



***FINANCIAL STATEMENTS***

***JUNE 30, 2023 AND 2022***

**GREEN TECH HIGH CHARTER SCHOOL**

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**JUNE 30, 2023 AND 2022**

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**INDEPENDENT AUDITOR'S REPORT**

Board of Trustees  
Green Tech High Charter School

**Opinion**

We have audited the accompanying financial statements of Green Tech High Charter School (a nonprofit organization) (the "School"), which comprise the statements of financial position as of June 30, 2023 and 2022, and the related statements of activities, cash flows and functional expenses for the years 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 Green Tech High Charter School as of June 30, 2023 and 2022, 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 audits 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Green Tech High Charter School and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Responsibilities of Management for the Financial Statements**

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

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

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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 Green Tech High Charter School's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Green Tech High Charter School's ability to continue as a going concern for a reasonable period of time.

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

## Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 19, 2023, on our consideration of Green Tech High Charter School'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 Green Tech High Charter School's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Green Tech High Charter School's internal control over financial reporting and compliance.



CUSACK & COMPANY, CPA'S LLC

Latham, New York  
October 19, 2023

**GREEN TECH HIGH CHARTER SCHOOL**

## STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
<b><u>ASSETS</u></b>		
Current Assets		
Cash - Operating	\$ 1,811,708	\$ 1,197,891
Cash - Restricted	34,000	20,000
Grants, Contracts and Other Receivables, Net	546,954	846,599
Pledges Receivable, Current Portion	-	30,000
Prepaid Expenses	17,474	-
Total Current Assets	<u>2,410,136</u>	<u>2,094,490</u>
Property and Equipment, Net	<u>6,146,899</u>	<u>6,317,388</u>
Other Assets		
Cash - Board Designated	<u>78,690</u>	<u>76,997</u>
Total Assets	<u><u>\$ 8,635,725</u></u>	<u><u>\$ 8,488,875</u></u>
<b><u>LIABILITIES AND NET ASSETS</u></b>		
Current Liabilities		
Current Portion of Long-Term Debt	\$ 215,922	\$ 206,168
Accounts Payable and Accrued Expenses	49,735	28,985
Accrued Payroll and Benefits	174,500	183,923
Compensated Absences	47,442	41,801
Refundable Advances	34,000	20,000
Total Current Liabilities	<u>521,599</u>	<u>480,877</u>
Long-Term Liabilities		
Long-Term Debt, Net of Current Portion	2,681,855	2,896,746
Net Pension Liability	815,095	223,885
Total Long-Term Liabilities	<u>3,496,950</u>	<u>3,120,631</u>
Total Liabilities	<u>4,018,549</u>	<u>3,601,508</u>
Net Assets		
Without Donor Restrictions:		
Undesignated	4,538,486	4,780,370
Board Designated	78,690	76,997
Total Net Assets Without Donor Restrictions	<u>4,617,176</u>	<u>4,857,367</u>
With Donor Restrictions:		
Purpose Restricted	<u>-</u>	<u>30,000</u>
Total Net Assets	<u>4,617,176</u>	<u>4,887,367</u>
Total Liabilities and Net Assets	<u><u>\$ 8,635,725</u></u>	<u><u>\$ 8,488,875</u></u>

**GREEN TECH HIGH CHARTER SCHOOL***STATEMENT OF ACTIVITIES**FOR THE YEAR ENDED JUNE 30, 2023*

	<b><u>Without Donor Restrictions</u></b>	<b><u>With Donor Restrictions</u></b>	<b><u>Total</u></b>
Revenue:			
Public School Districts			
Resident Student Enrollment	\$ 6,432,332	\$ -	\$ 6,432,332
Students with Disabilities	153,988	-	153,988
Grants and Contracts			
Federal Grants	430,232	-	430,232
Food Service/Children Nutrition Program	<u>264,702</u>	<u>-</u>	<u>264,702</u>
Total Revenue	<u>7,281,254</u>	<u>-</u>	<u>7,281,254</u>
Expenses:			
Program Services			
Regular Education	5,540,840	-	5,540,840
Special Education	325,310	-	325,310
Other Programs	<u>264,275</u>	<u>-</u>	<u>264,275</u>
Total Program Services	6,130,425	-	6,130,425
Management and General	<u>1,594,973</u>	<u>-</u>	<u>1,594,973</u>
Total Expenses	<u>7,725,398</u>	<u>-</u>	<u>7,725,398</u>
Deficit from School Operations	<u>(444,144)</u>	<u>-</u>	<u>(444,144)</u>
Other Revenue and Reclassifications			
Contributions	58,393	-	58,393
Fundraising	3,116	-	3,116
Interest Income	2,051	-	2,051
E-Rate Income	45,935	-	45,935
Miscellaneous Income	64,458	-	64,458
Net Assets Released from Restrictions	<u>30,000</u>	<u>(30,000)</u>	<u>-</u>
Total Other Revenue and Reclassifications	203,953	(30,000)	173,953
Change in Net Assets	(240,191)	(30,000)	(270,191)
Net Assets, Beginning of Year	<u>4,857,367</u>	<u>30,000</u>	<u>4,887,367</u>
Net Assets, End of Year	<u>\$ 4,617,176</u>	<u>\$ -</u>	<u>\$ 4,617,176</u>

**GREEN TECH HIGH CHARTER SCHOOL**

## STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2022

	<b><u>Without Donor Restrictions</u></b>	<b><u>With Donor Restrictions</u></b>	<b><u>Total</u></b>
Revenue:			
Public School Districts			
Resident Student Enrollment	\$ 6,389,770	\$ -	\$ 6,389,770
Students with Disabilities	92,894	-	92,894
Grants and Contracts			
Federal Grants	970,902	-	970,902
State and Local Grants	4,097	-	4,097
Food Service/Children Nutrition Program	<u>181,041</u>	<u>-</u>	<u>181,041</u>
Total Revenue	<u>7,638,704</u>	<u>-</u>	<u>7,638,704</u>
Expenses:			
Program Services			
Regular Education	4,614,737	-	4,614,737
Special Education	331,589	-	331,589
Other Programs	<u>198,411</u>	<u>-</u>	<u>198,411</u>
Total Program Services	5,144,737	-	5,144,737
Management and General	<u>1,686,257</u>	<u>-</u>	<u>1,686,257</u>
Total Expenses	<u>6,830,994</u>	<u>-</u>	<u>6,830,994</u>
Surplus from School Operations	<u>807,710</u>	<u>-</u>	<u>807,710</u>
Other Revenue and Reclassifications			
Contributions	131,550	-	131,550
Fundraising	8,758	-	8,758
Interest Income	1,760	-	1,760
E-Rate Income	173,269	-	173,269
Miscellaneous Income	20,530	-	20,530
Net Assets Released from Restrictions	<u>30,000</u>	<u>(30,000)</u>	<u>-</u>
Total Other Revenue and Reclassifications	<u>365,867</u>	<u>(30,000)</u>	<u>335,867</u>
Change in Net Assets	1,173,577	(30,000)	1,143,577
Net Assets, Beginning of Year	<u>3,683,790</u>	<u>60,000</u>	<u>3,743,790</u>
Net Assets, End of Year	<u>\$ 4,857,367</u>	<u>\$ 30,000</u>	<u>\$ 4,887,367</u>

**GREEN TECH HIGH CHARTER SCHOOL**

## STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

	<b><u>2023</u></b>	<b><u>2022</u></b>
Cash Flows From Operating Activities:		
Change in Net Assets	\$ (270,191)	\$ 1,143,577
Adjustments to Reconcile Change in Net Assets to Cash Provided by Operating Activities:		
Amortization of Debt Issuance Costs	938	469
Depreciation	325,240	260,755
Pension Related Changes	591,210	(5,987)
Bad Debt Expense	30,000	49,117
Changes in Operating Assets and Liabilities		
(Increase) Decrease in Assets		
Grants, Contracts and Other Receivables, Net	299,645	(518,541)
Pledges Receivable	-	30,000
Prepaid Expense	(17,474)	38,256
Increase (Decrease) in Liabilities		
Accounts Payable and Accrued Expenses	20,750	(53,199)
Accrued Payroll and Benefits	(9,423)	(108,450)
Compensated Absences	5,641	(4,328)
Refundable Advances	<u>14,000</u>	<u>(120,250)</u>
Net Cash Provided by Operating Activities	<u>990,336</u>	<u>711,419</u>
Cash Flows From Investing Activities		
Purchase of Property and Equipment	(154,751)	(830,645)
Acquisition of Intangible Assets	<u>-</u>	<u>(14,070)</u>
Net Cash Used In Investing Activities	<u>(154,751)</u>	<u>(844,715)</u>
Cash Flows From Financing Activities		
Payments on Long-Term Debt	<u>(206,075)</u>	<u>(91,693)</u>
Change in Cash	629,510	(224,989)
Cash, Beginning of Year	<u>1,294,888</u>	<u>1,519,877</u>
Cash, End of Year	<u>\$ 1,924,398</u>	<u>\$ 1,294,888</u>
Supplemental Disclosure of Cash Flow Information		
Cash Paid for Interest	<u>\$ 145,300</u>	<u>\$ 63,136</u>
Assets Purchased with Debt Proceeds	<u>\$ -</u>	<u>\$ 3,200,000</u>

Note: Cash includes operating, restricted and board designated accounts.



**GREEN TECH HIGH CHARTER SCHOOL***STATEMENT OF FUNCTIONAL EXPENSES**FOR THE YEAR ENDED JUNE 30, 2023*

	<b>Program Services</b>				<b>Supporting Services</b>	
	<b><u>Regular Education</u></b>	<b><u>Special Education</u></b>	<b><u>Other Programs</u></b>	<b><u>Total</u></b>	<b><u>Management and General</u></b>	<b><u>Total</u></b>
Salaries	\$ 3,403,649	\$ 209,915	\$ 190,228	\$ 3,803,792	\$ 866,162	\$ 4,669,954
Benefits and Payroll Taxes	651,777	40,197	36,427	728,401	165,864	894,265
Contracted Services	302,761	18,672	-	321,433	-	321,433
Educational Materials	174,276	10,748	-	185,024	-	185,024
Extracurricular Activities	48,599	-	-	48,599	-	48,599
Insurance	61,579	3,798	3,442	68,819	15,671	84,490
Maintenance and Repairs	224,924	13,872	12,571	251,367	57,239	308,606
Marketing and Recruitment	-	-	-	-	65,159	65,159
Miscellaneous	-	-	-	-	9,530	9,530
Postage and Delivery	-	-	-	-	11,283	11,283
Professional Services	-	-	-	-	68,727	68,727
Scholarships	20,000	-	-	20,000	-	20,000
Sports	118,366	-	-	118,366	-	118,366
Staff Development	56,938	3,512	-	60,450	-	60,450
Supplies and Materials	-	-	-	-	60,716	60,716
Telephone and Internet	38,201	2,356	2,135	42,692	9,720	52,412
Transportation (Student)	62,121	-	-	62,121	-	62,121
Travel (General)	12,200	752	-	12,952	-	12,952
Uniforms	17,035	-	-	17,035	-	17,035
Utilities	111,366	6,868	6,224	124,458	28,340	152,798
Depreciation	237,048	14,620	13,248	264,916	60,324	325,240
Bad Debt Expense	-	-	-	-	30,000	30,000
Interest	-	-	-	-	146,238	146,238
Total Expenses	<u>\$ 5,540,840</u>	<u>\$ 325,310</u>	<u>\$ 264,275</u>	<u>\$ 6,130,425</u>	<u>\$ 1,594,973</u>	<u>\$ 7,725,398</u>

**GREEN TECH HIGH CHARTER SCHOOL***STATEMENT OF FUNCTIONAL EXPENSES**FOR THE YEAR ENDED JUNE 30, 2022*

	<b>Program Services</b>				<b>Supporting Services</b>	
	<b><u>Regular Education</u></b>	<b><u>Special Education</u></b>	<b><u>Other Programs</u></b>	<b><u>Total</u></b>	<b><u>Management and General</u></b>	<b><u>Total</u></b>
Salaries	\$ 2,741,405	\$ 208,209	\$ 140,511	\$ 3,090,125	\$ 986,690	\$4,076,815
Benefits and Payroll Taxes	626,794	47,605	32,126	706,525	225,597	932,122
Contracted Services	222,308	16,884	-	239,192	-	239,192
Educational Materials	173,027	13,141	-	186,168	-	186,168
Extracurricular Activities	6,487	-	-	6,487	-	6,487
Insurance	56,975	4,327	2,920	64,222	20,507	84,729
Maintenance and Repairs	177,528	13,483	9,099	200,110	63,896	264,006
Marketing and Recruitment	-	-	-	-	44,417	44,417
Miscellaneous	-	-	-	-	3,958	3,958
Postage and Delivery	-	-	-	-	12,281	12,281
Professional Services	-	-	-	-	70,003	70,003
Scholarships	50,000	-	-	50,000	-	50,000
Sports	127,451	-	-	127,451	-	127,451
Staff Development	74,201	5,636	-	79,837	-	79,837
Supplies and Materials	-	-	-	-	49,596	49,596
Telephone and Internet	35,541	2,699	1,822	40,062	12,791	52,853
Transportation (Student)	44,578	-	-	44,578	-	44,578
Travel (General)	25,306	1,922	-	27,228	-	27,228
Uniforms	20,312	-	-	20,312	-	20,312
Utilities	57,482	4,366	2,946	64,794	20,690	85,484
Depreciation	175,342	13,317	8,987	197,646	63,109	260,755
Bad Debt Expense	-	-	-	-	49,117	49,117
Interest	-	-	-	-	63,605	63,605
Total Expenses	<u>\$ 4,614,737</u>	<u>\$ 331,589</u>	<u>\$ 198,411</u>	<u>\$ 5,144,737</u>	<u>\$1,686,257</u>	<u>\$6,830,994</u>

**1. ORGANIZATION AND PURPOSE**

*Organization*

The mission of Green Tech High Charter School (the “School”) is to prepare young men to complete high school with a Regents diploma so they will have the opportunity to attend college or choose an alternative, responsible career path as they enter adulthood. The School will succeed in this mission by providing a complete college preparatory high school curriculum that ensures every student will attain the skills and coursework necessary for a Regents diploma, including the use of computer technology, with an added knowledge and understanding of the environment.

A provisional charter, valid for five years, was granted to the School by the Charter School Institute of the State University of New York pursuant to Article 56 of the Educational Law of the State of New York. The School began providing educational services in the fall of 2008 for the 9<sup>th</sup> grade. The provisional charter allowed for an additional grade to be added in each subsequent year until the School reaches grade 12. The School’s most recent charter renewal was granted in 2023 extending operations for an additional two years. In February 2019, the School received approval to modify its charter renewal and add a middle school program to its existing high school program, adding grades 6 through 8 in subsequent years through June 30, 2021. As of June 30, 2023, the School had an enrollment of approximately 409 students in the 6<sup>th</sup> through 12<sup>th</sup> grades.

The School is governed by a Board of Trustees in accordance with the School’s bylaws.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*Accounting Policies and Financial Statement Presentation*

The following summarizes the significant accounting policies consistently applied in the preparation of the School’s financial statements, with references to the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) where applicable.

*Basis of Accounting*

The financial statements of the School are prepared using the accrual basis of accounting, whereby revenue is recognized when earned and expenses are recognized when incurred. This basis of accounting is in accordance with accounting principles generally accepted in the United States of America.

## **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

### *Revenue Recognition*

A substantial portion of the School's revenue and related receivables is derived from its billing to school districts in accordance with State law, requiring the District to reimburse the School based on a per capita basis. These revenues are recognized ratably over the related school year during which they are earned.

Grants, contributions received and unconditional promises to give are measured at their fair values and reported as an increase in net assets. The School reports gifts of cash and other assets as donor restricted support if they are received with donor stipulations that limit the use of the donated assets, or if they are designated as support for future periods. 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 to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as support without donor restrictions. The School reports gifts of goods and equipment as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as support with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the School reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Revenue on cost reimbursement grants and contracts is recognized to the extent actual expenditures have been incurred in compliance with the specific grant requirements. Other grant and contract revenue is recognized in the period earned if on a fee for services basis. Program service fees and payments under cost-reimbursable contracts received in advance are deferred to the applicable period in which the related services are performed or expenditures are incurred.

### *Revenue from Contracts with Customers*

Revenue from contracts with customers is recognized in accordance with a five-step model as follows:

- Identify the contract with the customer
- Identify the performance obligation(s) in the contract
- Determine the transaction price
- Allocate the transaction price to the performance obligation(s) in the contract
- Recognize revenue when earned or as performance obligation(s) are satisfied

## **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

### *Revenue from Contracts with Customers (Continued)*

#### Contract Assets

Amounts related to services provided to customers which have not been billed and that do not meet the conditions of an unconditional right to payment at the end of the reporting period are contract assets. Contract asset balances consist primarily of services provided to customers who are still receiving services at the end of the year. There were no contract assets at June 30, 2023 and 2022.

#### Contract Liabilities

Contract liabilities represent revenue that has been deferred for the funds advanced by third party payors for the School's contracts received related to services that have not yet been provided to customers. Contract liabilities consist of payments made by funding and other sources for the School's contracts for services not yet performed that are expected to be performed within the next fiscal year. There were no contract liabilities at June 30, 2023 and 2022.

#### *Functional Expenses*

The costs of providing the various programs and other activities have been summarized on a functional basis. Accordingly, certain costs have been allocated among the programs benefitted. Salaries are allocated based on estimates of total time spent, while other expenses are allocated based on estimates of the resources used.

#### *Grants, Contracts and Other Receivables*

Receivables are carried at original invoice amounts less an estimate made for doubtful receivables based on a review of all outstanding amounts on a monthly basis. Management determines the allowance for doubtful accounts by identifying troubled accounts and by using historical experience applied to an aging of accounts. Receivables are written off when deemed uncollectible. Recoveries of accounts previously written off are recorded when received. A receivable is considered past due if any portion of the receivable balance is outstanding for more than 90 days. Management has determined an allowance for school district tuition was necessary as of June 30, 2023 and 2022 in the amount of \$107,000.

## **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

### *Pledges Receivable*

Unconditional pledges receivable are recognized as revenue without donor restrictions if pledged and paid in the same year, and revenue with donor restrictions if pledged in one year with ultimate payment in subsequent year(s). Pledges are recorded at net realizable value if expected to be collected in one year and at fair value if expected to be collected in more than one year.

### *Property, Equipment and Depreciation*

Acquisitions of property and equipment in excess of \$1,000 are capitalized and recorded at cost. Improvements and replacements of property and equipment are capitalized. Maintenance and repairs not improving or extending the lives of property and equipment are charged to expense as incurred. When assets are sold or retired, their cost and related accumulated depreciation is removed from the accounts and any gain or loss is reported in the statement of activities. Depreciation is provided over the estimated useful life of each class of depreciable asset (ranging from 3 to 39 years) and is computed using the straight-line method.

### *Net Assets*

Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor imposed restrictions. Accordingly, net assets of the School and changes therein are reported according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

**Net Assets without Donor Restrictions** - Net assets that are not subject to donor-imposed stipulations.

**Net Assets with Donor Restrictions** - Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the School and/or the passage of time. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

### *Advertising Costs*

The School expenses advertising costs as they are incurred. Advertising costs for the years ended June 30, 2023 and 2022 were \$65,159 and \$44,417, respectively, and are included in the Statement of Functional Expenses as marketing and recruitment.

## **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

### *Estimates*

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates.

### *Tax Status*

The School is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. In addition, the School qualifies as a school, and for the charitable contribution deduction under Section 170(b)(1)(A)(ii), and has been classified as an organization that is not a private foundation under Section 509(a)(2).

### *Donated Services*

The School received donated services from unpaid volunteers who assisted in fund raising, office administration and program activities. For the services donated, the criteria for recognition in these financial statements of such volunteer effort was not met and, therefore, no revenue and expense has been reflected in these financial statements. Management has estimated that volunteers have provided approximately 100 hours in assisting the School in each of the years ended June 30, 2023 and 2022.

### *Fair Value*

The ASC requires expanded disclosures about fair value measurements and establishes a three-level hierarchy for fair value measurements based on the observable input to the valuation of an asset or liability at the measurement date. Fair value is defined as the price that the School would receive upon selling an asset or pay to transfer a liability in an orderly transaction between market participants.

### *Accounting for Uncertainty in Income Taxes*

The School follows the ASC, *Accounting for Income Taxes*, and their current accounting policy for evaluating uncertain tax positions is in accordance with generally accepted accounting principles. The School has not recognized any benefits from uncertain tax positions in 2023 and believes it has no uncertain tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly increase or decrease within 12 months of the balance sheet date of June 30, 2023.

Information returns filed by the School are subject to examination by taxing authorities up to three years after the extended due date of each return. Forms 990 and state income tax filings for the School are no longer subject to examination for the year ended June 30, 2019 and prior.

## **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

### *Reclassifications*

Certain 2022 amounts have been reclassified to conform to the 2023 financial statement presentation.

### *New Accounting Pronouncement*

#### ASU No. 2016-02

In February 2016, the FASB issued ASU 2016-02, *Leases* (ASU 2016-02). ASU 2016-02 establishes a comprehensive new lease accounting model. The new standard clarifies the definition of a lease and causes lessees to recognize leases on the balance sheet as a lease liability with a corresponding right-to-use asset for leases with a lease term of more than one year. ASU 2016-02 is effective for financial statements issued for fiscal years beginning after December 15, 2021. The new standard requires a modified retrospective transition for capital or operating leases existing at or entered into after the beginning of the earliest comparative period presented in the financial statements, but it does not require transition accounting for leases that expire prior to the date of initial application. The School is currently evaluating the impact that ASU 2016-02 will have on the School's financial statements and related disclosures. Management has determined any impact of this pronouncement to be immaterial, therefore, no amounts have been recorded.

### *Subsequent Events*

The School follows the ASC, *Subsequent Events*, which establishes general standards of accounting for, and disclosures of, events that occur after the due date of the financial statements but before the financial statements are issued or are available to be issued. In the preparation of these financial statements and notes thereto, management has evaluated subsequent events or transactions as to any potential material impact on operations or financial position occurring through October 19, 2023, the date the financial statements were available to be issued. No events or transactions were identified by management.

## **3. BOARD DESIGNATED AND RESTRICTED CASH**

The School has internally designated cash in the amount of \$78,690 and \$76,997 as of June 30, 2023 and 2022, respectively. The intended purpose of this designation is to provide a dissolution escrow to cover costs associated with an unanticipated closure, as required by the School's Charter Agreement. The School also has Restricted Cash in the amount of \$34,000 and \$20,000 at June 30, 2023 and 2022, respectively. This cash represents refundable advances on grants to be expended in subsequent periods.



**4. GRANTS, CONTRACTS, OTHER AND PLEDGES RECEIVABLE, NET**

At June 30, 2023 and 2022, grants, contracts and other receivables were comprised of the following sources:

	<u><b>2023</b></u>	<u><b>2022</b></u>
School District Tuition, Net	\$ 78,974	\$ 12,105
U.S. Department of Agriculture	14,021	30,791
U.S. Department of Education	453,959	803,703
	<u>\$ 546,954</u>	<u>\$ 846,599</u>

At June 30, 2022 the School had received \$30,000 of promises to give which have been recorded as net assets with donor restrictions due to purpose restrictions.

**5. PROPERTY AND EQUIPMENT**

Property and equipment are reflected at historical cost, net of related depreciation, and are comprised of the following at June 30, 2023 and 2022:

	<u><b>2023</b></u>	<u><b>2022</b></u>
Land	\$ 255,000	\$ 255,000
Buildings and Improvements	5,874,906	5,767,391
Furniture and Fixtures	137,208	137,208
Equipment	503,417	456,181
Total at Cost	6,770,531	6,615,780
Less: Accumulated Depreciation	(623,632)	(298,392)
	<u>\$ 6,146,899</u>	<u>\$ 6,317,388</u>

Depreciation expense was \$325,240 and \$260,755 for the years ended June 30, 2023 and 2022, respectively.

**6. REFUNDABLE ADVANCES**

Refundable advances consist of grant funds received for specific expenditures in subsequent periods, and the balances are comprised of the following at June 30, 2023 and 2022:

	<u><b>2023</b></u>	<u><b>2022</b></u>
Scholarships	\$ 14,000	\$ 20,000
Transportation, Clothing, Safety Gear	20,000	-
	<u>\$ 34,000</u>	<u>\$ 20,000</u>

The grants listed above have an implied or specific right of return if the funds are not expended for the specific purpose.

## 7. LONG-TERM DEBT

Long-Term debt is comprised of the following:

	<u>2023</u>	<u>2022</u>
Mortgage loan payable to Bank of Greene County in monthly installments of \$29,288, including interest at 4.74%, maturing in January 2034, collateralized by the building.	\$ 2,910,440	\$ 3,116,515
Less: Unamortized Debt Issuance Costs, Net	(12,663)	(13,601)
Less: Current Portion	<u>(215,922)</u>	<u>(206,168)</u>
Long-Term Debt, Net of Current Portion and Unamortized Debt Issuance Costs	<u>\$ 2,681,855</u>	<u>\$ 2,896,746</u>

The School is required to maintain debt covenants by the lender of the mortgage. As of June 30, 2023, the School was in compliance with all applicable covenants.

Unamortized debt issuance costs as of June 30, 2023 and 2022 consist of the following:

	<u>2023</u>	<u>2022</u>
Transaction and Financing Costs - Fifteen Year Amortization	\$ 14,070	\$ 14,070
Less: Accumulated Amortization	<u>(1,407)</u>	<u>(469)</u>
Unamortized Debt Issuance Costs, Net	<u>\$ 12,663</u>	<u>\$ 13,601</u>

Estimated debt maturities at June 30 over the next five (5) years and thereafter are as follows:

2024	\$ 215,922
2025	226,905
2026	238,052
2027	249,749
2028	261,778
Thereafter	<u>1,718,034</u>
	<u>\$ 2,910,440</u>

**8. NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions represent amounts received and restricted by donors to provide resources for increased compensation to instructional staff, in accordance with the School's long-term financial stability plan. Net assets with donor restrictions as of June 30, 2023 and 2022 are as follows:

	<u><b>2023</b></u>	<u><b>2022</b></u>
Subject to Expenditure for Special Purpose:		
Foundation for Teaching Fund	\$ <u>-</u>	\$ <u>60,000</u>

Net assets with donor restrictions are shown in the Statement of Financial Position as follows:

	<u><b>2022</b></u>	<u><b>2021</b></u>
Pledges Receivable - Current Portion	\$ <u>-</u>	\$ <u>30,000</u>

**9. NET ASSETS RELEASED FROM RESTRICTIONS**

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose.

	<u><b>2023</b></u>	<u><b>2022</b></u>
Purpose Restrictions Accomplished:		
Donations Expended for Specific Purpose	\$ <u>30,000</u>	\$ <u>30,000</u>

**10. RETIREMENT PLANS**

Profit Sharing Plan

The School has adopted a profit-sharing plan under IRC §401(k) covering substantially all eligible employees, along with a discretionary matching contribution of up to 50% of the employee's contribution, to a maximum matching contribution of 2% of the employee's gross compensation. The School's 401(k) matching contribution for the years ended June 30, 2023 and 2022 were \$0 each year.

## 10. RETIREMENT PLANS (CONTINUED)

### Defined Benefit Pension Plan

The School adopted a tax exempt Defined Benefit Pension Plan (the “Plan”) and related trust under Internal Revenue Code Section 401(a) and 501(a), respectively, effective July 1, 2020.

#### Plan Description

The Plan covers substantially all employees who have completed 1 year of service (1,000 hours) and have reached age 21. Upon reaching age 62 (or age 55 with at least five years of vested service) participants are eligible for benefits of 1% of plan compensation multiplied by the participant’s credited service.

#### Funding Policy

The School is required to make annual contributions to the Plan as actuarially determined. For the years ended June 30, 2023 and 2022, the School contributed \$120,000 and \$200,000, respectively to the Plan. The expected contribution for the year ending June 30, 2023 is \$241,407.

#### Pension Liability and Expense

At June 30, 2023 and 2022, the School reported a pension liability of \$815,095 and \$223,885, respectively, calculated as follows:

	<u>2023</u>	<u>2022</u>
<u>Change in Benefit Obligation</u>		
Projected Benefit Obligation - Beginning of Year	\$ 619,207	\$ 432,033
Service Cost	262,014	444,821
Interest Cost	52,554	12,766
Amendments	553,276	-
Actuarial Gain (Loss)	(150,073)	(270,413)
Projected Benefit Obligation - End of Year	<u>\$ 1,336,978</u>	<u>\$ 619,207</u>
<u>Change in Plan Assets</u>		
Fair Value of Plan Assets - Beginning of Year	\$ 395,322	\$ 202,161
Actual Return on Plan Assets	6,561	(6,839)
Employer Contributions	120,000	200,000
Fair Value of Plan Assets - End of Year	<u>\$ 521,883</u>	<u>\$ 395,322</u>
Pension Asset (Liability)	<u>\$ (815,095)</u>	<u>\$ (223,885)</u>

## 12. RETIREMENT PLANS (CONTINUED)

### Defined Benefit Pension Plan (Continued)

The fair value (measured at quoted prices in active markets for identical assets, Level 1) of the Plan's assets at June 30, 2023 and 2022 were as follows:

	<u>2023</u>	<u>2022</u>
Cash	\$ 39,361	\$ 202,484
Bonds	206,832	-
U.S. Equity Investments	135,381	-
Foreign Equity Investments	140,205	-
Exchange Traded Products	-	192,838
Other	104	-
Total	<u>\$ 521,883</u>	<u>\$ 395,322</u>

For the year ended June 30, 2023, the School reported net periodic pension cost for this plan as follows:

	<u>2023</u>	<u>2022</u>
Service Cost Component	\$ 262,014	\$ 444,821
Interest Cost on Projected Benefit Obligation	52,554	12,766
Expected Return on Assets	(27,916)	(19,237)
Prior Service Cost	553,276	-
Amortization of Actuarial Gain	(126,718)	(244,337)
Net Periodic Pension Cost	<u>\$ 713,210</u>	<u>\$ 194,013</u>

### Actuarial Assumptions

Actuarial Cost Method	Projected Unit Credit
Measurement Date	June 30, 2023
Discount Rate	4.93%
Salary Increases	3.0%
Expected Long-Term Rate of Return	7.0%
Pre-Retirement Mortality	N/A
Post-Retirement Maturity	Sex-distinct Amount -Weighted Pre-2012 Mortality Tables using Scale MP-2021 on a generational basis

**12. RETIREMENT PLANS (CONTINUED)**

Defined Benefit Pension Plan (Continued)

Expected Benefit Payments

Benefits expected to be paid if the future are as follows:

2024	\$	9,267
2025		9,173
2026		7,074
2027		8,969
2028		17,574
2029-2033		215,411

**13. COMMITMENTS AND CONTINGENCIES**

The School is subject to audits and reviews of reimbursable costs by various governmental agencies. The outcome of the audits and reviews may have the effect of retroactively increasing or decreasing revenue from various sources. These changes, if any, will be recognized in accordance with the rules and guidelines established by the various funding sources.

**14. CONCENTRATION OF RISK**

The School receives a substantial portion of its funding from school districts where students reside. Three school districts comprised approximately 79% and 73% of total revenue and support for the years ended June 30, 2023 and 2022, respectively. No other funding source accounted for more than 10% of total revenue and support.

The School does occasionally maintain deposits in excess of federal insured limits. The ASC identifies this as a possible concentration of credit risk requiring disclosure, regardless of the degree of risk. The risk is managed by maintaining all deposits in high quality financial institutions.

**15. LIQUIDITY AND AVAILABILITY OF RESOURCES**

The School has \$2,358,662 of financial assets available within one year of the balance sheet date to meet cash needs for general expenditures consisting of cash of \$1,811,708 and receivables of \$546,954. The School has a goal to maintain financial assets, which consist of cash and short-term investments, on hand to meet 60 days of normal operating expenses, which are, on average, approximately \$1,300,000. The School has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due.

**ADDITIONAL REPORT REQUIRED BY  
*GOVERNMENT AUDITING STANDARDS* AND  
THE UNIFORM GUIDANCE**

**INDEPENDENT AUDITOR'S 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***

To the Board of Trustees  
Green Tech High Charter School

We have audited, in accordance with the 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 Green Tech High Charter School (a nonprofit organization) (the "School"), which comprise the statement of financial position as of June 30, 2023, and the related statements of activities, cash flows and functional expenses for the year then ended, and the related notes to the financial statements and have issued our report thereon dated October 19, 2023.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the School'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 the School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the School'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.



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

As part of obtaining reasonable assurance about whether the School's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the 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 School's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Cusack & Company, CPA's LLC". The signature is written in a cursive, flowing style.

**CUSACK & COMPANY, CPA'S LLC**

Latham, New York  
October 19, 2023

**GREEN TECH HIGH CHARTER SCHOOL  
99 SLINGERLAND STREET  
ALBANY, NEW YORK 12202**

October 19, 2023

Cusack & Company, CPA's LLC  
7 Airport Park Boulevard  
Latham, New York 12110

This representation letter is provided in connection with your audits of the financial statements of Green Tech High Charter School, which comprise the statements of financial position as of June 30, 2023 and 2022, and the related statements of activities 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 (U.S. 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, the following representations made to you during your audits.

**Financial Statements**

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP.
2. The financial statements referred to above are fairly presented in conformity with U.S. GAAP.
3. We acknowledge our responsibility 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.
4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
5. Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
6. Related-party relationships and transactions have been appropriately accounted for and disclosed in accordance with U.S. GAAP.

7. All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
8. The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole.
9. The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
10. Significant estimates and material concentrations have been appropriately disclosed in accordance with U.S. GAAP.
11. Guarantees, whether written or oral, under which the School is contingently liable, have been properly recorded or disclosed in accordance with U.S. GAAP.

### **Information Provided**

12. We have provided you with:
  - a. 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, and all audit or relevant monitoring reports, if any, received from funding sources.
  - b. Additional information that you have requested from us for the purpose of the audits.
  - c. Unrestricted access to persons within the School from whom you determined it necessary to obtain audit evidence.
  - d. Minutes of the meetings of the governing board or summaries of actions of recent meetings for which minutes have not yet been prepared.
13. All material transactions have been recorded in the accounting records and are reflected in the financial statements.
14. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
15. We have no knowledge of any fraud or suspected fraud that affects the School and involves:
  - a. Management,
  - b. Employees who have significant roles in internal control, or
  - c. Others where the fraud could have a material effect on the financial statements.

16. We have no knowledge of any allegations of fraud or suspected fraud affecting the School's financial statements communicated by employees, former employees, grantors, regulators, or others.
17. 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.
18. We have disclosed to you all known actual or possible litigation, claims, and assessment whose effects should be considered when preparing the financial statements.
19. We have disclosed to you the identity of the School's related parties and all the related-party relationships and transactions of which we are aware.
20. 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.
21. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us.
22. Green Tech High Charter 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.

*Matt Toporowski*

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Signed:

**CUSACK & COMPANY**  
**Certified Public Accountants LLC**  
7 AIRPORT PARK BOULEVARD  
LATHAM, NEW YORK 12110  
(518) 786-3550  
FAX (518) 786-1538  
E-MAIL ADDRESS: CPAS@CUSACK.CPA  
WWW.CUSACK.CPA

MEMBERS OF:  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS

MEMBERS OF:  
NEW YORK STATE SCHOOL OF  
CERTIFIED PUBLIC ACCOUNTANTS

October 19, 2023

To the Board of Trustees  
Green Tech High Charter School  
Albany, New York

We have audited the financial statements of Green Tech High Charter School for the year ended June 30, 2023, and have issued our report thereon dated October 19, 2023. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated July 1, 2023. Professional standards also require that we communicate to you the following information related to our audit.

**Significant Audit Matters**

*Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Green Tech High Charter School are described in the notes to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the 2023 fiscal year. We noted no transactions entered into by the School during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There were no sensitive estimates affecting the financial statements.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There were no sensitive disclosures affecting the financial statements.

The financial statement disclosures are neutral, consistent, and clear.

*Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. A schedule of proposed and corrected, and/or passed, adjustments is attached to this letter, as applicable.

### *Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated October 19, 2023.

### *Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the School's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

### *Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the School's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

### **Current Year Comments:**

1. During our testing over the payroll function we noted that as of June 30, 2023, the School had exceeded the legal limit for uncertified teachers by 11 individuals which has increased from 6 as of June 30, 2022. We discussed this item with management and they acknowledged this overage which was due primarily to unanticipated staffing changes which could not be rectified in a timely manner to provide adequate class coverage. We recommend that the Board assists management in developing a policy to ensure that the uncertified teacher limitation is not breached and if this situation should arise there is a process to timely resolve and regain compliance. **This comment regarding uncertified teachers in excess of the legal limit is unresolved from June 30, 2019.**

**Management Response:**

Management continually reviews compliance with this requirement and, despite setbacks because of staffing issues caused by the COVID-19 pandemic, seeks certified teachers from a limited pool of employees. We accept the recommendation and will work to ensure compliance as resources are available going forward.

**Prior Year Comments:**

1. During our testing of accounts receivable we noted several older receivables for student tuition, and an allowance for doubtful accounts has been established. We recommend that these items are aggressively pursued or formally intercepted with the NYS Education Department. If all reasonable collection efforts have been exhausted, we recommend management approves the finance department to formally write off as uncollectible.

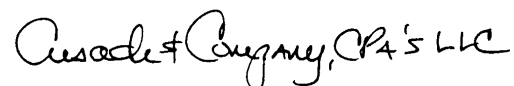
**Management Response:**

We accept this recommendation and will actively pursue all outstanding receivables or write off if deemed uncollectible.

**Resolution: This item has NOT been resolved.**

This information is intended solely for the use of the Board of Trustees and management of Green Tech High Charter School and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

A handwritten signature in black ink that reads "Cusack & Company, CPAs, LLC". The signature is written in a cursive, flowing style.

CUSACK & COMPANY, CPAS, LLC

# Green Tech High Charter School

## Adjusting Journal Entries

July 1, 2022 - June 30, 2023

Date	Reference	Account	Description	WP Reference	Debit	Credit	Net Income Effect	Misstatement
<b>Adjusting Journal Entries</b>								
06/30/23	AJE01		ADJUST: FIXED ASSETS	H-SERIES			(15,983.47)	
		14300	BUILDING IMPROVEMENTS		45,643.65			
		53500	FOOD SERVICE SUPPLIES		569.99			
		52800	COMPUTER EQUIPMENT & SOFTWARE		5,667.50			
		14000	EQUIPMENT			6,706.49		
		14100	FURNITURE & FIXTURES			45,643.65		
		59900	DEPRECIATION		8,807.98			
		14399	ACCUMULATED DEPRECIATION-BUILDING & IMPROVEMENTS			9,198.85		
		16099	CLOSING COSTS: A/A			78.13		
		59950	AMORTIZATION (CLOSING COSTS)		938.00			
06/30/23	AJE02		ADJUST: TITLE 1	W-2.2			44,660.00	
		12201	Accrued Revenue- Grants		44,660.00			
		42301	TITLE I GRANT INCOME			44,660.00		
06/30/23	AJE03		ADJUST: DEFERRED REVENUE	R-1			(14,000.00)	
		46651	DONATIONS		32,000.00			
		46652	Scholarships			18,000.00		
		20200	DEFERRED INCOME			14,000.00		
06/30/23	AJE04		ADJUST:PENSION LIABILITY	P-1.1			(591,210.00)	
		63000	PENSION PLAN ADMIN FEES		15,500.00			
		51700	GTH Pension Plan			135,500.00		
		51641.2	PENSION PLAN VALUATION		711,210.00			
		29000	PENSION OBLIGATION			591,210.00		
06/30/23	AJE05		ADJUST: REMOVE PLEDGE FROM AR	C-1.2			(30,000.00)	
		60220	BAD DEBT- M&G		30,000.00			
		12040	PLEDGES RECEIVABLE			30,000.00		
<b>Totals for Adjusting Journal Entries</b>					<u>894,997.12</u>	<u>894,997.12</u>	<u>(606,533.47)</u>	
<b>Report Totals</b>					<u>894,997.12</u>	<u>894,997.12</u>	<u>(606,533.47)</u>	

Journal Entry count = 5