760,803	18,337,390	11,910,879	0	0	
State and Federal Aid aid	4,111,250	3,691,804	2,867,653	15,559,021	11,601,894	9,417,887
Increase in Net Capital Outlay	230,933		1,208,509			
Amortization expense over prin. payments on leases	(582,236)					
Miscellaneous income	76,839	143,770	9,376	472,436	106,930	25,589
Pension Adjustment	(\$98,732)	(\$189,320)				
Increase in Net Capital Outlay	0	0	0	0	(267,377)	(231,824)
Total activities	<u>25,498,857</u>	<u>21,983,644</u>	<u>19,375,903</u>	<u>16,031,457</u>	<u>11,441,447</u>	<u>9,211,652</u>
Business-type activities:						
Transfers	0	0	0	0	0	0
Total business-type activities	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total school-wide	<u>25,498,857</u>	<u>21,983,644</u>	<u>19,375,903</u>	<u>16,031,457</u>	<u>11,441,447</u>	<u>9,211,652</u>
Change in Net Position						
Governmental activities	(\$76,273)	(\$194,248)	\$2,997,616	\$50,182	(\$523,021)	(\$106,397)
Business-type activities	(\$171,515)	\$171,515	\$0	(\$7,472)	\$6,868	\$593
Total school	<u>(\$247,788)</u>	<u>(\$22,733)</u>	<u>\$2,997,616</u>	<u>\$42,710</u>	<u>(\$516,153)</u>	<u>(\$105,804)</u>

Source: School Financial Statements

**COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
 FUND BALANCES - GOVERNMENTAL FUNDS
 FOR THE FISCAL YEARS ENDED JUNE 30
 MODIFIED ACCRUAL BASIS OF ACCOUNTING
 (UNAUDITED)**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
General Fund						0
Unassigned	\$3,587,161	\$3,191,512	\$3,092,597	\$80,511	\$15,599	\$117,121
Total General Fund	<u>\$3,587,161</u>	<u>\$3,191,512</u>	<u>\$3,092,597</u>	<u>\$80,511</u>	<u>\$15,599</u>	<u>\$117,121</u>
All Other Governmental Funds						
Restricted	0	0	0	0	7,462	4,475
Total all other governmental funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,462</u>	<u>\$ 4,475</u>

Source: School Financial Statements

**COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
SCHOOL WIDE REVENUES AND EXPENDITURES
FOR THE FISCAL YEARS ENDED JUNE 30
MODIFIED ACCRUAL BASIS OF ACCOUNTING
(UNAUDITED)**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Revenues						
State sources	25,872,053	22,129,953	18,158,018	15,559,021	11,601,894	9,417,887
Food Service	829,098	1,410,534	323,997	555,811	398,021	580,057
Miscellaneous revenue	76,839	143,770	1,217,885	472,440	106,930	25,589
Special Revenue Sources	4,036,263	2,934,841	1,068,842	781,040	1,004,792	765,913
Total revenue	<u>30,814,253</u>	<u>26,619,098</u>	<u>20,768,742</u>	<u>17,368,312</u>	<u>13,111,637</u>	<u>10,789,446</u>
Expenditures						
Instruction						
Regular Instruction	9,492,034	8,422,353	6,413,160	7,152,210	4,819,384	4,223,953
Support Services:						
General administration	8,344,708	5,995,199	4,789,876	4,217,561	2,431,497	2,142,918
School administrative services/Plant	4,959,112	5,103,808	3,502,669	3,445,549	2,405,945	1,598,478
TPAF Social Security / Pension / Medical	2,757,389	2,533,750	1,646,550	1,098,526	2,307,643	1,352,700
Capital Outlay	0	18,939	11,562	52,699	0	0
Food Service	1,000,613	1,239,019	323,997	563,277	658,529	811,288
Special Revenue	4,036,263	3,035,600	1,068,842	781,040	1,004,792	765,913
Total expenditures	<u>30,590,119</u>	<u>26,348,668</u>	<u>17,756,656</u>	<u>17,310,862</u>	<u>13,627,790</u>	<u>10,895,250</u>
Excess (Deficiency) of revenues over (under) expenditures						
Other Financing sources (uses)						
Transfers in						
Transfers out						
Total other financing sources (uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net change in fund balance	<u>\$ 224,134</u>	<u>\$ 270,430</u>	<u>\$ 3,012,086</u>	<u>\$ 57,450</u>	<u>\$ (516,153)</u>	<u>\$ (105,804)</u>

Source: School Financial Statements

REVENUE CAPACITY

**COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
 General Fund - Other Local Revenue By Source
 For the Fiscal Years Ended June 30
 (Unaudited)**

	<u>Sale of Capital Assets</u>	<u>Donations</u>	<u>PPP/SBA Loan Forgiveness</u>	<u>Prior Year Refunds</u>	<u>Sale and Leaseback of Textbooks</u>	<u>Other Local</u>	<u>Totals</u>
2018		3,599		5,035		16,955	25,589
2019		16,081		22,543		68,306	106,930
2020		485,000				2,360	487,360
2021			1,208,509			9,376	1,217,885
2022						143,770	143,770
2023						76,839	76,839

Source: School Financial Statements

Exhibit J-6

**COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Assessed Value and Actual Value of Taxable Property
For the Fiscal Year Ended June 30, 2023**

NOT APPLICABLE

Exhibit J-7

**COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Direct and Overlapping Property Tax Rates
For the Fiscal Year Ended June 30, 2023**

NOT APPLICABLE

Exhibit J-8

**COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Principal Property Taxpayers
For the Fiscal Year Ended June 30, 2023**

NOT APPLICABLE

DEBT CAPACITY

Exhibit J-9

**COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Property Tax Levies and Collections
For the Fiscal Year Ended June 30, 2023**

NOT APPLICABLE

Exhibit J-10

**COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Ratios of Outstanding Debt by Type
For the Fiscal Year Ended June 30, 2023**

NOT APPLICABLE

Exhibit J-11

**COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Ratios of Net General Bonded Debt Outstanding
For the Fiscal Year Ended June 30, 2023**

NOT APPLICABLE

Exhibit J-12

**COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Direct and Overlapping Governmental Activities Debt
For the Fiscal Year Ended June 30, 2023**

NOT APPLICABLE

DEMOGRAPHIC AND ECONOMIC INFORMATION

**COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Legal Debt Margin Information
For the Fiscal Year Ended June 30, 2023**

NOT APPLICABLE

**COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Demographic and Economic Statistics
For the Fiscal Years Ended June 30, 2023**

NOT APPLICABLE

**OPERATING INFORMATION
(UNAUDITED)**

Exhibit J-15

**COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Principal Employers
For the Fiscal Year Ended June 30, 2023**

NOT APPLICABLE

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Full-time Equivalent School Employees by Function/Program
For the Fiscal Years Ended June 30
(UNAUDITED)

<u>Function/Program</u>	2023	2022	2021	2020	2019	2018
Instruction						
Regular	76	79	70	75	70	56
Special education	9	8	4	11	6	3
Support Services:						
Student & instruction related services	17	22	16	16	11	11
General administration	10	10	9	2	2	2
School administrative services	6	6	6	6	5	5
Central services	6	6	1	12	10	10
Food Service				4	3	3
Total	124	131	106	126	107	90

Source: School Personnel Records

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Operating Statistics
For the Fiscal Years Ended June 30
(UNAUDITED)

Fiscal Year	Enrollment	Operating Expenditures	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil/Teacher Ratio		Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary and Middle School	Senior High School				
2018	801	10,129,205	12,645	8.26%	70	12:1	15:1	801.00	763.93	36.60%	95.37%
2019	983	12,849,720	13,071	3.37%	76	12:1	15:1	975.10	929.6	21.69%	95.33%
2020	1194	16,212,332	13,578	3.80%	86	12:1	15:1	1118	1141.7	22.82%	95.62%
2021	1320	17,402,659	13,183	-2.90%	86	12:1	15:1	1,320	1293.6	18.06%	93.63%
2022	1404	22,575,899	16,230	23.1%	87	12:1	15:1	1,403.4	1336.2	6.32%	95.21%
2023	1296	26,832,117	20,704	27.6%	85	12:1	15:1	1,295.3	1234.68	-7.70%	95.32%

Sources: School records

**COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
School Building Information
For the Fiscal Years Ended June 30
(UNAUDITED)**

<u>School Building</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Westervelt			
Square Feet	58,000	58,000	58,000
Capacity (students)	550-650	550-650	550-650
South			
Square Feet	40,218	40,218	40,218
Capacity (students)	450	450	450
Emerson			
Square Feet	30,078	30,078	30,078
Capacity (students)	400-450	400-450	400-450
Number of Schools at June 30			
Elementary	2	2	2
High School	1	1	1

Source: School Records

Exhibit J-19

**COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
General Fund - Schedule of Required Maintenance
For the Fiscal Year Ended June 30, 2023**

NOT APPLICABLE

**COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
INSURANCE SCHEDULE
JUNE 30, 2023
UNAUDITED**

	Coverage
School Package Policy	
Commercial General Liability	
Each Occurrence	\$ 1,000,000
Damages/Rented Premises	100,000
Medical	5,000
Personal & Adv Injury	1,000,000
General Aggregate	3,000,000
Products -Comp/OP/AGG	3,000,000
Automobile	1,000,000
Umbrella	
Each Occurance	5,000,000
Aggregate	5,000,000
Workers' Compensation	
Each Accident	500,000
Disease - Each Employee	500,000
Disease - Policy Limiy	500,000
Director's and Officer's	1,000,000

**CHARTER SCHOOL PERFORMANCE
FRAMEWORK FINANCIAL INDICATORS**

**COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
FINANCIAL PERFORMANCE - FINANCIAL RATIOS
FOR THE FISCAL YEARS ENDED JUNE 30
(UNAUDITED)**

**Charter School Performance Framework Financial Indicators
Near Term Indicators**

	2023	2022	2021	2020	2019	2018
Cash and Cash Equivalents	2,705,501	134,162	2,169,569	766,883	(246,694)	28,743
Current Assets	4,242,000	4,655,936	3,362,887	1,760,956	703,446	763,694
Capital Assets-Net	285,806	76,760	91,241	105,722	0	
Total Assets	4,527,806	4,732,696	3,454,128	1,866,678	823,798	878,463
Current Liabilities	799,155	1,292,909	270,290	1,680,445	860,012	641,504
Long Term Liabilities						
Total Liabilities	799,155	1,292,909	270,290	1,680,445	1,102,992	641,504
Net Position	3,728,651	3,439,787	3,183,838	186,233	(279,194)	236,959
Total Revenue	30,814,253	26,619,098	20,768,731	17,368,308	11,708,824	9,443,476
Total Expenses	(30,590,119)	(26,348,668)	(17,756,645)	(17,310,858)	(12,224,976)	(9,549,280)
Change in Net Position	224,134	270,430	3,012,086	57,450	(516,152)	(105,804)
Depreciation	21,887	14,481	14,481	14,630	14,478	10,042
Principal Payments	0	0	0	0	0	0
Interest payments	0	0	0	0	0	0
Final average daily enrollment	1,296	1,391	1,320	1,183	975	801
March 30th budgeted Enrollment	1,296	1,391	1,320	1,183	1,013	826
Near term indicators	2023	2022	2021	2020	2019	2018
CURRENT RATIO	6.5	3.6	12.44	1.04	0.82	1.19
Unrestricted days cash	30.57	1.81	44.6	16.16	5.9	1.1
Enrollment variance	100%	100%	100%	100%	96%	97%
Default	N/A	N/A	N/A	N/A	N/A	N/A
Total margin	1.00%	1.02%	14.5	0.003	0.82	(1)
Debt to Asset	0	0	0	0	5.9	1.1
Cash flow	2,704,159	(2,035,407)	1,402,686	1,013,577	(25,437)	(268,852)
Debt Service Coverage ratio	N/A	N/A	N/A	N/A	N/A	N/A

SINGLE AUDIT SECTION K

GERALD D. LONGO
CERTIFIED PUBLIC ACCOUNTANT
62 OLD QUEENS BLVD.
MANALAPAN, NEW JERSEY 07726-3648

TELEPHONE
732 446-4768

FAX
732 792-0868

EXHIBIT K-1

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

The Honorable Chairman and
Members of the Board of Trustees
College Achieve Central Charter School
County of Union
Plainfield, New Jersey

I have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and *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 the College Achieve Central Charter School ("the Charter School"), in the County of Union, State of New Jersey, as of and for the fiscal year ending June 30, 2023, and the related notes to the financial statements, which collectively comprise the Charter School's basic financial statements, and have issued my report thereon, dated February 14, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I 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 my 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, I 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.

My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during my audit I did not identify any deficiencies in internal control that I 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 of material misstatement, I 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 my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters 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 my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Charter School'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* in considering the Charter School's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Licensed Public School Accountant No. 20CS00206400



Gerald D. Longo
Certified Public Accountant
February 14, 2024

GERALD D. LONGO
CERTIFIED PUBLIC ACCOUNTANT
62 OLD QUEENS BLVD.
MANALAPAN, NEW JERSEY 07726-3648

TELEPHONE
732 446-4768

FAX
732 792-0868

EXHIBIT K-2

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND NJ OMB 15-08

The Honorable Chairman and
Members of the Board of Trustees
College Achieve Central 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

I have audited College Achieve Central Charter School's compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement and the New Jersey State Aid/Grant Compliance Supplement that could have a direct and material effect on each of College Achieve Central Charter School's major Federal and State programs for the year ended June 30, 2023. College Achieve Central 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 my opinion, College Achieve Central Charter School 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

I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and NJ OMB Circular 15-08. My responsibilities under those standards, the Uniform Guidance and NJ OMB Circular 15-08, are further described in the Auditor's Responsibilities for the Audit of Compliance section of my report.

I am required to be independent of College Achieve Central Charter School and to meet my other ethical responsibilities, in accordance with relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion on compliance for each major Federal and State programs. My audit does not provide a legal determination

of College Achieve Central 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 College Achieve Central Charter School's Federal and State programs.

Auditor's Responsibilities for the Audit of Compliance

My 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 College Achieve Central Charter School's compliance based on my 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, the Uniform Guidance and NJ 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 College Achieve Central Charter School's compliance with the requirements of each major Federal and State programs as a whole.

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards, the Uniform Guidance and NJ OMB Circular 15-08, I:

- 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 College Achieve Central Charter School's compliance with the compliance requirements referred to above and performing such other procedures as I considered necessary in the circumstances.
- Obtain an understanding of College Achieve Central 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 the Uniform Guidance and NJ OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of College Achieve Central Charter School's internal control over compliance. Accordingly, no such opinion is expressed.

I am 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 I identified during the audit.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a Federal and State program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a Federal and 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 Federal and 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.

My 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 my audit I did not identify any deficiencies in internal control over compliance that I 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.

My 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 my testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and NJOMB circular 15-08. Accordingly, this report is not suitable for any other purpose.

Licensed Public School Accountant No. 20CS00206400



Gerald D. Longo
Certified Public Accountant
February 14, 2024

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
 Schedule of Expenditures of Federal Awards
 For the Fiscal Year Ended June 30, 2023

Federal/Grantor Program Title	Federal Assistance Listing Number	Federal Award Identification Number	Grant Period	Award Amount	Balance July 1, 2022	Prior Carry-over	Cash Received	Budgetary Expenditures	Refund of Prior Years' Balances	Adjust	Deferred Revenue/ (Accounts Receivable) June 30, 2023	Due to State June 30, 2023
Enterprise Fund:												
U.S. Department of Agriculture												
Passed-Through NJ State Department of Agriculture												
Child Nutrition Cluster												
National School Breakfast	10.553	221NJ304N1099	07/01/21-06/30/22	\$ -	\$ (97,961)	\$ -	\$ 97,961	\$ -	\$ -	\$ -	\$ -	\$ -
National School Lunch	10.555	221NJ304N1099	07/01/21-06/30/22	-	(168,649)	-	168,649	-	-	-	-	-
National School Breakfast	10.553	231NJ304N1199	07/01/22-06/30/23	158,273	-	-	149,291	158,273	-	-	(8,982)	-
National School Lunch	10.555	231NJ304N1199	07/01/22-06/30/23	608,705	-	-	570,073	608,705	-	-	(38,632)	-
National School Snack	10.555	231NJ304N1199	07/01/22-06/30/23	8,758	-	-	8,456	8,758	-	-	(302)	-
Total Enterprise Fund/Total US Dept. of Agriculture Pass Through Programs					(266,610)	-	994,430	775,736	-	-	(47,916)	-
Special Revenue Fund:												
U.S. Department of Education												
Passed-Through NJ State Department of Education												
Title 1 Part A	84.010	S010A210030	07/01/21-09/30/22	-	(631,093)	-	631,093	-	-	-	-	-
Title 1 Part A	84.010	S010A220030	07/01/22-09/30/23	657,428	-	-	657,428	657,428	-	-	-	-
Title 1 SIA Part A	84.010	S010A210030	07/01/21-09/30/22	-	(219,566)	-	219,566	-	-	-	-	-
Title 1 SIA Part A	84.010	S010A220030	07/01/22-09/30/23	160,600	-	-	160,600	160,600	-	-	-	-
Title III	84.365A	S365A210030	07/01/21-09/30/22	-	(82,232)	-	82,232	-	-	-	-	-
Title III	84.365A	S365A220030	07/01/22-09/30/23	32,405	-	-	32,405	32,405	-	-	-	-
Title III Immigrant	84.365A	S365A210030	07/01/21-09/30/22	-	(5,809)	-	5,809	-	-	-	-	-
Title III Immigrant	84.365A	S365A220030	07/01/22-09/30/23	8,771	-	-	4,074	8,771	-	-	(4,697)	-
Total ESEA					(938,700)	-	1,793,207	859,204	-	-	(4,697)	-
Special Education Cluster												
IDEA Part B	84.027A	H027A220100	07/01/22-09/30/23	300,683	-	-	300,683	300,683	-	-	-	-
IDEA Pre-School	84.173A	H173A220114	07/01/22-09/30/23	5,984	-	-	5,984	5,984	-	-	-	-
ARP IDEA Part B	84.027X	H027X210100	07/01/21-09/30/22	-	(77,234)	-	77,234	-	-	-	-	-
Total Special Education Cluster					(77,234)	-	383,901	306,667	-	-	-	-
Education Stabilization Fund												
CRRSA ESSER 11	84.425D	S425D210027	03/13/20-09/30/23	1,181,569	(1,181,569)	-	1,181,569	-	-	-	-	-
CRRSA Learning Acceleration	84.425D	S425D210027	03/13/20-09/30/23	75,827	(5,855)	-	75,827	69,972	-	-	-	-
CRRSA Mental Health	84.425D	S425D210027	03/13/20-09/30/23	45,000	(18,500)	-	45,000	26,500	-	-	-	-
ARP ESSER	84.425U	S425U210027	03/13/20-09/30/24	2,655,499	(299,507)	-	2,106,200	2,355,992	-	-	(549,299)	-
ARP Accelerated Learning	84.425U	S425U210027	03/13/20-09/30/24	171,196	-	-	77,100	78,119	-	-	(1,019)	-
ARP Summer Learning and Enrichment	84.425U	S425U210027	03/13/20-09/30/24	40,000	-	-	40,000	40,000	-	-	-	-
ARP Beyond the School Day	84.425U	S425U210027	03/13/20-09/30/24	40,000	-	-	-	16,148	-	-	(16,148)	-
ARP Mental Health	84.425U	S425U210027	03/13/20-09/30/24	45,000	-	-	45,000	-	-	-	-	-
ARP Homeless Children and Youth	84.425W	S425W210031	04/21/21-0930/24	90,265	-	-	-	8,243	-	-	(8,243)	-
Total Education Stabilization Fund					(1,505,431)	-	3,570,696	2,639,974	-	-	(574,709)	-
Total Special Revenue/NJ Dept. of Education, Pass Through Programs					(2,521,365)	-	5,747,804	3,805,845	-	-	(579,406)	-
Total Expenditures of Federal Awards					\$ (2,787,975)	\$ -	\$ 6,742,234	\$ 4,581,581	\$ -	\$ -	(627,322)	\$ -

See accompanying notes to schedules of expenditures of Federal and State award programs.

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
Schedule of Expenditures of State Financial Assistance
For the Fiscal Year Ended June 30, 2023

<u>State Grantor/Program Title</u>	<u>Grant or State Project Number</u>	<u>Grant Period</u>	<u>Award Amount</u>	<u>Balance June 30, 2022</u>	<u>Cash Received</u>	<u>Budgetary Expenditures</u>	<u>Prior Years' Balances</u>	<u>Adjustments</u>	<u>(Accts Rec) June 30, 2023</u>
NJ DEPARTMENT OF EDUCATION									
GENERAL FUND									
Equalization Aid	23-495-034-5120-078	7/1/22-06/30/23	\$ 21,760,803	\$ -	\$ 21,760,803	\$ 21,760,803	\$ -	\$ -	\$ -
Special Education Categorical Aid	23-495-034-5120-089	7/1/22-06/30/23	616,383	-	616,383	616,383	-	-	-
Security Aid	23-495-034-5120-084	7/1/22-06/30/23	649,912	-	649,912	649,912	-	-	-
Non Public Security Aid	23-100-034-5120-509	7/1/22-06/30/23	87,566	-	87,566	87,566	-	-	-
Reimbursed Social Security Tax	23-495-034-5094-003	7/1/22-06/30/23	390,560	-	390,560	390,560	-	-	-
On-Behalf-Teachers' Pension and Annuity Fund LT Disability	23-495-034-5094-004	7/1/22-06/30/23	1,913	-	1,913	1,913	-	-	-
On-Behalf-Teachers' Pension and Annuity Fund	23-495-034-5094-002	7/1/22-06/30/23	1,872,908	-	1,872,908	1,872,908	-	-	-
On-Behalf-Teachers' Pension Post Retirement Medical	23-495-034-5094-001	7/1/22-06/30/23	492,008	-	492,008	492,008	-	-	-
Total General Fund				-	25,872,053	25,872,053	-	-	-
SPECIAL REVENUE FUND									
School Development Authority - Emergent Needs and Capital Maintenance	23-495-034-5120-139	7/1/22-06/30/23	230,418	-	230,418	230,418	-	-	-
Total Special Revenue Fund				-	230,418	230,418	-	-	-
NJ DEPARTMENT OF AGRICULTURE									
ENTERPRISE FUND									
National School Lunch Program (State Share)	22-100-010-3350-023	7/1/21-06/30/22	-	(3,877)	3,877	-	-	-	-
National School Lunch Program (State Share)	23-100-010-3350-023	7/1/22-06/30/23	20,021	-	18,741	20,021	-	-	(1,280)
National School Breakfast After the Bell Program (State Share)	23-100-010-3350-023	7/1/22-06/30/23	10,206	-	9,615	10,206	-	-	(591)
Total Enterprise Fund				(3,877)	32,233	30,227	-	-	(1,871)
Total State Financial Assistance				\$ (3,877)	\$ 26,134,704	\$ 26,132,698	\$ -	\$ -	\$ (1,871)
On-Behalf-Teachers' Pension and Annuity Fund LT Disability	23-495-034-5094-004	7/1/22-06/30/23			(1,913)	(1,913)			
On-Behalf-Teachers' Pension and Annuity Pension	23-495-034-5094-002	7/1/22-06/30/23			(1,872,908)	(1,872,908)			
On-Behalf-Teachers' Pension Post Retirement Medical	23-495-034-5094-001	7/1/22-06/30/23			(492,008)	(492,008)			
Less Amounts Not Subject to Single Audit On Behalf payments					(2,366,829)	(2,366,829)			
Total State Financial Assistance Subject to State Single Audit Major Program Determination				\$ (3,877)	\$ 23,767,875	\$ 23,765,869	\$ -	\$ -	\$ (1,871)

See accompanying notes to schedules of expenditures of Federal and State award programs.

**COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL
AND STATE ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 1. GENERAL

The accompanying schedules present the activity of all federal and state assistance programs of the College Achieve Central Charter School. The Board of Trustees is defined in the Notes to the school's basic financial statements. All federal and state assistance 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 are presented on the budgetary basis of accounting with the exception of programs recorded in the enterprise fund, which are presented using the accrual basis of accounting. These basis of accounting are described in Note 1 to the Charter School's basic financial statements. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and the provisions of New Jersey Department of the Treasury Circular Letter 15-08 OMB *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Therefore, some amounts presented in the schedules may differ from amounts presented in, or used in the preparation of, the basic financial statements.

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 expenditures have been made.

The general fund is presented in the accompanying schedules on the modified accrual basis. The special revenue fund is presented in the accompanying schedules on the grant account budgetary basis, which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The net adjustment to reconcile from the budgetary basis to GAAP basis is \$-0-. See Note 1 for a reconciliation of the budgetary basis to the GAAP basis of accounting for the special revenue fund. Awards and financial assistance revenues are reported in the school's basic financial statements on a GAAP basis as follows:

**COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL
AND STATE ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Federal	State	Total
General Fund	\$ -	\$25,872,053	\$25,872,053
Special Revenue Fund	3,805,845	230,418	4,036,263
Enterprise Fund	<u>775,736</u>	<u>30,227</u>	<u>805,963</u>
Total Awards and Financial Assistance	<u>\$ 4,581,581</u>	<u>\$ 26,132,698</u>	<u>\$ 30,714,279</u>

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. OTHER INFORMATION

The TPAF Social Security Contributions of \$390,563 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.

The amount reported as TPAF Pension System Contributions in the amount of \$1,872,908 and TPAF Post-Retirement Medical Benefits Contributions in the amount of \$492,008 and long term disability contributions of \$1,913 represents the amount paid by the State on behalf of the Charter School for the fiscal year ended June 30, 2023.

NOTE 6. ON-BEHALF PROGRAMS NOT SUBJECT TO STATE SINGLE AUDIT

On-behalf State Programs for TPAF Pension and Post-Retirement Medical Benefits Contributions 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 schools basic financial statements and the amount subject to State single audit and major program determination.

NOTE 7. DE MINIMIS INDIRECT COST RATE

The Charter School has not elected to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

**COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

PART 1 – SUMMARY OF AUDITOR’S RESULTS

Financial Statement Section

Type of auditor’s report issued:	Unmodified	
	<u>YES</u>	<u>NO</u>
Internal control over financial reporting:		
Material weakness(es) identified:		X
Significant deficiencies identified not considered to be material weakness(es)?		X None Reported
Noncompliance material to financial statements noted?		X

Federal Awards

Internal control over compliance:		
Material weakness(es) identified?		X
Significant deficiencies identified not considered to be material weakness(es)?		X None Reported
Type of auditor’s report on compliance for major programs:	Unmodified	
Any audit findings disclosed that are required to be Reported in accordance with 2CFR 200.156(A) of uniform guidance.		X

Identification of major programs:

<u>Federal AL Number</u>	<u>FAIN Number</u>	<u>Name of Federal Program or Cluster</u>
Child Nutrition Cluster:		
10.553	221NJ304N1099	School Breakfast Program
10.555	221NJ304N1099	National School Lunch Program
10.555	221NJ304N1099	National School Snack Program

COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

PART 1 – SUMMARY OF AUDITOR’S RESULTS (continued)

<u>Federal AL Number</u>	<u>FAIN Number</u>	<u>Name of Federal Program or Cluster</u>	
Education Stabilization Fund:			
84.425D	S425D210027	CRRSA – Learning Acceleration	
84.425D	S425D210027	CRRSA – Mental Health	
84.425U	S425U210027	ARP – ESSER III	
84.425U	S425U210027	ARP – Accelerated Learning & Coaching	
84.425U	S425U210027	ARP – Summer Learning & Enrichment	
84.425U	S425U210027	ARP – Beyond the School Day	
84.425U	S425U210027	ARP – Mental Health	
84.425W	S425W210031	ARP – Homeless Children & Youth	
Dollar threshold used to distinguish between type A and type B programs			\$750,000
Auditee qualified as low risk auditee:			X

**COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

PART 1 – SUMMARY OF AUDITOR’S RESULTS (Continued)

State Awards	<u>YES</u>	<u>NO</u>	
Dollar threshold used to distinguish between type A and type B programs (.520)	\$750,000		
Auditee qualified as low risk auditee:		X	
Type of auditor’s report issued:	Unmodified		
Internal control over major programs:			
Material weakness(es) identified:		X	
Significant deficiencies identified not considered to be material weakness(es)?		X	None Reported
Type of auditor’s report on compliance for major programs:	Unmodified		
Any audit findings disclosed that are required to be Reported in accordance with NJOMB Circular Letter 15-08?		X	
Identification of major programs:			
<u>CDFA Number(s)</u>			<u>Name of State Program</u>
23-495-034-5120-078			Equalization Aid
23-495-034-5120-089			Special Education Aid
23-495-034-5120-084			Security Aid

**COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

PART II – SCHEDULE OF FINANCIAL STATEMENT FINDINGS

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 in accordance with Government Auditing Standards and with audit requirements prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey.

No financial statement findings noted that are required to be reported under Government Auditing Standards.

**COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

PART III – SCHEDULE OF FEDERAL AND STATE AWARD FINDINGS AND QUESTIONED COSTS

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance including questioned costs, related to the audit of major federal and state programs, as required by U.S. Uniform Guidance and New Jersey OMB's Circular 15-08.

No federal and state award findings and questioned costs noted that are required to be reported in accordance of U.S. Uniform Guidance or with NJOMB Circular 15-08.

**COLLEGE ACHIEVE CENTRAL CHARTER SCHOOL
SUMMARY OF SCHEDULE OF PRIOR-YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Status of Prior Year Findings

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*, U.S. Uniform Guidance (section .315(a)(b)) and New Jersey OMB's Circular 15-08.

In accordance with government auditing standards, my procedures included a review of all prior year recommendations. There were no prior year findings.