



Great Oaks Charter School - Bridgeport

GOBPT December Board Meeting

Published on December 9, 2024 at 5:10 PM EST
Amended on December 11, 2024 at 3:20 PM EST

Date and Time

Wednesday December 11, 2024 at 5:30 PM EST

Location

375 Howard Ave.
Bridgeport, CT 06605

Agenda

	Purpose	Presenter	Time
I. Opening Items			5:30 PM
A. Record Attendance & Begin Recording Meeting		Bob Carlson	1 m
B. Call the Meeting to Order		Bob Carlson	1 m
C. Approve Last Month's Meeting Minutes	Approve Minutes	Bob Carlson	1 m
Approve minutes for GOBPT November Board Meeting on November 13, 2024			
II. Finance Committee			5:33 PM
A. Audit presentation to Board of Directors	FYI	Benjamin Chan	15 m

	Purpose	Presenter	Time
Jennifer Bull will be presenting to the board			
B. Vendor Approvals	Vote	Corey Sneed	5 m
Boca Oyster Bar (Holiday Party) - \$8,350.90			
C. Finance Committee Updates	FYI	Benjamin Chan	15 m
• Dashboard and Future Budget Update			
III. Governance Committee			6:08 PM
A. Chief Executive Officer's Report	FYI	John Scalice	15 m
B. Chief Operating Officer's Report	FYI	Latoya Hubbard	15 m
IV. Other Business			6:38 PM
A. Motion from the board to authorize Corey to sign documents and ratify the audit.	Vote		2 m
B. New Business	Discuss	Bob Carlson	1 m
Great Oaks Charter School Bridgeport is hosting our 10 year anniversary Gala on Friday, April 11th, 2025. Invitations have been sent out to all Board members via email.			
Please see our website below to purchase tickets, become a sponsor and other details regarding our Gala.			
GOBPT Gala			
V. Closing Items			6:41 PM
A. Adjourn Meeting	Vote	Bob Carlson	2 m

Attention: Times and Locations are subject to change.

Coversheet

Approve Last Month's Meeting Minutes

Section: I. Opening Items
Item: C. Approve Last Month's Meeting Minutes
Purpose: Approve Minutes
Submitted by:
Related Material: Minutes for GOBPT November Board Meeting on November 13, 2024

DRAFT



Great Oaks Charter School - Bridgeport

Minutes

GOBPT November Board Meeting

Date and Time

Wednesday November 13, 2024 at 5:30 PM

Location

375 Howard Ave.
Bridgeport, CT 06605

Directors Present

Bob Carlson (remote), Corey Sneed (remote), Daniel Luciano (remote), Matthew Nwosu (remote)

Directors Absent

Bea Bagley, David Zieff, Eva Vega, Tenssie Ramsay

Guests Present

Benjamin Chan, Farah Martin, John Scalice, Latoya Hubbard (remote)

I. Opening Items

A. Record Attendance & Begin Recording Meeting

B. Call the Meeting to Order

Bob Carlson called a meeting of the board of directors of Great Oaks Charter School - Bridgeport to order on Wednesday Nov 13, 2024 at 5:30 PM.

C.

Approve Last Month's Meeting Minutes

Corey Sneed made a motion to approve the minutes from GOBPT October Board Meeting on 10-09-24.

Daniel Luciano seconded the motion.

The board **VOTED** unanimously to approve the motion.

II. Finance Committee

A. CFO Report

B. Chan went over CFO report.

B. Chan discussed a report from PSIS October 2024. The report shows 1 out of 5 students is an MLL student, 1 of every 6 is special education student and 4 out of 5 are eligible for free and reduced lunch. This has an impact to the school on per pupil count.
- Once this extra amount comes in, we will update our books and updated forecast of the school.

The **dashboard** was also discussed with the board members in attendance.

Current Cash Position:

- Checking: \$ 909,331
- Food Service: \$ 2,681
- Reserve: \$ 288,318
- Total: \$ 1,200,330

Credit card balance: \$1,951

Everything in red is unfavorable and everything in black is favorable. We haven't recognized most of the CN. We recognized the salaries but not the other expenses.

School Improvement Grant and FY25 Mental Health, we should expect about 93,000 from the budget. This hasn't been approved just yet by the CSDE so we put it as a delta for now.

There is a delta on Professional/ Contracted row on the dashboard summary of expenses. This is specifically related to ADP. Now that we have had multiple months of ADP services, the admin fee is about \$93,000 a year.

The expenses are within range, we are keeping a close eye on these expenses. Hopefully we will get the additional revenue from the per pupil which will help cushion from the unexpected expenses.

B.

Vendor Approvals

No new vendors.

C. Finance Committee Updates

No other finance committee updates.

III. Governance Committee

A. Chief Operating Officer's Report

COO went over the Final Enrollment Update:
October 1st, 2024 compared to October 1st, 2023.

Final Enrollment Number: 662 to 659
MLL: 128 to 104
SPED: 115 to 121
Free and Reduced Lunch: 544 to 345

What this Data Shows:

- We met our enrollment target!
- 23% Increase in ELL population
- 4.7 decrease in SPED population
- Students Eligible for Free and Reduced Lunch Increase from 52% to 82% (significant impact to budget)

Budget Impact - Allowing the school to provide more resources for students

- Identified needs for wrap around services and other resources:
 - Medical and Snap Benefits
 - Housing
 - Food Banks/ After School Food Pick Up
 - Winter weatherization resources
 - Winter Clothing
 - School Supplies
 - Community resources available at Parent Teacher Conferences

Facilities Update:

- Parking Issues
 - Uptick in car vandalization during the months of September and October (1 to 2) incidents each week, impacting staff, fellows, and community members.
 - No Handicap Accessible Parking for Great Oaks Staff

- Cherry Street Partner Team partnering with Bridgeport PD to provide daily police presence.
- Long-term plan to install more lighting and cameras.
- 4 spots identified that will be marked and designated as Handicap Accessible Parking by the end of next week.
- New HVAC company has completed audit.
- New Operations Facilities Manager - Start Date November 25th

Operations Professional Development:

- 5 Ops Team Members Certified and Approved Connecticut Notary Public, Officials.
- Family Educational Rights and Privacy Act (FERPA) training hosted by CSDE.
- Vetting Educational Technology training hosted by the CSDE - Providing tech in a safe and secure manner and securing data.
- Criminal Justice Information Security (CJIS) - Security and Privacy training.
- 3rd Annual Symposium on Increasing Educator Diversity, hosted by the CSDE: Best Practices for Recruiting and Retaining Educators of Color.

B. Chief Executive Officer's Report

On Wednesday November 8th, 2024, we were noticed that Great Oaks Charter School has been officially removed from "Turn-Around" Status as a Category 5 and placed into "Transitioning Status" as Category 3.

This is incredible news for us as a school!

- We were one of 3 schools in the State to be removed from Category 5 or Category 4.
- Comparatively, 47 schools in the State were placed into Category 5 or Category 4.

This does mean the following:

- Reduced funding through ineligibility for SIG Grant, Loss of CN Grant Years 4 and 5, and Low Performing Bond Grant
- Reduced additional points in grant applications for Tier 4 and Tier 5 support schools making grant opportunities harder

Planning Forward:

- Decisions on identifying priorities will need to be made regarding the following aspects of the school over the next two years:
 - AmeriCorps Member Allocation
 - Teacher Coaching Model
 - Instructional Model

- Technology Usage and Implementation
- Revisit of Sustainability Planning
- Long-Term Savings and Financial Structure

There are also some State grants that are expiring which require planning decisions:

- 2025-2026 - High Dosage Tutoring Grant
 - *Implication - Full Tutoring Program Cost*
- 2025-2026 - School Improvement Grant (SIG)
 - *Implication - Currently funding 2 coaching positions*
- 2027-2028 - Commissioner's Network
 - *Currently funding portions of 2 coaching positions, 2 teaching positions, Curriculum Implementation, Technology/Data systems, Professional Development Consultants.*

The board suggested keeping track of these expiring items so that we don't fall behind on anything. Board Treasurer, C. Sneed, discussed using Sage Intact for tracking expenses.

Mitigating Factors:

- Free and Reduced Lunch:
 - By engaging in the alternate process for identifying families in need, the school can increase Per Pupil Funding.
- Additional Grant Opportunities:
 - Creating a more robust narrative regarding the school's progression can increase additional funding streams
- State increases to funding:
 - State funding is expected to increase over the next two school years increasing overall projected revenue

IV. Other Business

A. New Business

Board Task:

For the December meeting, the idea will be to have Chris and Denise present for the CEO report. Please provide topics you would like to hear from them to Farah by December 1st.

Board Chair, B. Carlson, would like to see a Winter Clothing Drive after Thanksgiving.

B. Carlson would also like to see the audit for the HVAC Company.

Corey Sneed made a motion to move into Executive Session.
Daniel Luciano seconded the motion.
The board **VOTED** unanimously to approve the motion.

V. Closing Items

A. Adjourn Meeting

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 6:40 PM.

Respectfully Submitted,
Bob Carlson

Attention: Times and Locations are subject to change.

Coversheet

Audit presentation to Board of Directors

Section: II. Finance Committee
Item: A. Audit presentation to Board of Directors
Purpose: FYI
Submitted by:
Related Material: 1400 - Audit Wrap-up Presentation - June 2024.pdf
Draft financial statements for Board Presentation.pdf



Great Oaks Charter School - Bridgeport

Report to The Board of Directors

For the Year Ended June 30, 2024

**KNOW
GREATER
VALUE®**

Agenda & Contents

- Audit Status
- PKF O'Connor Davies, LLP's Responsibilities
- Responsibilities of Management and Those Charged With Governance ("TCWG")
- Audit Scope and Approach
- Financial Statement Highlights
- Exhibit A – Required Communications
- Exhibit B – Communication of Internal Control Matters
- Exhibit C – Management Representation Letter

Audit Status

- Significant audit are being addressed and audit work is in process
- Work performed in accordance with our audit plan
- Unmodified opinion is expected to be issued on financial statements
- Quality Control review has not begun
- Remaining open items
 - Audit items are needed to complete the audit
 - Completion of Agreed Upon Procedures
 - Signed management representation letter to be obtained
 - Complete compliance work for the Uniform Guidance audit and State Single Audit
 - Prepare Form 990 and related state returns for management and Board review

PKF O'Connor Davies' Responsibilities

- Forming and expressing an opinion about whether the financial statements are presented fairly, in all material respects, in conformity with US GAAP
- Planning and performing the audit in accordance with professional standards to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement, whether caused by fraud or error
- Considering internal control for the purpose of determining our audit procedures but not to express an opinion on internal control
- Accumulating misstatements identified during the audit and communicating material corrected and uncorrected misstatements to management and TCWG
- Conducting our audit with professional skepticism

PKF O'Connor Davies' Responsibilities (continued)

- Communicating significant matters related to the audit that are, in our professional judgment, relevant to the responsibilities of TCWG in overseeing the financial reporting process, including:
 - All significant risks
 - All significant deficiencies and material weaknesses identified during the audit; however, our audit was not specifically designed to detect significant deficiencies or material weaknesses in internal control over financial reporting
 - Any fraud or illegal acts that were noted during the course of our audit, unless clearly inconsequential; however, our audit cannot be relied upon to identify all instances of fraud or illegal acts
 - The process used by management to formulate particularly sensitive accounting estimates and our conclusions about the reasonableness of such estimates
 - Other matters

Responsibilities of Management and TCWG

Responsible Party	Responsibilities
Management	<ul style="list-style-type: none"> ▪ Selecting and using appropriate accounting policies ▪ Fairly presenting the financial statements in accordance with US GAAP ▪ Establishing and maintaining effective internal control over financial reporting ▪ Complying with laws, regulations, and provisions of contracts and grant agreements ▪ Providing all financial records and related information to the auditors ▪ Setting the proper tone at the top and maintaining and encouraging a culture of honesty and high ethical standards ▪ Designing and implementing policies and internal controls to prevent and detect fraud
TCWG	<ul style="list-style-type: none"> ▪ Communicating with the auditors and overseeing the financial reporting process

The audit of the financial statements does not relieve management or TCWG of their responsibilities.

Audit Scope and Approach

Significant audit areas

- Cash
- Receivables
- Net assets
- Contributions
- Grants
- Payroll and related expenses

Audit Scope and Approach (continued)

Other areas of audit focus

- Subsequent events
- Related parties
- Fraud and illegal acts
- Going concern considerations
- Audit procedures under *Government Auditing Standards*
- Audit procedures under Uniform Guidance, Audits of States, Local Governments, and Non-Profit Organizations

Financial Statement Highlights

Statement of Financial Position

- Assets down \$729K – decrease in cash and receivables (less lease assets)
- Liabilities comparable to prior year
- Net assets down \$763K – deficit in current operations due to current year loss

Statement of Activities

Funding Source	2024	2023	2022
Per Pupil	\$8,135,355	\$7,956,457	\$7,556,250
Title Funding	\$777,395	\$553,216	\$529,722
ESSER/ARP Funding	\$422,171	\$2,613,523	\$1,222,534
Contributions	\$205,204	\$171,750	\$351,686
Other	\$1,469,209	\$967,258	\$864,783

Statement of Activities (continued)

	2024	2023	2022	2021
Salaries and related	\$6.9 million	\$6.9 million	\$5.2 million	\$4.4 million
Professional fees	\$590K	\$825K	\$822K	\$1 million
Occupancy	\$2.3 million	\$2.3 million	\$2.1 million	\$1.9 million
Curriculum and classroom	\$290K	\$414K	\$363K	\$274K
Other	\$2.6 million	\$2.5 million	\$2.5 million	\$2.4 million
Total	\$12.7 million	\$12.9 million	\$11 million	\$10 million
# of students	659	663	667	650
Cost per student	\$19,300	\$19,500	\$16,500	\$15,400

Exhibits

- Exhibit A – Required Communications to TCWG
- Exhibit B – Communication of Internal Control Matters
- Exhibit C – Management Representation Letter

Exhibit A

Required Communications

Required Communications

Area	Comments
Auditor's Responsibility Under Professional Standards and Planned Scope and Timing of the Audit	<p>We have communicated such information in our engagement letter to you dated September 17, 2024 and the audit planning presentation on September 9, 2024.</p>
Qualitative Aspects of Accounting Practices - Accounting Policies	<p>Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Great Oaks Charter School - Bridgeport are described in Note 2 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during the reporting period that had a significant impact on the financial statements.</p> <p>No matters have come to our attention that would require us to inform you about the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.</p>
Qualitative Aspects of Accounting Practices – Significant Unusual Transactions	<p>No matters have come to our attention that would require us to inform you about the methods used to account for significant unusual transactions.</p>

Required Communications

Area	Comments
<p>Qualitative Aspects of Accounting Practices - Accounting Estimates and Management's Judgment</p>	<p>Accounting estimates made by management are an integral part of the financial statements and are based on management's knowledge and experience about past and current events and assumptions about future events. Actual results could differ from those estimates.</p> <p>Certain accounting estimates are particularly sensitive because of their significance to financial statements and their susceptibility to change. The most sensitive estimates affecting the financial statements were:</p> <p>Depreciation Expense – Management estimates the depreciation of fixed assets based on its estimated useful life.</p> <p>Functional Allocation of Expenses – Management performs a review of expenses and allocates based on job function, time allocation, and student enrollment type ratio.</p> <p>Management believes that the estimates used and assumptions made are adequate based on the information currently available. We evaluated the key factors and assumptions used to develop the estimates in determining that they are reasonable in relation to the financial statements as a whole.</p>

Required Communications

Area	Comments
Qualitative Aspects of Accounting Practices - Financial Statement Disclosures	<p>Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements are:</p> <p>Note 5 which summarizes the School's commitments under leases.</p> <p>Note 8 which details the major contributors to the School.</p> <p>Note 11 which summarizes the School's Liquidity and availability of resources over the next year.</p> <p>The financial statement disclosures are neutral, consistent and clear.</p>
Difficulties Encountered in Performing the Audit	<p>We encountered no significant difficulties in dealing with management relating to the performance of the audit.</p>

Required Communications

Area	Comments
Going Concern	We concur with management's assessment that the entity will continue as a going concern for one year from the auditors' report date.

Required Communications

Area	Comments
Significant Risks	<p>We have identified the following significant risks in connection with our audit:</p> <ul style="list-style-type: none">• Improper revenue recognition• Management override of internal controls• Management obscuring/making misleading disclosures

Required Communications

Area	Comments
Disagreements with Management	For purposes of this communication, a disagreement with management is a matter, whether or not resolved to our satisfaction, concerning financial accounting, reporting, or auditing, which could be significant to the financial statements or the auditors' report. No such disagreements arose during the course of the audit.
Management Representations	We will request certain written representations from management in a separate letter.

Required Communications

Area	Comments
Significant Issues Discussed With Management Prior to Retention	<p>We generally discuss with management a variety of matters, including the application of accounting principles and auditing standards, business conditions affecting the School, and business plans and strategies that may affect the risks of material misstatement. None of the matters discussed and our responses thereto were a condition to our retention as auditors.</p>
Auditor Independence	<p>We affirm that PKF O'Connor Davies, LLP is independent with respect to Great Oaks Charter School - Bridgeport in accordance with relevant professional standards.</p>

Required Communications

Area	Comments
Management's Consultations With Other Accountants	In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no such consultations with other accountants.

Required Communications

Area	Comments
Corrected and Uncorrected Misstatements	<p>Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management.</p> <p>We are required to communicate to you misstatements that remain uncorrected, including any related to prior periods, and the effect, if any, that they may have on the opinion in our report, and request their correction.</p>

Required Communications

Area	Comments
Corrected and Uncorrected Misstatements (continued)	In addition, we are required to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures.

Exhibit B

Communication of Internal Control Matters

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Great Oaks Charter School – Bridgeport’s (the “School”) internal control over financial reporting (“internal control”) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School’s internal control. Accordingly, we express no such opinion.

Professional standards require that we communicate to you, in writing, all significant deficiencies and/or material weaknesses in internal control that we identify in performing our audit.

Internal Control Over Financial Reporting (continued)

For this purpose, deficiencies in internal control are categorized as follows:

- **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.
- **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.
- **Material weakness** is a deficiency, or 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.

Internal Control Over Financial Reporting (continued)

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be deficiencies, significant deficiencies, or material weaknesses and, therefore, there can be no assurance that all such deficiencies have been identified.

Material Weaknesses

We did not identify any deficiencies in internal control that we consider to be material weaknesses, as defined above.

Exhibit C

Management Representation Letter

Great Oaks Charter School – Bridgeport Letterhead

Date of the Financial Statements

PKF O'Connor Davies, LLP
One Corporate Drive
Suite 725
Shelton, CT 06484

Ladies and Gentlemen:

This representation letter is provided in connection with your audits of the financial statements of Great Oaks Charter School – Bridgeport, Inc. (the “School”), which comprise the statement of financial position as of June 30, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements, for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (US GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of the date of this letter, the following representations made to you during your audits:

Our Responsibilities

- We acknowledge that we have fulfilled our responsibilities for:
 - The preparation and fair presentation of the financial statements in accordance with US GAAP;
 - 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; and
 - The design, implementation, and maintenance of internal control to prevent and detect fraud.
- We understand that the term “fraud” refers to intentional acts by one or more individuals among management, those charged with governance, employees, or third parties, involving the use of deception that results in a misstatement in financial statements. Two types of intentional misstatements are relevant to your audit – misstatements resulting from fraudulent financial reporting and misstatements resulting from misappropriation of assets. Fraudulent financial reporting involves intentional misstatements, including omissions of amounts or disclosures in financial statements to deceive financial statement users. Misappropriation of assets involves the theft of an entity’s assets.
- In regard to the tax preparation, assistance with preparing the financial statements and other non-attest services performed by you, we have:
 - Assumed all management responsibilities;

- Designated members of management who have suitable skill, knowledge, or experience to oversee the services;
- Evaluated the adequacy and results of the services performed; and
- Accepted responsibility for the results of the services.
- We are further responsible for reviewing, accepting and processing the standard, adjusting, or correcting journal entries that you proposed during the course of your engagement. We confirm that we designated a suitably qualified individual who understands the nature and impact of the proposed entries to the financial statements, and we accept responsibility for the proposed entries that we authorized and processed.
- We acknowledge our responsibility for presenting the schedules of expenditures of federal awards and state financial assistance (“*supplementary information*”) in accordance with US GAAP, and we believe the supplementary information, including its form and content, is fairly presented in accordance with US GAAP. The methods of measurement and presentation of the supplementary information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.

Financial Statements

- The financial statements referred to above are fairly presented in conformity with US GAAP and include all disclosures necessary for such fair presentation. In that connection, we specifically confirm that:
 - The School’s accounting policies, and the practices and methods followed in applying them, are appropriate and are as disclosed in the financial statements.
 - There have been no changes during the period audited in the School’s accounting policies and practices
 - All material transactions have been recorded in the accounting records and are reflected in the financial statements
- Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
- The following, where they exist, have been appropriately disclosed to you and accounted for and/or disclosed in the financial statements in accordance with the requirements of US GAAP:
 - The identity of all related parties and related party relationships and transactions.
 - Material concentrations. We understand that concentrations refer to volumes of business, revenues, available sources of supply, or markets or geographic areas for which it is reasonably possible that events could occur which would significantly disrupt normal finances within the next year.
 - Guarantees, whether written or oral, under which the Organization is contingently liable, including guarantee contracts and indemnification agreements.
 - The effects of all known actual, possible, pending or threatened litigation, claims, and assessments.
- The Organization does not have any uncertain tax positions that require disclosure or recognition in the financial statements.

- We have evaluated events subsequent to the date of the financial statements through the date of this letter, and no such events have occurred which would require adjustment or disclosure in the financial statements.
- We are in agreement with the adjusting journal entries you have proposed, and they have been posted to the Organization's accounts.
- We have assessed the Company's ability to continue as a going concern and have concluded that the Company will be able to continue as a going concern for at least one year from the date of this letter.

Information Provided

- We have provided you with:
 - Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - All documents and records provided electronically are accurate and complete reproductions of the original documents and records.
 - Access to all minutes of the meetings of directors, or summaries of actions of recent meetings for which minutes were not yet prepared.
 - Communications from regulatory agencies concerning noncompliance with or deficiencies in, financial reporting practices.
 - Additional information that you have requested from us for the purpose of the audit.
 - Unrestricted access to persons within the School from whom you determined it necessary to obtain audit evidence.
- We have disclosed to you our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- There are no deficiencies in the design or operation of internal control over financial reporting that are reasonably likely to adversely affect the Organization's ability to initiate, authorize, record, process, and report financial data reliably in accordance with US GAAP.
- We have no knowledge of any fraud or suspected fraud that affects the Organization and involves:
 - Management,
 - Employees who have significant roles in internal control, or
 - Others where the fraud could have a material effect on the financial statements.
- We have no knowledge of any allegations of fraud or suspected fraud affecting the School's financial statements communicated by employees, former employees, regulators, or others.
- We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us; and we have identified and disclosed to you all laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
- We have no knowledge of any instances of noncompliance or suspected noncompliance with laws and regulations whose effects should be considered when preparing financial statements.

- The School has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- The School is an exempt organization under Section 501(c)(3) of the Internal Revenue Code. Any activities of which we are aware that would jeopardize the School's tax-exempt status, and all activities subject to tax on unrelated business income or excise or other tax, have been disclosed to you. All required filings with tax authorities are up-to-date.
- We have a reasonable basis for the allocation of functional expenses.
- With respect to contributions:
 - Adequate controls are in place over the receipt and recording of contributions.
 - There were no unrecorded contributions at June 30, 2024 and 2023 that could materially affect the financial statements. In addition, we are unaware of any assets for which the School may be the beneficiary as prescribed by probated wills or held in trusts by independent trustees at June 30, 2024 and 2023, which should be recorded in the financial statements.
- We have complied with all restrictions on resources (including donor restrictions) and all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance. This includes complying with donor restrictions to maintain an appropriate composition of assets needed to satisfy their restrictions.

Hosting Services

We acknowledge that electronic portals used during the audit are only a method of transferring data and the data may be deleted [by you](#) at any time.

We are responsible for maintaining our financial and non-financial information, licensing and hosting of any applications, and downloading and retaining anything you uploaded [to such portal](#) in a timely manner.

Uniform Guidance Compliance Report

The following representations are provided in connection with your audit of the Organization's compliance with the types of compliance requirements described in *Title 2 U.S. Code of Federal Regulations ("CFR") Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards ("Uniform Guidance")*, *Audits of States, Local Governments and Non-Profit Organizations and Government Auditing Standards* that could have a direct and material effect on each of its major federal programs (hereinafter referred to as "compliance requirements") for the year ended June 30, 2023 for the purpose of expressing an opinion as to whether the School complied with such requirements.

- With respect to federal award programs:
 - We are responsible for understanding and complying with, and have complied with the requirements of Uniform Guidance, including requirements relating to preparation of the schedule of expenditures of federal awards.

- The schedule of expenditures of federal awards is in accordance with Uniform Guidance and identifies and discloses expenditures made during the audit period for all awards provided by federal agencies in the form of grants, federal cost-reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other direct assistance.
- We acknowledge our responsibility for presenting the schedule of expenditures of federal awards ("SEFA") in accordance with the requirements of Uniform Guidance §200.502, and we believe the SEFA, including its form and content, is fairly presented in accordance with Uniform Guidance §200.502. The methods of measurement and presentation of the SEFA have not changed from those used in the prior period, and we have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the SEFA.
- If the SEFA is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the SEFA no later than the date we issue the supplementary information and the auditors' report thereon.
- We have identified and disclosed to you all of our government programs and related activities subject to Uniform Guidance.
- We are responsible for understanding and complying with the requirements of laws, regulations, and the provisions of contracts and grant agreements related to each of our federal programs and have identified and disclosed to you the requirements of laws, regulations and the provisions of contracts and grant agreements that are considered to have a direct and material effect on each major program.
- We are responsible for establishing and maintaining, and have established and maintained, effective internal control over compliance requirements applicable to federal programs that provides reasonable assurance that we are managing our federal awards in compliance with laws, regulations, and the provisions of contracts and grant agreements that could have a material effect on our federal programs. We believe the internal control system is adequate and is functioning as intended.
- We have made available to you all contracts and grant agreements (including amendments, if any) and any other correspondence with federal agencies or pass-through entities relevant to federal programs and related activities.
- We have received no requests from a federal agency to audit one or more specific programs as a major program.
- We have complied with the direct and material compliance requirements (except for noncompliance disclosed to you), including when applicable, those set forth in the Uniform Guidance, relating to federal awards and have identified and disclosed to you all amounts questioned and all known noncompliance with the direct and material compliance requirements of federal awards.
- We have disclosed any communications from grantors and pass-through entities concerning possible noncompliance with the direct and material compliance requirements, including communications received from the end of the period covered by the compliance audit to the date of the auditor's report.

- We have disclosed to you the findings received and related corrective actions taken for previous audits, attestation engagements, and internal or external monitoring that directly relate to the objectives of the compliance audit, including findings received and corrective actions taken from the end of the period covered by the compliance audit to the date of the auditor's report.
- Amounts claimed or used for matching were determined in accordance with relevant guidelines in Uniform Guidance.
- We have disclosed to you our interpretation of compliance requirements that may have varying interpretations.
- We have made available to you all documentation related to compliance with the direct and material compliance requirements, including information related to federal program financial reports and claims for advances and reimbursements.
- There are no such known instances of noncompliance with direct and material compliance requirements that occurred subsequent to the period covered by the auditors' report.
- No changes have been made in internal control over compliance or other factors that might significantly affect internal control, including any corrective action we have taken regarding significant deficiencies in internal control over compliance (including material weaknesses in internal control over compliance), have occurred subsequent to the date as of which compliance was audited.
- Federal program financial reports and claims for advances and reimbursements are supported by the books and records from which the basic financial statements have been prepared.
- The copies of federal program financial reports provided you are true copies of the reports submitted, or electronically transmitted, to the respective federal agency or pass-through entity, as applicable.
- We have charged costs to federal awards in accordance with applicable cost principles.
- We are responsible for and have accurately prepared the summary schedule of prior audit findings to include all findings required to be included by Uniform Guidance, and we have provided you with all information on the status of the follow-up on prior audit findings by federal awarding agencies and pass-through entities, including all management decisions.
- We are responsible for and have insured the reporting package does not contain protected personally identifiable information.
- We are responsible for and have accurately prepared the auditee section of the Data Collection Form as required by Uniform Guidance.
- We are responsible for preparing and implementing a corrective action plan for each audit finding.
- We have disclosed to you all contracts or other agreements with service organizations, and we have disclosed to you all communications from the service organizations relating to noncompliance at the service organizations.

- We have a process to track the status of audit findings and recommendations.
- We have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.
- We have evaluated events subsequent to the date of the financial statements through the date of this letter, and no such events, including instances of noncompliance, have occurred which would require adjustment or disclosure in the financial statements or in the schedule of findings and questioned costs.
- With respect State award programs:
 - We are responsible for understanding and complying with, and have complied with the requirements of the State Single Audit Act, including requirements relating to preparation of the schedule of expenditures of state financial assistance.
 - We have prepared the schedule of expenditures of state financial assistance in accordance with the State Single Audit Act and have identified and disclosed in the schedule of expenditures made during the period for all awards provided by state agencies in the form of grants, cost-reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other assistance.
 - We are responsible for understanding and complying with, and have complied with the requirements of laws, regulations, and the provisions of contracts and grant agreements related to each of our state programs and have identified and disclosed to you the requirements of laws, regulations, and the provisions of contracts and grant agreements that are considered to have a direct and material effect on each major program.
 - We are responsible for establishing and maintaining, and have established and maintained, effective internal control over compliance requirements applicable to state programs that provide reasonable assurance that we are managing our state awards in compliance with laws, regulations, and the provisions of contracts and grant agreements that could have a material effect on our state program. We believe the internal control system is adequate and is functioning as intended. Also, no changes have been made in the internal control system to the date of this letter that might significantly affect internal control, including any corrective action taken with regard to reportable conditions in the schedule of findings and questioned costs.
 - We have received no requests from state agencies to audit one or more specific programs as a major program.
 - We have complied, in all material respects, with the compliance requirements, including when applicable, those set forth in the Compliance Supplement, relating to state awards and have identified and disclosed to you all amounts questioned and any known noncompliance with the requirements of state awards, including the results of other audits or program reviews.
 - We have disclosed to you our interpretation of compliance requirements that may have varying interpretations.

- We have made available to you all documentation relating to the compliance requirements, including information related to state program financial reports and claims for advances and reimbursements.
- We have charged costs to state awards in accordance with applicable cost principles.
- There are no known instances of noncompliance with direct and material compliance requirements that occurred subsequent to the period covered by the auditor's report.
- State program financial reports and claims for advances and reimbursements are supported by the books and records from which the basic financial statements have been prepared and are prepared on a basis consistent with the schedule of expenditures of state financial assistance.

The copies of state program financial reports provide to you are true copies of the reports submitted to the respective state agency or pass-thru entity, as applicable.

- We are responsible for and have ensured the reporting package does not contain protected personally identifiable information.
- We have evaluated events subsequent to the date of the financial statements through the date of this letter, and no such events, including instances of noncompliance, have occurred which would require adjustment or disclosure in the financial statements or in the schedule of findings and questioned costs.

In regard to the preparation of the Data Collection form, schedules of expenditures of federal awards and state financial assistance services performed by you, we have—

- Assumed all management responsibilities.
- Designated an individual with suitable skill, knowledge, or experience to oversee the services.
- Evaluated the adequacy and results of the services performed.
- Accepted responsibility for the results of the services.

- We acknowledge our responsibility as it relates to those nonaudit services and have made all management decisions and performed all management functions. We have reviewed, approved, and accepted responsibility for those financial statements and related notes and schedule of expenditures of federal awards and state financial assistance.
- We have no knowledge of any instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, waste or abuse whose effects should be considered when preparing financial statements.
- We have identified and disclosed to you all instances that have occurred, or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.
- We have identified and disclosed to you all instances that have occurred, or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that we believe have a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.

Significant contractual agreements could impact reporting

The School has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.

Corey Sneed, Board Treasurer Great Okas Charter School – Bridgeport

Ben Chan, CFO Great Oaks Charter School - Bridgeport

DRAFT

Client: 2070548.000 - Great Oaks Charter School - Bridgeport
 Engagement: 2024 AUD - Great Oaks Charter School - Bridgeport
 Period Ending: 6/30/2024
 Trial Balance: TB
 Workpaper: 3700.01 - Adjusting Journal Entries Report

Account	Description	Debit	Credit
Adjusting Journal Entries JE # 1			
To adjust equity to match the prior year financial statements			
20000	Accounts Payable	17,474.00	
31000	Unrestricted Net Assets		17,474.00
Total		17,474.00	17,474.00
Adjusting Journal Entries JE # 2			
To adjust ROU Asset and ROU Liability for Operating and Finance Leases			
28500	ROU Liability	852,890.00	
28501	ROU Liability- Finance	40,168.00	
80100	FACILITY OPERATION & MAINTENANC:FACILITY OPERATION & MAINTENANC-Rent	74,380.00	
86210	Amortization (Copier)	42,067.00	
89007	Interest Expense (Copier)	5,488.00	
18500	ROU Asset		927,270.00
18501	ROU Asset - Finance		42,067.00
73600	SCHOOL OPERATIONS:SCHOOL OPERATIONS-Copier Maintenance/Lease		45,656.00
Total		1,014,993.00	1,014,993.00
Adjusting Journal Entries JE # 3			
CPS - To adjust depreciation expense, as original schedule had a formula error and was not recorded properly.			
86200	FACILITY OPERATION & MAINTENANC:FACILITY OPERATION & MAINTENANC-Depreciation	7,250.00	
15801	Furniture and Equipment-Accumulated Depreciation - Software		7,250.00
Total		7,250.00	7,250.00
Adjusting Journal Entries JE # 4			
Transfer federal grant from state account to federal account.			
40400	REVENUES FROM STATE SOURCES:REVENUES FROM STATE SOURCES-Other State Sources	10,000.00	
41520	REVENUES FROM FEDERAL SOURCES:REVENUES FROM FEDERAL SOURCES-Federal Grants-Other Federal Grants		10,000.00
Total		10,000.00	10,000.00
Adjusting Journal Entries JE # 5			
To adjust accrued expense to match FY24 audit fees (booked too much).			
20100	Accrued Expenses	6,000.00	
61000	CONTRACTED SERVICES:CONTRACTED SERVICES-Accounting / Audit		6,000.00
Total		6,000.00	6,000.00
Adjusting Journal Entries JE # 6			
Client provided entry to adjust insurance that was originally posted to incorrect account			
81000	FACILITY OPERATION & MAINTENANC:FACILITY OPERATION & MAINTENANC-Insurance	1,200.00	
21115	Payroll Liabilities- Other Insurance		1,200.00
Total		1,200.00	1,200.00
Adjusting Journal Entries JE # 7			
Client Prepare Entry: To adjust prepaid to correct amount.			
14200	Prepaid Expenses	1,543.00	
63010	CONTRACTED SERVICES:CONTRACTED SERVICES-Support Organization Fees:Tutor Fees		1,543.00
Total		1,543.00	1,543.00
Adjusting Journal Entries JE # 8			
To record per pupil SpEd receivable from City of Bridgeport			
11300	Accounts Receivable - Special Education	163,875.00	
13000	Accrued Revenue		163,875.00
Total		163,875.00	163,875.00
Adjusting Journal Entries JE # 9			
To record in-kind services.			
53400	PERSONNEL SERVICE COSTS:PERSONNEL SERVICE COSTS-INSTRUCTIONAL PERSONNEL COSTS:Tutors	304,819.00	
67000	CONTRACTED SERVICES:CONTRACTED SERVICES-Special Ed Services	43,401.00	
76000	SCHOOL OPERATIONS:SCHOOL OPERATIONS-Transportation (student)	570,655.00	
42170	In-Kind Contributions		918,875.00
Total		918,875.00	918,875.00
Adjusting Journal Entries JE # 10			
To record client provided entry to reallocate payroll liability write-offs to benefits account originally recorded in revenue			
42800	LOCAL & OTHER REVENUE-Other Local & Misc Revenue	26,863.00	
57200	PERSONNEL SERVICE COSTS:PERSONNEL SERVICE COSTS-PAYROLL TAXES AND BENEFITS:Fringe / Employee Benefits		26,863.00
Total		26,863.00	26,863.00
Adjusting Journal Entries JE # 11			
To adjust AP and Prepaid to show prepaid rent that was sitting in AP into Prepaid			
14100	Prepaid Expenses-Prepaid Rent	118,897.00	

Client: 2070548.000 - Great Oaks Charter School - Bridgeport
 Engagement: 2024 AUD - Great Oaks Charter School - Bridgeport
 Period Ending: 6/30/2024
 Trial Balance: TB
 Workpaper: 3700.01 - Adjusting Journal Entries Report

Account	Description	Debit	Credit
20000	Accounts Payable		118,897.00
Total		118,897.00	118,897.00
Adjusting Journal Entries JE # 12			
Client Prepared Entry: to record vendor credits to GO			
20000	Accounts Payable	12,828.00	
67100	CONTRACTED SERVICES:CONTRACTED SERVICES-Tech Support		10,346.00
80160	FACILITY OPERATION & MAINTENANC:Utilities		2,482.00
Total		12,828.00	12,828.00

Restrictions

- The auditors' report on the financial statements does not extend to other information in documents containing the financial statements and related supplemental information.
- The financial statements are the property of the School and can be reproduced and distributed as management desires. You must notify us in advance and obtain our approval if you intend to make reference to our firm in a document that includes our auditors' report on the financial statements.
- This presentation is intended solely for the use of School's management and TCWG and is not intended to be and should not be used by anyone other than these specified parties. This presentation is not intended for general use, circulation or publication and should not be published, circulated, reproduced or used for any purpose without prior written permission in each specific instance.

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Financial Statements, Uniform Guidance
Schedules, and State
Single Audit Together with
Independent Auditors' Reports

June 30, 2024 and 2023

DRAFT

Great Oaks Charter School – Bridgeport, Inc.

Financial Statements, Uniform Guidance Schedules, and State Single Audit
 Together with Independent Auditors' Reports
 June 30, 2024 and 2023

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Independent Auditors' Report

**Board of Trustees
Great Oaks Charter School – Bridgeport, Inc.**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Great Oaks Charter School - Bridgeport, Inc. ("GOCS-B"), which comprise the statement of financial position as of June 30, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of GOCS-B as of June 30, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of GOCS-B and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about GOCS-B's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Board of Trustees

Great Oaks Charter School – Bridgeport, Inc.

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Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of GOCS-B's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about GOCS-B's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Board of Trustees

Great Oaks Charter School – Bridgeport, Inc.

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Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and schedule of expenditures of state financial assistance as required by the Connecticut State Single Audit Act, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and the schedule of expenditures of state financial assistance are fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated **January --, 2025**, on our consideration of GOCS-B's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of GOCS-B'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 GOCS-B's internal control over financial reporting and compliance.

Shelton, Connecticut
January --, 2025

Great Oaks Charter School – Bridgeport, Inc.

Statements of Financial Position

	June 30,	
	2024	2023
ASSETS		
Cash	\$ 189,653	\$ 462,888
Grants and contracts receivable	778,342	1,158,593
Account receivable	16,000	-
Prepaid expenses and other	155,395	45,418
Security deposits	380,303	380,303
Property and equipment	2,355,405	2,514,448
Finance lease right-of-use asset	175,281	217,348
Operating lease right-of-use asset	16,744,353	17,671,623
	<u>\$ 20,794,732</u>	<u>\$ 22,450,621</u>
LIABILITIES & NET ASSETS		
Liabilities		
Accounts payable and accrued expenses	328,092	287,533
Accrued payroll and taxes	357,816	398,354
Finance lease liability	178,139	218,306
Operating lease liability	17,675,308	18,528,198
Total Liabilities	<u>18,539,355</u>	<u>19,432,391</u>
Net Assets		
Without donor restrictions	<u>2,255,377</u>	<u>3,018,230</u>
	<u>\$ 20,794,732</u>	<u>\$ 22,450,621</u>

See notes to financial statements

Great Oaks Charter School – Bridgeport, Inc.

Statements of Activities

	Year Ended June 30,	
	2024	2023
	Without Donor Restrictions	Without Donor Restrictions
OPERATING REVENUES AND OTHER SUPPORT		
State grants and contracts	\$ 8,207,322	\$ 7,976,871
Federal grants and contracts	1,612,597	3,538,892
Employee Retention Credit	288,307	-
Private donations and other funding	901,108	746,441
In-kind revenues	918,875	689,440
Total Public Support and Revenue	<u>11,928,209</u>	<u>12,951,644</u>
EXPENSES		
Program Services		
Education	9,575,987	9,503,926
Special education	<u>2,613,083</u>	<u>3,020,665</u>
Total Program Services	12,189,070	12,524,591
Supporting services		
Management and general	<u>501,992</u>	<u>430,682</u>
Total Expenses	<u>12,691,062</u>	<u>12,955,273</u>
Change in Net Assets	(762,853)	(3,629)
NET ASSETS		
Beginning of Year	<u>3,018,230</u>	<u>3,021,859</u>
End of Year	<u>\$ 2,255,377</u>	<u>\$ 3,018,230</u>

See notes to financial statements

Great Oaks Charter School – Bridgeport, Inc.

Statements of Functional Expenses

Year Ended June 30, 2024

EXPENSES	Program Services			Supporting Services	Total
	Education	Special Education	Total	Management and General	
Salaries	\$ 4,449,083	\$ 1,255,524	\$ 5,704,607	\$ 243,964	\$ 5,948,571
Payroll taxes and employee benefits	697,962	259,243	957,205	39,884	997,089
In-kind tutor services	258,979	45,840	304,819	-	304,819
Professional development	89,180	24,659	113,839	4,614	118,453
Professional fees	389,968	104,584	494,552	95,735	590,287
Student and staff recruitment	27,748	6,008	33,756	570	34,326
Curriculum and classroom	208,793	80,798	289,591	228	289,819
Supplies and materials	128,606	26,993	155,599	2,200	157,799
Food service	335,243	59,339	394,582	-	394,582
In-kind transportation	495,713	87,743	583,456	-	583,456
Insurance	108,529	30,009	138,538	5,615	144,153
Information technology	249,435	68,550	317,985	12,686	330,671
Occupancy and facility costs	1,744,187	455,325	2,199,512	76,226	2,275,738
Non-capitalized equipment and furnishings	4,375	1,210	5,585	226	5,811
Repairs and maintenance	91,592	25,247	116,839	4,698	121,537
Interest	4,132	1,142	5,274	214	5,488
Lease amortization	31,671	8,757	40,428	1,639	42,067
Depreciation and amortization	260,791	72,112	332,903	13,493	346,396
Total Expenses	\$ 9,575,987	\$ 2,613,083	\$ 12,189,070	\$ 501,992	\$ 12,691,062

See notes to financial statements

Great Oaks Charter School – Bridgeport, Inc.

Statements of Functional Expenses

Year Ended June 30, 2023

EXPENSES	Program Services			Supporting Services	Total
	Education	Special Education	Total	Management and General	
Salaries	\$ 4,233,304	\$ 1,358,527	\$ 5,591,831	\$ 203,309	\$ 5,795,140
Payroll taxes and employee benefits	763,592	283,620	1,047,212	43,634	1,090,846
In-kind tutor services	228,362	58,066	286,428	-	286,428
Professional development	118,362	37,580	155,942	5,394	161,336
Professional fees	572,419	179,711	752,130	72,460	824,590
Student and staff recruitment	12,589	3,474	16,063	197	16,260
Curriculum and classroom	293,711	119,599	413,310	708	414,018
Supplies and materials	150,680	41,937	192,617	2,612	195,229
Food service	297,805	75,723	373,528	-	373,528
In-kind transportation	310,814	79,031	389,845	-	389,845
Insurance	110,710	35,151	145,861	5,045	150,906
Information technology	239,307	75,981	315,288	10,905	326,193
Occupancy and facility costs	1,722,712	531,247	2,253,959	67,172	2,321,131
Non-capitalized equipment and furnishings	16,979	5,391	22,370	773	23,143
Repairs and maintenance	81,016	25,530	106,546	3,552	110,098
Interest	4,862	1,544	6,406	222	6,628
Depreciation and amortization	302,444	96,027	398,471	13,782	412,253
Other	44,258	12,526	56,784	917	57,701
Total Expenses	\$ 9,503,926	\$ 3,020,665	\$ 12,524,591	\$ 430,682	\$ 12,955,273

See notes to financial statements

Great Oaks Charter School – Bridgeport, Inc.

Statements of Cash Flows

	Year Ended June 30,	
	2024	2023
CASH FLOWS FROM FINANCING ACTIVITIES		
Change in net assets	\$ (762,853)	\$ (3,629)
Adjustments to reconcile change in net assets to net cash from operating activities:		
Amortization of financing lease right-of-use asset	1,900	958
Amortization of operating lease right-of-use asset	74,380	90,706
Depreciation	346,396	412,253
Change in operating assets and liabilities		
Government grants and contracts receivable	380,251	(192,245)
Prepaid expenses	(109,977)	85,147
Accounts payable and accrued expenses	40,559	(183,696)
Accrued payroll and taxes	(40,538)	119,986
Net Cash from Operating Activities	<u>(69,882)</u>	<u>329,480</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	<u>(187,353)</u>	<u>(127,973)</u>
Net Cash from Investing Activities	<u>(187,353)</u>	<u>(127,973)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of loan affiliate	<u>-</u>	<u>(113,715)</u>
Net Cash from Financing Activities	<u>-</u>	<u>(113,715)</u>
Net Change in Cash	(257,235)	87,792
CASH		
Beginning of Year	<u>462,888</u>	<u>375,096</u>
End of Year	<u>\$ 205,653</u>	<u>\$ 462,888</u>

See notes to financial statements

Great Oaks Charter School – Bridgeport, Inc.

Notes to Financial Statements June 30, 2024 and 2023

1. Description of the School

Great Oaks Charter School – Bridgeport, Inc. (“GOCS-B”), a not-for-profit organization is recognized by the State of Connecticut as a charter school under Public Act No. 97-214, as amended by Sections 56 and 57 of Public Act 96-244. The Board of Education of the State of Connecticut has granted GOCS-B’s charter to operate grades 6 – 12 through June 2027. GOCS-B was organized to create a rigorous, supportive middle, and high school program that ensures its graduates have the requisite knowledge and habits of mind to earn a degree from a competitive four-year college or university. During fiscal years 2024 and 2023 GOCS-B operated classes for 661 students in grades 6 through 12. GOCS-B is primarily funded by governmental grants and contracts.

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”).

Adoption of New Accounting Pronouncement

In June 2016, the Financial Accounting Standards Board issued an accounting pronouncement related to the measurement of credit losses on financial instruments. This pronouncement and subsequently issued Accounting Standards Updates, clarified certain provisions of the new guidance, changes the impairment model for most financial assets and require the use of an “expected loss” model for instruments measured at amortized cost. Under this model, entities are required to estimate the lifetime expected credit losses on such instruments and record an allowance to offset the amortized cost basis of the financial asset, resulting in a net presentation of the amount expected to be collected on the financial asset. The adoption of this guidance on July 1, 2023 expanded the Center’s required disclosures for its expected credit losses for account receivable but did not have a material impact on its financial statement.

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Cash

From time to time GOCS-B has cash in the bank in excess of the federal deposit insurance amount of \$250,000. GOCS-B did not exceed federally insured limits as of June 30, 2024. As of June 30, 2023, GOCS-B exceeded federally insured limits by \$94,204.

Great Oaks Charter School – Bridgeport, Inc.

Notes to Financial Statements
June 30, 2024 and 2023

2. Summary of Significant Accounting Policies (*continued*)

Government Grants and Contracts Receivable

Grants and contracts receivable are stated at the amount management expects to collect from outstanding balances.

GOCS-B continuously monitors the creditworthiness of grantors and establishes an allowance for amounts that may become uncollectible in the future based on current economic trends, historical payment, bad debt write-off experience and any specific grantor related collection issues. Balances that remain outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a reduction in accounts receivable. As of June 30, 2024 and 2023, no allowance for doubtful accounts has been deemed necessary.

Property and Equipment

Property and equipment is carried at cost and includes expenditures which substantially increase their useful lives. The cost of property and equipment purchased in excess of \$2,500 is capitalized. Depreciation is being provided by use of the straight-line method over the estimated useful lives of the related asset ranging from three to twenty years. Expenditures for repairs and maintenance are charged to expense as incurred.

Refundable Advances

GOCS-B records certain grants and contracts as refundable advances until related services are performed, at which time they are recognized as revenue.

Net Assets

Net assets without donor restrictions – net assets without donor restrictions are available for use at the discretion of the Board of Directors (“Board”) and/or management for general operating purposes. From time to time the Board designates a portion of these net assets for specific purposes which makes them unavailable for use at management’s discretion. As of June 30, 2024, the Board has not designated any funds for specific purposes.

Net assets with donor restrictions – net assets with donor restrictions consist of assets whose use is limited by donor-imposed, time and/or purpose restrictions.

No gifts of cash or other assets with donor restrictions were received in 2024 and 2023.

Grants and Contracts

Revenue from the state and local government resulting from the GOCS-B’s charter status is based on the number of students enrolled and is recorded when services are performed in accordance with the charter agreement.

Great Oaks Charter School – Bridgeport, Inc.

Notes to Financial Statements
June 30, 2024 and 2023

2. Summary of Significant Accounting Policies (*continued*)

Grants and Contracts (continued)

GOCS-B receives a substantial portion of its operating support and revenue from the Connecticut State Department of Education. If the charter school laws were modified, reducing or eliminating these revenues, GOCS-B's finances could be materially affected.

Contributions

The Organization recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met. Federal and state contracts and grants are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Refundable government grants consists of government grants received for which performance requirements or incurrence of allowable qualifying expenses have not yet been met or incurred. Contributions are reported as revenue without donor restrictions or revenues with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified in the statement of activities to net assets without donor restriction. Contributions with donor restrictions that are used for the purpose specified by the donor in the same year as the contribution is received are recognized as revenues without donor restrictions. Conditional promises to give are recognized when conditions on which they depend are substantially met.

GOCS-B reports gifts of property and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Absent donor stipulations about how long those assets must be maintained, GOCS-B reports expirations of donor restrictions when the assets are placed in service.

Contributed Goods and Services

GOCS-B's policy related to gifts-in-kind is to utilize the assets given to carry out its mission. If an asset is provided that does not allow the GOCS-B to utilize it in its normal course of business, the asset will be sold. Contributions of donated non-cash assets are recorded at their fair value in the period received.

Contributed services are recognized as contributions if the services (a) create or enhance non-financial assets or (b) require specialized skills that are provided by individuals possessing those skills, and typically would need to be purchased, if not provided by donation. In-kind contributions are reflected in the accompanying statement of activities at their fair value at the time the services are rendered.

Great Oaks Charter School – Bridgeport, Inc.

Notes to Financial Statements
June 30, 2024 and 2023

2. Summary of Significant Accounting Policies *(continued)*

Functional Expenses

The costs of providing programs and supporting activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents expenses by function and natural classification. Expenses directly attributable to a specific functional area are reported as expenses of those functional areas while indirect costs that benefit multiple functional areas have been allocated based on job function and time allocation for office, occupancy, professional fees and depreciation expense and student enrollment type ratio for payroll and instructional related expenses.

Income Taxes

GOCS-B is exempt from federal and state income taxes as a public charity under Section 501(c)(3) of the Internal Revenue Code, however, GOCS-B is subject to federal income tax on any unrelated business taxable income.

GOCS-B recognizes the effect of income tax positions only if those positions are more likely than not to be sustained. Management has determined that GOC-B had no uncertain tax positions that would require financial statement recognition or disclosure. GOCS-B is no longer subject to examinations by the applicable taxing jurisdictions for periods prior to 2021.

Subsequent Events

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through **January --, 2025**, the date the financial statements were available for issue.

3. Government Grants Receivable

Grants receivable of \$794,342 at June 30, 2024 are all due in less than one year.

4. Property and Equipment

	June 30,		Estimated Useful Life
	2024	2023	
Leasehold improvements	\$ 475,813	\$ 356,225	3-20 years
Furniture and fixtures	508,246	508,246	7 years
Equipment	1,467,906	1,400,140	3 years
Building improvements	2,500,000	2,500,000	20 years
	4,951,965	4,764,611	
Accumulated depreciation	<u>(2,596,560)</u>	<u>(2,250,163)</u>	
	<u>\$2,355,405</u>	<u>\$2,514,448</u>	

Great Oaks Charter School – Bridgeport, Inc.

Notes to Financial Statements
June 30, 2024 and 2023

5. Commitments

GOCS-B leases operating facilities and equipment under noncancellable operating leases expiring at various dates through 2038.

The following summarizes the weighted average remaining lease term and discount rate:

	June 30,			
	2024		2023	
	Finance	Operating	Finance	Operating
Weighted Average Remaining Lease Term	4.25	14.17	5.25	15.17
Weighted Average Discount Rate	2.80%	3.17%	2.80%	3.17%

The maturities of lease liabilities as of June 30, 2024 are as follows:

Year ending June 30	Finance	Operating
2025	\$ 45,240	\$ 1,440,791
2026	45,240	1,457,475
2027	45,240	1,474,577
2028	45,240	1,491,624
2029	7,540	1,509,236
Thereafter	-	14,662,039
	188,500	22,035,742
Less: imputed interest	(10,361)	(4,360,434)
	\$ 178,139	\$17,675,308

The following summarizes the line items in the statements of operations which include the components of lease expense for the year ended June 30:

	2024	2023
Lease Expense		
Finance lease expense		
Amortization of ROU assets	\$ 42,067	\$ 42,067
Interest on lease liabilities	5,488	6,627
Operating lease expense	1,498,565	1,498,565
	\$1,546,120	\$1,547,259

Great Oaks Charter School – Bridgeport, Inc.

Notes to Financial Statements June 30, 2024 and 2023

5. Commitments *(continued)*

The following summarizes cash flow information related to leases for the year ended June 30:

	June 30,	
	2024	2023
Supplemental cash flows		
Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows from finance leases (interest)	\$ 5,582	\$ 6,119
Financing cash flows from finance leases (principal portion)	40,074	41,617
Operating cash flows from operating leases	<u>1,424,185</u>	<u>1,407,856</u>
	<u>\$ 1,469,841</u>	<u>\$ 1,455,592</u>

6. Net Assets

Net assets without donor restrictions is comprised of undesignated amounts at June 30:

	2024	2023
Property and equipment, net of related debt	\$ 2,355,405	\$ 2,514,448
General	<u>(100,028)</u>	<u>503,782</u>
	<u>\$ 2,255,377</u>	<u>\$ 3,018,230</u>

7. Contributed Services and Goods

In 2024 and 2023, GOCS-B received the services of tutors paid for by GOF. These services include both tutors and tutor leaders. These services were valued at the amount of salaries and benefits paid by GOF to the tutors and leaders. The value of these services was \$304,819 and \$286,428 for the years ended June 30, 2024 and 2023, respectively.

In addition, the City of Bridgeport provided transportation and special education services to the students of GOCS-B valued at \$570,655 and \$43,401 for the year ended June 30, 2024 and \$359,611 and \$43,401 for the year ended June 30, 2023, respectively. The contributed assistance is valued at fair value based on current rates for these services.

8. Major Contributors

GOCS-B received approximately 82% of its support from two granting agencies in 2024 and 81% of its support from two granting agencies in 2023. As of June 30, 2024 and 2023, GOCS-B has outstanding receivables in the amount of \$446,417 and \$864,593 from one granting agency, respectively.

9. Academic and Business Services Agreement

GOCS-B entered into an academic, tutor and business service agreement with GOF. The agreement provides academic, tutor, financial and operational services to GOCS-B. Pursuant to the terms of the agreement, GOCS-B shall pay 6% of the non-competitive public revenues

Great Oaks Charter School – Bridgeport, Inc.

Notes to Financial Statements
June 30, 2024 and 2023

9. Academic and Business Services Agreement (*continued*)

of GOCS-B, exclusive of special education services, as set forth in the budget adopted by the Board of Trustees prior to the commencement of the fiscal year. In addition, GOCS-B shall pay GOF a tutor fee ranging from \$6,715 to \$12,850 per year for each tutors and tutor leaders. Service and tutor fees are included in professional fees expense.

The Academic, Tutor and Business Service Agreement is co-terminus with the expiration of GOCS-B's charter.

Included in professional fees on the statement of functional expenses, GOCS-B incurred GOF fees of:

	2024	2023
Service Fee	\$ 82,000	\$477,387
Tutor Fee	244,500	196,730
	\$ 326,500	\$674,117

GOCS-B terminated the business service agreement with GOF.

10. Connecticut Teachers' Retirement Plan

All certified administrators and teachers participate in the Connecticut Teachers' Retirement System that is administered by the State of Connecticut (the "State"). The Plan requires mandatory contributions by employees of 8.25% of their eligible annual compensation. The State provides the remaining funding of retirement benefits and is required to contribute at an actuarially determined rate, which may be reduced by an act of State Legislature. Administrative costs of the plan are funded by the State. The GOCS-B has no obligation under this plan.

11. Liquidity and Availability of Resources

GOCS-B's financial assets available within one year of the statement of financial position date for general expenditure are as follows:

	2024	2023
Cash	\$ 189,653	\$ 462,888
Government grants and contracts receivable	778,342	1,158,593
Total Financial Assets Available to Management for General Expenditures Within One Year	\$ 967,995	\$1,621,481

As part of GOCS-B's liquidity management, GOCS-B has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

Great Oaks Charter School – Bridgeport, Inc.

Uniform Guidance Schedules and State Single Audit Reports

June 30, 2024

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Great Oaks Charter School – Bridgeport, Inc.

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2024

Federal Grantor/Pass-through Grantor/ Program Title or Cluster Title	Federal Assistance Listing Number	Pass- Through Identifying Number	Provided Through to Subrecipients	Total Federal Expenditures
U.S. Department of Agriculture				
Pass through program from the State of Connecticut				
Education Department				
Child Nutrition Cluster				
National School Lunch Program (NSLP)	10.555	00294	\$ -	\$ 286,778
COVID-19 Allocation of Supply Chain Assistance Funds	10.555A	00294	-	20,028
School Breakfast Program (SBP)	10.553	00294	-	80,904
Total Child Nutrition Cluster			-	387,710
COVID-19 State Pandemic Electronic Benefit Transfer (P-EBT) Administrative Cost Grant	10.649	00294	-	653
Total U.S. Department of Agriculture			-	388,363
U.S. Department of Education				
Pass through program from the State of Connecticut				
Education Department				
Title I Grants to Local Education Agencies (LEAs)	84.010	00294	-	485,312
Every Student Succeeds ACT School Improvement Grant Competitive (ESSA SIG)	84.010A	00294	-	236,000
Supporting Effective Instruction State Grants (Formerly Improving Teacher Quality State Grants)	84.367	00294	-	44,628
English Language Acquisition State Grants	84.365	00294	-	11,455
Student Support and Academic Enrichment Program	84.424	00294	-	35,349
Special Education Stipend - COVID-19	84.027A	00294	-	10,000
Total Non-COVID-19 American Rescue Plan - Elementary Relief Funds			-	551,395
COVID-19 American Rescue Plan - Elementary and Secondary School Emergency Relief Funds				
Connecticut High Dosage Tutoring Program	84.425U	00294	-	317,525
Homeless Children and Youth II	84.425W	00294	-	2,200
Total COVID-19 American Rescue Plan - Elementary Relief Funds			-	319,725
COVID-19 American Rescue Plan Act (ARPA)				
ARPA Dual Credit Expansion	21.027	00294	-	9,400
Free Application for Federal Student Aid	21.027	00294	-	1,000
School Mental Health Specialist	21.027	00294	-	59,766
Total COVID-19 American Rescue Plan Act			-	70,166
Total U.S. Department of Education			-	1,212,635
U.S. Federal Communication Commission				
Pass through the U.S. Department of the Treasury				
Emergency Connectivity Fund	32.009	00294	-	11,599
Total Expenditures of Federal Awards			\$ -	\$ 1,612,597

Great Oaks Charter School – Bridgeport, Inc.

Notes to Schedule of Expenditures of Federal Awards

Year Ended June 30, 2024

1. Basis of presentation

The accompanying schedule of expenditures of federal awards (the “Schedule”) includes the federal award activity of Great Oaks Charter School – Bridgeport, Inc. (‘GOCS-B’) under programs of the federal government for the year ended June 30, 2024. The information in this schedule 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”). Because the Schedule presents only a selected portion of the operations of GOCS-B, it is not intended to and does not present the financial position, changes in net assets, or cash flows of GOCS-B.

2. Summary of significant accounting policies

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

3. Indirect Cost Rate

GOCS-B has elected not to use the 10-percent de minimis indirect cost rate allowed under the uniform guidance.

**Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on an Audit of
Financial Statements Performed in Accordance
with *Government Auditing Standards***

Independent Auditors' Report

**Board of Trustees
Great Oaks Charter School – Bridgeport, Inc.**

We 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 the financial statements of the Great Oaks Charter School - Bridgeport, Inc. ("GOCS-B") (a nonprofit organization), which comprise the statement of financial position as of June 30, 2024 and the related statements of activities, functional expenses, and cash flows for the year ended, and the related notes to the financial statements, and have issued our report thereon dated **January --**, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered GOCS-B's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of GOCS-B's internal control. Accordingly, we do not express an opinion on the effectiveness of the GOCS-B's internal control.

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

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

Board of Trustees

Great Oaks Charter School – Bridgeport, Inc.

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Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether GOCS-B’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Shelton, Connecticut

January --, 2025

Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance

Independent Auditors' Report

**Board of Trustees
Great Oaks Charter School – Bridgeport, Inc.**

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Great Oaks Charter School - Bridgeport, Inc. ("GOCS-B")'s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of GOCS-B's major federal programs for the year ended June 30, 2024. GOCS-B's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, GOCS-B 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 programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of GOCS-B and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of GOCS-B'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 GOCS-B's federal programs.

Board of Trustees

Great Oaks Charter School – Bridgeport, Inc.

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Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on GOCS-B's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance 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 GOCS-B's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding GOCS-B's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of GOCS-B'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, but not for the purpose of expressing an opinion on the effectiveness of GOCS-B's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

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

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

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

Shelton, Connecticut
January --, 2025

Great Oaks Charter School – Bridgeport, Inc.

Schedule of Federal Findings and Questioned Costs
Year Ended June 30, 2024

Section I - Summary of Auditors' Results

Financial Statements

Type of report the auditor issued:

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? yes no
- Significant deficiency(ies) identified? yes none reported
- Noncompliance material to financial statements noted? yes no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? yes no
- Significant deficiency(ies) identified? yes none reported

Type of auditors' report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2CFR section 200.516(a)? yes no

Identification of major programs:

<u>Assistance Listing Number</u>	<u>Name of Federal Program or Cluster</u>
84.010	Title I Grants to Local Education Agencies
84.010A	Every Student Succeeds ACT School Improvement Grant Competitive

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

Auditee qualified as a low risk auditee? yes no

Great Oaks Charter School – Bridgeport, Inc.

Schedule of Federal Findings and Questioned Costs *(continued)*

For the Year Ended June 30, 2024

Section II - Financial Statement Findings:

- During our audit, we noted no material findings for the year ended June 30, 2024.

Section III - Federal Award Findings and Questioned Costs:

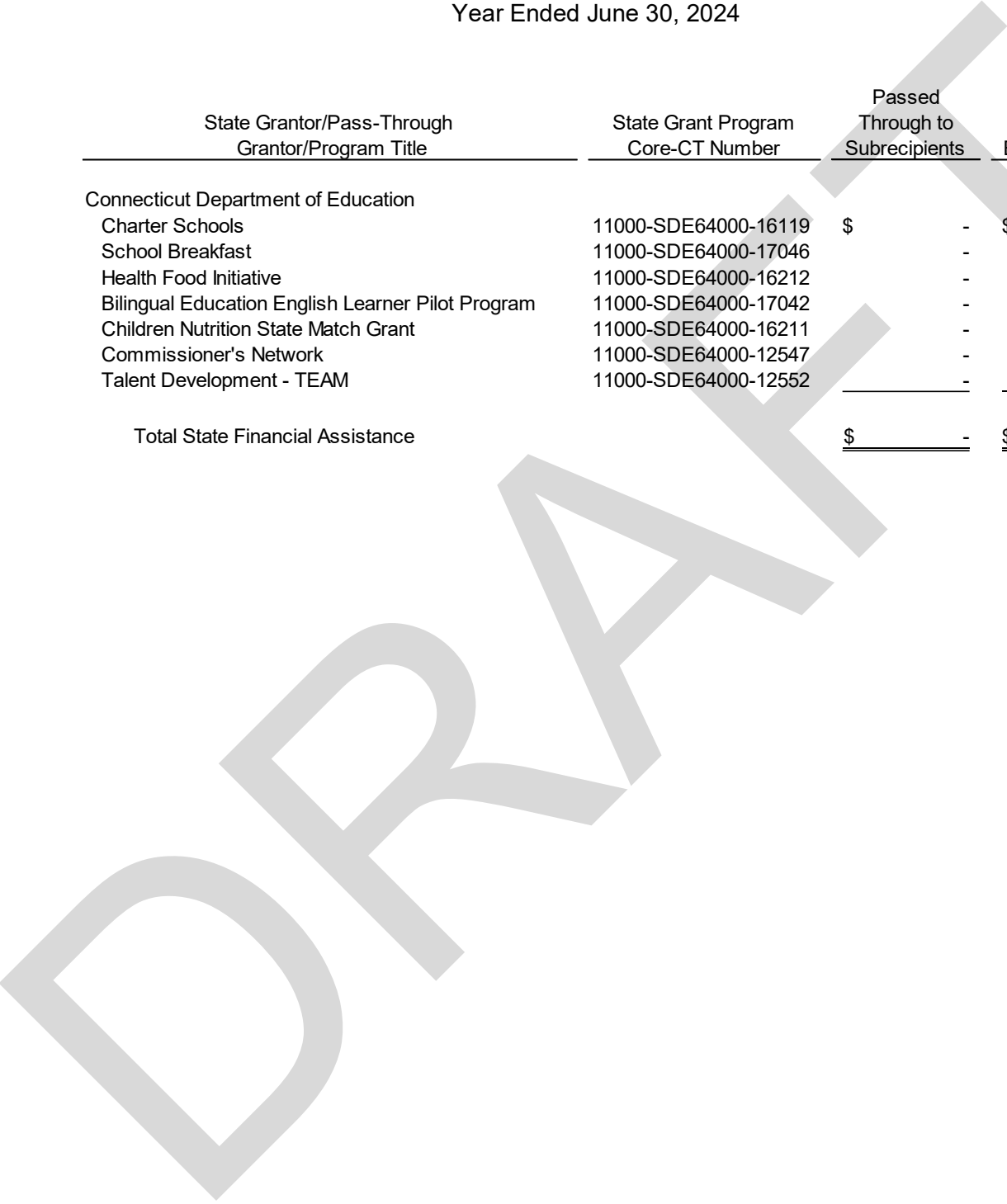
- No findings or questioned costs are reported related to federal assistance programs.

Great Oaks Charter School – Bridgeport, Inc.

Schedule of Expenditures of State Financial Assistance

Year Ended June 30, 2024

State Grantor/Pass-Through Grantor/Program Title	State Grant Program Core-CT Number	Passed Through to Subrecipients	Expenditures
Connecticut Department of Education			
Charter Schools	11000-SDE64000-16119	\$ -	\$ 8,135,355
School Breakfast	11000-SDE64000-17046	-	2,652
Health Food Initiative	11000-SDE64000-16212	-	5,416
Bilingual Education English Learner Pilot Program	11000-SDE64000-17042	-	8,370
Children Nutrition State Match Grant	11000-SDE64000-16211	-	2,875
Commissioner's Network	11000-SDE64000-12547	-	50,000
Talent Development - TEAM	11000-SDE64000-12552	-	2,654
Total State Financial Assistance		<u>\$ -</u>	<u>\$ 8,207,322</u>



Great Oaks Charter School – Bridgeport, Inc.

Notes to Schedule of Expenditures of State Financial Assistance

Year Ended June 30, 2024

1. Summary of Significant Accounting Policies

The accompanying Schedule of Expenditures of State Financial Assistance includes state grant activity of Great Oaks Charter School – Bridgeport, Inc. under programs of the State of Connecticut for the year ended June 30, 2024. Various departments and agencies of the State of Connecticut have provided financial assistance through grants and other authorizations in accordance with the general statutes of the State of Connecticut. Because the schedule presents only a selected portion of the operations of the GOCS-B, it is not intended and does not present the financial position, changes in fund balance, changes in net position, or cash flows of GOCS-B.

The accounting policies of Great Oaks Charter School – Bridgeport, Inc. conform to accounting principles generally accepted in the United States of America as applicable to not-for-profit organizations.

The information in the Schedule is presented based on regulations established by the State of Connecticut Office of Policy and Management.

2. Basis of Accounting

The expenditures reported on the Schedule of Expenditures of State Financial Assistance are presented on the accrual basis of accounting. In accordance with Section 4-236-22 of the Regulations to the State Single Audit Act, certain grants are not dependent on expenditure activity, and accordingly, are considered to be expended in the fiscal year of receipt. These grant program receipts are reflected in the expenditures column of the Schedule of Expenditures of State Financial Assistance.

**Report on Compliance for Each Major State Program and
Report on Internal Control over Compliance
Required by the State Single Audit Act**

Independent Auditors' Report

**Board of Trustees
Great Oaks Charter School – Bridgeport, Inc.**

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited Great Oaks Charter School - Bridgeport, Inc. ("GOCS-B")'s compliance with the types of compliance requirements described in the Office of Policy and Management's *Compliance Supplement* that could have a direct and material effect on each of GOCS-B's major state programs for the year ended June 30, 2024. GOCS-B's major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, GOCS-B 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 state programs for the year ended June 30, 2024.

Basis for Opinion on Each Major State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the State Single Audit Act (C.G.S. Sections 4-230 to 4-236). Our responsibilities under those standards and the State Single Audit Act are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of GOCS-B and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major state program. Our audit does not provide a legal determination of GOCS-B'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 GOCS-B's state programs.

Board of Trustees
Great Oaks Charter School – Bridgeport, Inc.
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Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on GOCS-B's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the State Single Audit Act 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 GOCS-B's compliance with the requirements of each major state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the State Single Audit Act, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding GOCS-B's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of GOCS-B'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 State Single Audit Act, but not for the purpose of expressing an opinion on the effectiveness of GOCS-B's internal control over compliance. Accordingly, no such opinion is expressed.

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

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the State Single Audit Act and which are described in the accompanying schedule of findings and questioned costs as items 2024-001 and 2024-002. Our opinion on each major state program is not modified with respect to this matter.

Board of Trustees
Great Oaks Charter School – Bridgeport, Inc.
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Government Auditing Standards requires the auditor to perform limited procedures on GOCS-B's response to the noncompliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. GOCS-B's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

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

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

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

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

Shelton, Connecticut
January --, 2025

Great Oaks Charter School – Bridgeport, Inc.

Schedule of State Findings and Questioned Costs

Year Ended June 30, 2024

I. Summary of auditors’ results

Financial Statements

Type of auditors’ opinion issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? Yes no
- Significant deficiency(ies) identified? Yes none reported
- Noncompliance material to financial statements noted? Yes no

State Financial Assistance

Internal control over major programs:

- Material weakness(es) identified? Yes no
- Significant deficiency(ies) identified? Yes none reported

Type of auditors’ opinion issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 4-236-24 of the regulations to the State Single Audit Act? Yes no

The following schedule reflects the major programs included in the audit:

<u>State Grantor and Program</u>	<u>State Core – CT Number</u>	<u>Expenditures</u>
Department of Education		
Charter Schools	11000-SDE64000-16119	\$8,135,355

- Dollar threshold used to distinguish between type A and type B programs: \$200,000

II. Financial Statement Findings

- During our audit, we noted no material findings for the year ended June 30, 2024.

Great Oaks Charter School – Bridgeport, Inc.

Schedule of State Findings and Questioned Costs (continued)

For the Year Ended June 30, 2024

III. State Financial Assistance Findings and Questioned Costs

2024-001 Non-Certified Personnel

Grantor: Connecticut Department of Education
State Program Name: Charter School
Pass-through Entity: None
State Grant Program
Core – CT Number: 11000-SDE64000-16119

Criteria: GOCS-B must be in compliance with certain provisions of laws, regulations, contracts, and grant agreements. Connecticut General Statutes 10-66dd requires that all teachers, supervisors, administrators, special staff members or school superintendent employed by GOCS-B must possess an appropriate state certificate prior to the first day of employment.

Condition: During fiscal 2024 GOCS-B had 4 employees without a proper certification credentials.

Context: 4 teachers out of 77 teachers and administrators tested were found to have exceptions to possessing the appropriate state certificate for employment.

Effect: GOCS-B funds these positions with non-governmental funds; however, the State Board of Education may still levy fines or withhold State funding.

Cause: While GOCS-B prioritizes hiring certified staff, there is a lack of diverse and certified teachers available for hire in Connecticut Charter Schools.

Repeat Finding: This is a repeat finding from the June 30, 2023 state single audit, finding 2023-001.

Recommendation: GOCS-B should ensure compliance with Connecticut General Statutes 10-66dd.

Planned Corrective Action: See response included in the current year Corrective Action

2024-002 Reporting

Criteria: GOCS-B had to submit the Agreed Upon Procedures (AUP) for 2022-2023 Educational Financial System Data and October 2022 PSIS Data Elements to the Connecticut State Department of Education on or before Tuesday, January 2, 2024.

Condition: GOCS-B's AUP for 2022-2023 Educational Financial System Data and October 2022 PSIS Data Elements was not filed on time.

Great Oaks Charter School – Bridgeport, Inc.

Schedule of State Findings and Questioned Costs (continued)

For the Year Ended June 30, 2024

III. State Financial Assistance Findings and Questioned Costs (*continued*)

Context: When performing the 2024 audit we noted that the AUP for 2022-2023 Educational Financial System Data and October 2022 PSIS Data Elements to the Connecticut State Department of Education was not filed on time.

Effect: The Connecticut State Department of Education may levy fines.

Cause: Information necessary to file timely was not readily available resulting in a delay.

Recommendation: We recommend that GOCS-B's files AUP for Educational Financial System Data and PSIS Data Elements to the Connecticut State Department of Education on or before the due date.

Planned Corrective Action: See response included in the current year Corrective Action

Great Oaks Charter School – Bridgeport, Inc.

Summary Schedule of Prior Audit Findings

For the Year Ended June 30, 2024

Financial Statement Findings:

2023-001 Non-Certified Personnel

Grantor: Connecticut Department of Education
State Program Name: Charter School
Pass-through Entity: None
State Grant Program
Core – CT Number: 11000-SDE64000-16119

Criteria: GOCS-B must be in compliance with certain provisions of laws, regulations, contracts, and grant agreements. Connecticut General Statutes 10-66dd requires that all teachers, supervisors, administrators, special staff members or school superintendent employed by the School must possess an appropriate state certificate prior to the first day of employment. During fiscal 2023, the School had 10 employees without a proper certification credentials.

Status: Condition still exists, see finding 2024-001.