

FinCom notes November 2022

The current student population is 223

Revenue

The November check from the Commonwealth was \$338,209.

We transferred \$15,245 in Student Success Fund payments from the MCEF into the Operating account

As previously mentioned the Commonwealth retroactively started reimbursing for student breakfast & lunch under their new plan

Grant revenue has started to come in

Expenses

The Cost of Living stipend was paid out - \$35,250 in total

We made the second of three payments to Endicott for our two Fellows

In Maintenance we had to pay for repairs to the bathroom pump in the back part of the building which has become a challenge (though better since the repairs)

The Student Success Fund paid for

- A presentation/workshop for 5th grade by Salem Sound
- A presentation/workshop by artist Giles Laroche for the 6th grade tiny house project
- The school's entry fee for the 2023 Scripps National Spelling Bee

We spent \$1,155 on the event at The Beacon while the PTO covered \$435 in related expenses

Misc.

Work continues on updates to the FY23 budget. I recently submitted an amendment to the 3rd Covid-era grant that will now cover the expense for a new behavior management software* as well as some new, targeted professional development. We are still trying to figure out some pending maternity coverage issues. *This is new and will be added to the previously shared school software/license summary.

Included are some details on the surplus issues we have been discussing.

This data comes from a document called the Charter School End of Year Financial Report (CSEOYFR) and is due to the state every November 1st. There are several purposes for this second annual financial report: it breaks down expenses by class (incl regular vs special ed) much like our All Classes report, it asks details about the audit (provided) and does this surplus calculation.

Line 1 is the Actual Carryover from the prior year

Line 13, 14 & 15 total the Allowable Carryover

Line 18 is the next Actual Carryover

Line 15: "20% budgeted expenditures from **capital projects reserve fund** for the following year"

Surplus Tuition, 20% Excess Carryover
For the Year Ended June 30, 2022

Line		Comments and Notes	Total	Line
1	Cumulative surplus/(deficit) beginning of year	Actual carryover from prior year (Prepopulated from published FY21 Excess Surplus report) Click here for published Excess Surplus Report	449,921.75	1
2	Change in net assets	Obtained from the statement of revenue, expense and changes in net assets (from Line 34 from INC)	613,018	2
	Subtotal		1,062,940	
	Less:			
3	Contributions (unrestricted)	Obtained from the statement of revenue, expenses and change in net assets (Income tab). Includes Grants - Private (unrestricted) (line 5b), Contributions, from Component Unit (unrestricted) (line 14b) and Contributions / Fundraising (unrestricted) (line 15b).	79,762	3
4	Interest/Investment Income (unrestricted)	Obtained from the statement of revenue, expenses and change in net assets (Income tab). Includes Interest / Investment Income (unrestricted) (line 16a).	300	4
5	Principal payments on debt	Per statement of cash flows (capital expenses, debts payments and reserves)	105,489	5
6	Capital expenses, less related debt/reserve funds	Per statement of cash flows (capital expenses, debts payments and reserves)	48,381	6
7	Current deposits to reserve funds for capital projects	Per bank statements for reserve account		7
8	Current deposits to reserve funds held as security for debt	Amount transferred into separate reserve account and approved by board of Trustees	3,007.1	8
9	Other (Non-operating activity)	Non operating activity	264,003	9
	Subtotal of adjusting		798,937	
	Adjusted subtotal			
	Plus:			
10	Development (Private)	Private development expenses	30,130	10
11	Depreciation (on assets obtained Fiscal Year 2011 forward)	Depreciation applicable to fixed assets purchases after July 1, 2010	102,013	11
12	Other non-operating activity	Non operating activity	132,143	12
	Subtotal of fundraising, depreciation, other			
	Total Surplus	Calculated (Surplus to be carried forward)	931,080	(A)
13	25% of actual tuition payment for current year	Obtained from ESE charter school tuition payments published on or around June 15th (from Line 1 from INC)	935,172	13
14	20% of projected tuition for following year	Obtained from ESE charter school tuition payments published on or around April 1st.	811,702.60	14
15	20% budgeted expenditures from capital projects reserve fund for the following year	Obtained from capital plan approved by ESE via Annual Report		15
<p>Excerpt appropriate information from board approved Capital Plan reported in FY22 Annual Report below. Please explain if Capital Plan has changed since Annual Report submission.</p>				
<p>PLEASE DO NOT FORGET TO FILL OUT THIS SECTION</p>				
16	Allowable carryover	Allowable carryover	1,746,874	(B)
17	Excess surplus	Excess surplus	(815,794)	(A) - (B)
18	Actual carryover to next FY	Actual carryover to next FY	931,079.88	

Audit Questionnaire
For the Year Ended June 30, 2022

Line	Question	Comments and Notes	Please Select Audit	Line
1	Is the charter school submitting a full audit or a financial review?	All schools should be submitting a full audit except for new schools that receive approval from ESE to submit a financial review.	Audit	1
2	Did the FY22 audit include an unmodified opinion? If no, please explain (provide any basis for a modified opinion or a disclaimer of opinion):	Found in the <i>Independent Auditor's Report</i> (located near the beginning of the audit package after the Management Discussion and Analysis). An unmodified opinion may not be explicitly stated but is often expressed by a phrase to the effect of "In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of ABC Charter School."	Yes	2
3	Was it issued in accordance with Uniform Guidance?	Uniform Guidance should be submitted if a charter school expends more than \$750,000 in federal funds. (See Audit Guide).	N/A	3
4	Does it include Report on Compliance and on Internal Control over Financial Reporting that was issued in accordance with <i>Government Auditing Standards</i> ?	Typically found toward the end of the <i>Audit Report</i> .	Yes	4
5	Does it include Schedule of Audit Findings and Questioned Costs, if applicable?	Typically found toward the end of the <i>Audit Report</i> .	N/A	5
6	Is it free of findings of Material Weakness?	Identified in the Report on Compliance and on Internal Control over Financial Reporting and Itemized in the <i>Schedule of Audit Findings and Questioned Costs</i> .	Yes	6
7	Is it free of findings of Significant Deficiency?	Identified in the Report on Compliance and on Internal Control over Financial Reporting and Itemized in the <i>Schedule of Audit Findings and Questioned Costs</i> .	Yes	7
8	Is it free of instances of Noncompliance under GAS?	Identified in the Report on Compliance and on Internal Control over Financial Reporting and Itemized in the <i>Schedule of Audit Findings and Questioned Costs</i> .	Yes	8
9	Is it free of Questioned Costs?	Identified in the Report on Compliance and on Internal Control over Financial Reporting and Itemized in the <i>Schedule of Audit Findings and Questioned Costs</i> .	Yes	9
10	Were Prior Findings and Questioned Costs remedied, if applicable?	Found in <i>Schedule of Prior Audit Findings and Questioned Costs</i> .	N/A	10
11	Does the audit report include Corrective Action Plan(s), if applicable?	Outlined in the <i>Schedule of Audit Findings and Questioned Costs</i> .	N/A	11
12	Was a Management Letter issued by the auditor?	Most often issued under separate cover addressed to Board of Trustees (See Section 813 in the Audit Guide).	Yes	12