LAS AMÉRICAS ASPIRA ACADEMY

(A Component Unit of the State of Delaware)

NEWARK, DELAWARE

FINANCIAL STATEMENTS

JUNE 30, 2022

LAS AMÉRICAS ASPIRA ACADEMY
(A Component Unit of the State of Delaware)

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(A Component Unit of the State of Delaware)

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BARBACANE THORNTON & COMPANY

INDEPENDENT AUDITOR'S REPORT

October 20, 2022

Board of Directors
Las Américas ASPIRA Academy
Newark, Delaware

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and each major fund of Las Américas ASPIRA Academy ("the School"), Newark, Delaware, a component unit of the State of Delaware, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the School's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Las Américas ASPIRA Academy, Newark, Delaware, as of June 30, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 the School and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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Board of Directors
Las Américas ASPIRA Academy

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the School's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 the School's ability to continue as a going concern for a reasonable period of time.

Board of Directors
Las Américas ASPIRA Academy

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.

Emphasis of a Matter

As discussed in Notes 1 and 15 to the financial statements, Las Américas ASPIRA Academy has adopted the requirements of GASB Statement No. 87, "Lease Accounting." The purpose of this statement is to increase the usefulness of governmental financial statements by requiring recognition of certain lease assets and liabilities for all leases, including those that previously were classified as operating lease. As a result, the School has restated its governmental activities net position as of July 1, 2021. Our opinion is not modified with respect to this matter.

Report on Summarized Comparative Information

We have previously audited the School's 2021 financial statements, and we expressed unmodified opinions on the respective financial statements of the governmental activities and each major fund in our report dated September 29, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2021 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 14, and the budgetary comparison schedule - general fund, schedule of the School's proportionate share of the net pension liability, schedule of School pension contributions, schedule of the School's proportionate share of the net OPEB liability, and schedule of School OPEB contributions on pages 42 through 46 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School's basic financial statements. The combining balance sheet - general fund, combining statement of revenues, expenditures, and changes in fund balances - general fund, schedule of expenditures by natural classification - governmental funds, and schedule of expenditures of federal awards, as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"), are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining balance sheet - general fund, combining statement of revenues, expenditures, and changes in fund balances - general fund, schedule of expenditures by natural classification - governmental funds, and schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining balance sheet - general fund, combining statement of revenues, expenditures, and changes in fund balances - general fund, schedule of expenditures by natural classification - governmental funds, and schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic 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 October 20, 2022, on our consideration of the 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.

Barbacane, Thornton & Company LLP

BARBACANE, THORNTON & COMPANY LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

This discussion and analysis of the financial performance of Las Américas ASPIRA Academy ("the School") provides an overview of the School's financial activities for the year ended June 30, 2022, which was the School's eleventh year of operations. The lower school is located at 326 Ruthar Drive, Newark, DE 19711, and the high school is located at 750 Otts Chapel Road, Newark, DE 19713. Please read this analysis in conjunction with the independent auditor's report and School's financial statements.

FINANCIAL HIGHLIGHTS

General revenues increased by 22.8 percent from $15,055,417 to $18,483,549 primarily due to an increase in state and local school district funding, both a direct result of the School's growing enrollment which went from 1,060 to 1,178 students. The School's total liabilities increased by 29.4 percent, from $60,345,601 to $78,074,941.

USING THIS ANNUAL FINANCIAL REPORT

This annual financial report consists of a series of financial statements and notes to those statements. The statements are organized so that the reader can understand the School as a whole and then proceed to provide an increasingly detailed look at specific financial activities.

REPORTING THE SCHOOL AS A WHOLE

The Statement of Net Position and Statement of Activities

One of the most important questions asked about school finances is, "Is the School better or worse off as a result of the year's activities?" The statement of net position and the statement of activities report information about the School as a whole and about its activities in a manner that helps to answer this question. These statements include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the accrual basis of accounting similar to the accounting used by private sector corporations. All of the current year's revenues and expenses are taken into consideration regardless of when cash is received or paid.

These two statements report the School's net position and the changes in net position. The change in net position provides the reader with a tool to assist in determining whether the School's financial health is improving or deteriorating. The reader will need to consider other nonfinancial factors such as student enrollment stability and facility conditions in arriving at a conclusion regarding the overall health of the School.

REPORTING THE SCHOOL'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

This analysis of the School's major funds and fund financial statements provides detailed information about the most significant funds - not the School as a whole. Some funds are required to be established by State statute, while many other funds are established by the School to help manage money for particular purposes and compliance with various grant provisions.

Governmental Funds

The School's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year end available for spending in future periods. These funds are reported using the modified accrual accounting method, which measures cash and other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the School's general government operations and the basic services it provides. Governmental fund information helps one determine whether there are more or fewer financial resources available to spend in the near future to finance the School's programs. The relationship (or differences) between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds is reconciled in the basic financial statements. Activities related to capital assets, long-term debt, and compensated absences are the primary reconciling items.

ENTITY-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the School, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by $22,459,901 at the close of the fiscal year. Note the investment in capital assets is reported net of related debt and net of accumulated depreciation and amortization. The School uses capital assets to provide services; consequently, these assets are not available for future spending.

A comparative analysis of net position and changes in net position follows:

Table 1
NET POSITION
June 30, 2022 and 2021

	Governmental Activities	
	2022	2021
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
Current assets:		
Cash and pooled cash	$ 5,251,433	$ 2,965,138
Investments	11,815,513	1,421,455
Receivables	82,219	64,367
Deposits	-	30,000
Prepaid expenses	140,337	580
Total Current Assets	17,289,502	4,481,540
Noncurrent assets:		
Due from State	389,328	315,145
Net Pension Asset	3,863,696	-
Capital assets, net of depreciation	31,287,104	22,729,299
Total Noncurrent Assets	35,540,128	23,044,444
Total Assets	52,829,630	27,525,984

Table 1
NET POSITION
June 30, 2022 and 2021

	Governmental Activities	
(cont'd)	2022	2021
DEFERRED OUTFLOWS OF RESOURCES:		
Deferred outflows of resources - pension	3,150,522	2,512,267
Deferred outflows of resources - OPEB	13,015,453	13,296,855
Total Deferred Outflows of Resources	16,165,975	15,809,122
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 68,995,605	$ 43,335,106
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET DEFICIT		
Current liabilities:		
Accounts payable	$ 859,598	$ 269,235
Accrued salaries and related costs	1,834,449	1,445,362
Unearned revenue	-	1,600
Accrued interest payable	151,419	-
Bonds payable, net	417,892	370,129
Lease payable	257,525	290,807
Total Current Liabilities	3,520,883	2,377,133
Noncurrent liabilities:		
Compensated absences	648,880	525,242
Bonds payable, net	42,954,793	21,263,739
Notes payable	-	1,500,000
Lease Payable	63,620	273,009
Net pension liability	-	4,180,653
Net OPEB liability	30,886,765	30,225,825
Total Noncurrent Liabilities	74,554,058	57,968,468
Total Liabilities	78,074,941	60,345,601
DEFERRED INFLOWS OF RESOURCES:		
Deferred inflows of resources - pension	7,761,082	739,005
Deferred inflows of resources - OPEB	5,619,483	3,830,345
Total Deferred Inflows of Resources	13,380,565	4,569,350
NET POSITION (DEFICIT):		
Net investment in capital assets	(1,394,581)	(968,385)
Restricted for net pension asset	3,863,696	-
Unrestricted (deficit)	(24,929,016)	(20,611,460)
Total Net Deficit	(22,459,901)	(21,579,845)
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET DEFICIT	$ 68,995,605	$ 43,335,106

Table 2
CHANGES IN NET POSITION
For the Fiscal Years Ended June 30, 2022 and 2021

	Governmental Activities	
	2022	2021
REVENUES		
General revenues:		
Charges to school districts	$ 5,745,221	$ 5,163,310
Payments from primary government	11,782,944	9,733,792
Other local revenue	866,943	84,419
Interest income	88,441	73,896
Total General Revenues	18,483,549	15,055,417
Program revenues:		
Charges for services	323,455	909,708
Operation grants and contributions	4,531,464	2,768,984
Total Program Revenues	4,854,919	3,678,692
TOTAL REVENUES	23,338,468	18,734,109
EXPENSES		
Instructional services	15,306,172	14,186,708
Support services:		
Operation and maintenance of facilities	4,186,008	3,745,089
Transportation	1,324,177	1,061,573
Food service	1,150,487	652,381
Interest on long-term debt and issuance costs	2,251,140	1,007,000
TOTAL EXPENSES	24,218,524	20,652,751
Change in Net Deficit	$ (880,056)	$ (1,918,642)

Governmental Activities

Net position of the School's governmental activities decreased by $880,056, and unrestricted net position reflects a negative balance of $24,929,016.

The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. The next table reflects the cost of program services and the net cost of those services after taking into account the program revenues for governmental activities. General revenues that include charges to school districts, investment earnings, and state entitlements must support the net cost of the School's programs.

	2022		2021	
	Total Cost	Net Cost	Total Cost	Net Cost
Governmental Activities:				
Instructional services	$ 15,306,712	$ 11,438,718	$ 14,186,708	$ 11,003,749
Support services:				
Operation and maintenance of facilities	4,186,008	4,186,008	3,745,089	3,745,089
Transportation	1,324,177	1,324,177	1,061,573	1,061,573
Food service	1,150,487	163,562	652,381	156,648
Interest on long-term debt and Issuance costs	2,251,140	2,251,140	1,007,000	1,007,000
Total Expenses	$ 24,218,524	$ 19,363,605	$ 20,652,751	$ 16,974,059

The reliance on general revenues to support governmental activities is indicated by the net services column reflecting the need for $19,363,605 of support.

THE SCHOOL'S FUNDS

The School's governmental funds (as presented on the balance sheet) reported a combined fund balance of $14,595,455 compared to last year's total of $2,765,343. The schedule below indicates the fund balance as of June 30, 2022 and 2021 and the change in fund balance for the year ended June 30, 2022.

	Governmental Funds		
	2022	2021	Change
FUND BALANCES			
Nonspendable	$ 140,337	$ 580	$ 139,757
Restricted	11,012,145	1,421,455	9,590,690
Unassigned (deficit)	3,442,973	1,343,308	2,099,665
TOTAL FUND BALANCES	$ 14,595,455	$ 2,765,343	$ 11,830,112

Governmental Funds

The School's fund balances decrease is due to a variety of factors. The table that follows assists in illustrating the financial activities and balance of governmental funds.

REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

	2022	2021
REVENUES		
Charges to school districts	$ 5,745,221	$ 5,163,310
State aid	11,708,761	9,719,364
Federal aid	2,732,866	2,020,205
Interest income	10,549	28,767
Food service revenue	59,885	6,355
Other local revenues	866,943	167,411
After care	169,005	519,459
Donations	1,798,598	874,528
Summer camp	94,565	25,153
TOTAL REVENUES	23,186,393	18,524,552
EXPENDITURES		
Current:		
Instruction	13,888,771	10,484,483
Operation and maintenance of facilities	2,380,227	3,128,302
Transportation	1,324,177	1,061,573
Food service	1,150,487	671,215
Capital outlays:		
Property	10,531,712	54,855
Equipment	389,267	256,108
Debt service:		
Principal	1,825,000	305,000
Interest	1,287,300	1,007,000
Bond issuance costs	795,509	-
TOTAL EXPENDITURES	33,572,450	16,968,536
OTHER FINANCING SOURCES (USES)		
Bond proceeds	20,995,000	-
Bond premium	1,146,709	-
Lease proceeds	74,460	-
TOTAL OTHER FINANCING SOURCES (USES)	22,216,169	-
NET CHANGE IN FUND BALANCES	11,830,112	1,556,016
FUND BALANCES, BEGINNING OF YEAR	2,765,343	1,209,327
FUND BALANCES, END OF YEAR	$ 14,595,455	$ 2,765,343

The largest revenue reported by the School for the year was for aid received from the State of Delaware, accounting for 50.5 percent of total revenues. Charges to local school districts for students attending the School was also significant, accounting for 24.8 percent.

The largest portion of general fund expenditures is for personnel costs, which include salaries and related employment costs. The School is a service-oriented organization, and as such, is very labor intensive.

GENERAL FUND BUDGET INFORMATION

The School's budget is prepared on the modified accrual basis of accounting. The most significant budgeted fund is the general fund. The School may amend its revenue and expenditure estimates periodically due to changing conditions. The School operates on a preliminary operating budget for the first half of the year and a final operating budget the second half of the year once the September 30 unit count is verified by the authorizer.

The following are explanations for the more significant variances between budget versus actual revenues and expenditures as projected on the fiscal year 2022 final operating budget.

Revenues

Charges to School Districts

A favorable variance of $195,575 is attributable to increased enrollment.

State Revenue

A favorable variance of $119,769 is attributable primarily to adjustments to final state funding.

Federal Revenue

A favorable variance of $735,171 is attributable primarily to receiving more funding because of the COVID-19 pandemic.

Food Service Revenue

An unfavorable variance of $184,640 is due to the school receiving additional federal funds to allow all students to receive free meals due to COVID-19.

Other Local Revenue

An unfavorable variance of $609,383 is the school budgeting local grants that were not obtained in other local revenue.

Donations

A favorable variance of $1,597,848 is the results of additional donations received for use as part of the high school purchase and renovations.

Expenditures

Salaries

An unfavorable variance of $406,546 is a result of additional staffing related to the increase in students attending the School.

Contracted Services

Contractual services finished with an unfavorable variance of $697,768 that was primarily attributable to additional Chromebook and Laptop leases to support the hybrid-learning model.

Supplies and Materials

Supplies and materials finished with an unfavorable variance of $135,197. The increase in expense is attributable to more supplies needed related to the increased enrollment.

Capital Outlay

The combined favorable variance for capital outlay for equipment and property of $1,301,159 is a result of over projecting property and equipment costs.

GOVERNMENTAL FUNDS

General Fund

As of June 30, 2022, the School had a general fund balance of $3,583,310. This was an increase of $2,239,422 from the prior year. The biggest contributors to the increase in fund balance are the increase in federal funding, after care revenue, and donations, offset by increases in contractual services related to Chromebook and Laptop leases.

Capital Projects Fund

As of June 30, 2022, the School had a capital projects fund balance of $11,012,145. This was an increase of $9,590,690 from the prior year. The School issued the revenue bonds Series A and Series B of 2022 for the high school renovation project which is approximately 30 percent complete at year end. The School pays for its revenue bonds out of this fund. The School reported expenditures of $13,954,780 in 2021 - 2022. These expenditures were related to the school renovation project and debt service payments.

CAPITAL ASSETS

The School has $31,287,104 in net capital assets. Acquisitions for governmental activities totaled $10,637,159, and depreciation/amortization was $2,079,354. Detailed information regarding capital asset activity is included in Note 4 to the financial statements.

DEBT ADMINISTRATION

As of June 30, 2022, the School had total outstanding debt of $43,693,830 in the form of revenue bonds and a lease payable issued for the purpose of building improvements and equipment leases.

Other obligations include accrued vacation pay, sick leave for School employees and net OPEB liability. More detailed information about long-term liabilities is included in Note 5 to the financial statements.

FACTORS EXPECTED TO HAVE AN EFFECT ON FUTURE OPERATIONS

Fiscal year 2022 was the eleventh year of operation as a Delaware Public Charter K-8 School and first year operating a second campus, thus the opening of our high school. The School's enrollment is now at 1,225 with a planned enrollment of 1,547 K-12 students by fiscal year 2025. The Delaware Department of Education granted approval for us to expand to a high school, which opened in August 2020. The new campus is located at 750 Otts Chapel Rd, Newark, DE 19713. In fiscal year 2022, we successfully completed our third phase of construction, which added three new classrooms, a hallway, student bathrooms, and open educational space. We plan to complete the interior fit-out of the high school building by June 2023. We will continue to seek outside revenue streams to support our capital expansion. Additionally, larger enrollment will result in an increase in state and local district revenues, as well as an increase in operating expenses at both school campuses.

The financial model the School has developed is based on the funding formula currently in effect under the Delaware Charter School Law. If the funding formula for charter schools changes, adjustments to the underlying assumptions of the model will be made.

CONTACTING THE SCHOOL'S FINANCIAL MANAGEMENT

This financial report is designed to provide our fellow citizens, customers, investors, and creditors with a general overview of the School's finances and to show the School's accountability for the money it receives. If you have questions about this report or need additional financial information, please contact the School's Chief Operating Officer at (302) 292-1463, Ext. 203.

BASIC FINANCIAL STATEMENTS

LAS AMÉRICAS ASPIRA ACADEMY
STATEMENTS OF NET POSITION
JUNE 30, 2022 AND 2021

	2022	2021
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
CURRENT ASSETS:		
Cash and pooled cash	$ 5,251,433	$ 2,965,138
Investments	11,815,513	1,421,455
Accounts receivable	82,219	64,367
Prepaid expenses	140,337	580
Deposits	-	30,000
Total Current Assets	17,289,502	4,481,540
NONCURRENT ASSETS:		
Due from State	389,328	315,145
Net pension asset	3,863,696	-
Land	1,502,686	529,959
Construction-in-progress	4,182,115	-
Depreciable capital assets, net	25,602,303	22,199,340
Total Noncurrent Assets	35,540,128	23,044,444
DEFERRED OUTFLOWS OF RESOURCES		
Deferred pension	3,150,522	2,512,267
Deferred OPEB	13,015,453	13,296,855
TOTAL DEFERRED OUTFLOWS OF RESOURCES	16,165,975	15,809,122
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 68,995,605	$ 43,335,106
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET DEFICIT		
CURRENT LIABILITIES:		
Accounts payable	$ 859,598	$ 269,235
Accrued salaries and related costs	1,834,449	1,445,362
Accrued interest payable	151,419	-
Unearned summer camp fees	-	1,600
Bonds payable, net	417,892	370,129
Lease Payable	257,525	290,807
Notes payable	-	-
Total Current Liabilities	3,520,883	2,377,133
NONCURRENT LIABILITIES:		
Compensated absences	648,880	525,242
Bonds payable, net	42,954,793	21,263,739
Notes payable	-	1,500,000
Lease Payable	63,620	273,009
Net pension liability	-	4,180,653
Net OPEB liability	30,886,765	30,225,825
Total Noncurrent Liabilities	74,554,058	57,968,468
TOTAL LIABILITIES	78,074,941	60,345,601
DEFERRED INFLOWS OF RESOURCES:		
Deferred pension	7,761,082	739,005
Deferred OPEB	5,619,483	3,830,345
TOTAL DEFERRED INFLOWS OF RESOURCES	13,380,565	4,569,350
NET DEFICIT:		
Net investment in capital assets	(1,394,581)	(968,385)
Restricted for net pension asset	3,863,696	-
Unrestricted (deficit)	(24,929,016)	(20,611,460)
TOTAL NET DEFICIT	(22,459,901)	(21,579,845)
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET DEFICIT	$ 68,995,605	$ 43,335,106

The accompanying notes are an integral part of these financial statements.

LAS AMÉRICAS ASPIRA ACADEMY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022
(With Summarized Comparative Data for the Year Ended June 30, 2021)

		Program Revenues			Net (Expense) Revenue and Changes in Net Deficit	
			Operating	Capital	Totals	
	Expenses	Charges for Services	Grants and Contributions	Grants and Contributions	2022	2021
GOVERNMENTAL ACTIVITIES						
Instructional services	$ (15,306,712)	$ 263,570	$ 3,604,424	$ -	$ (11,438,718)	$ (11,003,749)
Support services:						
Operation and maintenance of facilities	(4,186,008)	-	-	-	(4,186,008)	(3,745,089)
Transportation	(1,324,177)	-	-	-	(1,324,177)	(1,061,573)
Food service	(1,150,487)	59,885	927,040	-	(163,562)	(156,648)
Interest on long-term debt and issuance costs	(2,251,140)	-	-	-	(2,251,140)	(1,007,000)
TOTAL GOVERNMENTAL ACTIVITIES	$ (24,218,524)	$ 323,455	$ 4,531,464	$ -	(19,363,605)	(16,974,059)

	2022	2021
GENERAL REVENUES		
Charges to school districts	5,745,221	5,163,310
State aid not restricted to specific purposes	11,782,944	9,733,792
Other local revenues	866,943	84,419
Interest income	88,441	73,896
TOTAL GENERAL REVENUES	18,483,549	15,055,417
CHANGE IN NET DEFICIT	(880,056)	(1,918,642)
NET DEFICIT, BEGINNING OF YEAR	(21,579,845)	(19,661,203)
NET DEFICIT, END OF YEAR	$ (22,459,901)	$ (21,579,845)

The accompanying notes are an integral part of these financial statements.

LAS AMÉRICAS ASPIRA ACADEMY
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2022
(With Summarized Comparative Data for June 30, 2021)

	General Fund	Capital Projects Fund	Total Government Funds 2022	Total Government Funds 2021
ASSETS:				
Cash and pooled cash	$ 5,251,433	$ -	$ 5,251,433	$ 2,965,138
Investments	-	11,815,513	11,815,513	1,421,455
Accounts receivable	82,219	-	82,219	64,367
Deposit	-	-	-	30,000
Prepaid expenditures	140,337	-	140,337	580
TOTAL ASSETS	$ 5,473,989	$ 11,815,513	$ 17,289,502	$ 4,481,540
LIABILITIES AND FUND BALANCES				
LIABILITIES:				
Accounts payable	$ 56,230	$ 803,368	$ 859,598	$ 269,235
Accrued salaries and related costs	1,834,449	-	1,834,449	1,445,362
Unearned summer camp fees	-	-	-	1,600
TOTAL LIABILITIES	1,890,679	803,368	2,694,047	1,716,197
FUND BALANCES:				
Nonspendable	140,337	-	140,337	580
Restricted	-	11,012,145	11,012,145	1,421,455
Unassigned	3,442,973	-	3,442,973	1,343,308
TOTAL FUND BALANCES	3,583,310	11,012,145	14,595,455	2,765,343
TOTAL LIABILITIES AND FUND BALANCES	$ 5,473,989	$ 11,815,513	$ 17,289,502	$ 4,481,540

The accompanying notes are an integral part of these financial statements.

LAS AMÉRICAS ASPIRA ACADEMY
RECONCILIATION OF BALANCE SHEET - GOVERNMENTAL FUNDS TO STATEMENT OF NET POSITION
JUNE 30, 2022

TOTAL FUND BALANCES - GOVERNMENTAL FUNDS		$ 14,595,455
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in the governmental activities are not financial resources and, therefore, are not reported in the funds. Capital assets net of accumulated depreciation/amortization as detailed in the footnotes are included in the statement of net position.		31,287,104
Long-term assets applicable to governmental activities are not due and receivable in the current period and, therefore, are not reported as fund assets.		
Due from State of Delaware	$ 389,328	
Net pension asset	3,863,696	4,253,024
Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds. Those liabilities consist of:		
Compensated absences	(648,880)	
Accrued interest payable	(151,419)	
Bonds payable in future years, net	(43,372,685)	
Lease Payable	(321,145)	
Net OPEB liability	(30,886,765)	(75,380,894)
Deferred inflows of resources and deferred outflows of resources related to the School's net pension asset are based on the differences between actuarially determined actual and expected investment returns, changes in the actuarially determined proportion of the School's amount of the total pension liability, changes in assumptions, differences in actual and expected experience, and pension contributions made after the measurement date of the net pension asset. These amounts will be amortized over the estimated remaining average service life of the employees.		
Deferred outflows - pension	3,150,522	
Deferred inflows - pension	(7,761,082)	(4,610,560)
Deferred inflows and outflows of resources related to the School's net OPEB liability are based on the differences between actuarially determined actual and expected investment returns, changes in the actuarially determined proportion of the School's amount of returns, changes in the actuarially determined proportion of the School's amount of the total OPEB liability, changes in assumptions, differences in actual and expected experience, and OPEB contributions made after the measurement date of the net OPEB liability. These amounts will be amortized over the estimated remaining average service life of the employees.		
Deferred outflows - OPEB	13,015,453	
Deferred inflows - OPEB	(5,619,483)	7,395,970
TOTAL NET DEFICIT - GOVERNMENTAL ACTIVITIES		$ (22,459,901)

The accompanying notes are an integral part of these financial statements.

LAS AMÉRICAS ASPIRA ACADEMY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022
(With Summarized Comparative Data for the Year Ended June 30, 2021)

	General Fund	Capital Projects Fund	Total Governmental Funds 2022	Total Governmental Funds 2021
REVENUES				
Charges to school districts	$ 5,745,221	$ -	$ 5,745,221	$ 5,163,310
State aid	11,708,761	-	11,708,761	9,719,364
Federal aid	2,732,866	-	2,732,866	2,020,205
Interest income	2	10,547	10,549	28,767
Food service revenue	59,885	-	59,885	6,355
Other local revenues	866,943	-	866,943	167,411
After care	169,005	-	169,005	519,459
Donations	1,798,598	-	1,798,598	874,528
Summer camp	94,565	-	94,565	25,153
TOTAL REVENUES	23,175,846	10,547	23,186,393	18,524,552
EXPENDITURES				
Current:				
Instruction	13,888,771	-	13,888,771	10,484,483
Operation and maintenance of facilities	2,380,227	-	2,380,227	3,128,302
Transportation	1,324,177	-	1,324,177	1,061,573
Food services	1,150,487	-	1,150,487	671,215
Capital outlays:				
Property	559,201	9,972,511	10,531,712	54,855
Equipment	314,807	74,460	389,267	256,108
Debt service:				
Principal	-	1,825,000	1,825,000	305,000
Interest	-	1,287,300	1,287,300	1,007,000
Bond issuance cost	-	795,509	795,509	-
TOTAL EXPENDITURES	19,617,670	13,954,780	33,572,450	16,968,536
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	3,558,176	(13,944,233)	(10,386,057)	1,556,016
OTHER FINANCING SOURCES (USES):				
Bond proceeds	-	20,995,000	20,995,000	-
Bond premium	-	1,146,709	1,146,709	-
Lease proceeds	-	74,460	74,460	-
Transfers in (out)	(1,318,754)	1,318,754	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(1,318,754)	23,534,923	22,216,169	-
NET CHANGE IN FUND BALANCES	2,239,422	9,590,690	11,830,112	1,556,016
FUND BALANCES, BEGINNING OF YEAR	1,343,888	1,421,455	2,765,343	1,209,327
FUND BALANCES, END OF YEAR	$ 3,583,310	$ 11,012,145	$ 14,595,455	$ 2,765,343

The accompanying notes are an integral part of these financial statements.

LAS AMÉRICAS ASPIRA ACADEMY
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS TO STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS		$ 11,830,112
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with an initial, individual cost of more than $5,000 are capitalized, and the cost is allocated over their estimated useful lives and reported as depreciation/amortization expense. This is the amount by which capital outlays exceeded depreciation/amortization in the current period.		
Capital outlays	$ 10,637,159	
Depreciation/amortization expense	(2,079,354)	8,557,805
Some revenues reported in the statement of activities are not available to finance current expenditures and, therefore, are not reported as revenues in the governmental funds.		74,183
Debt and lease proceeds are reported as financing sources in the governmental funds and, thus, contribute to the change in fund balance. In the statement of net position, however, issuing debt and obtaining capital leases increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability in the statement of net position. In addition, bond premiums are reported as other financing sources; however, these amounts are reported on the statement of net position as deferred charges and amortized over the life of the debt.		
Bond proceeds	(20,995,000)	
Bond premium	(1,146,709)	
Lease proceeds	(74,460)	
Accrued interest	(151,419)	
Bonds, notes and lease principal repayments	2,142,131	
Amortization of bond premium	77,892	(20,147,565)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds:		
Compensated absences		(123,638)
Pension expenses in the statement of activities differ from the amount reported in the governmental funds because pension expenses are recognized on the statement of activities based on the School's proportionate share of the expenses of the cost-sharing pension plan, whereas pension expenditures are recognized in the governmental funds when a requirement to remit contributions to the plan exists.		1,660,527
OPEB expenses in the statement of activities differ from the amount reported in the governmental funds because OPEB expenses are recognized on the statement of activities based on the School's proportionate share of the expenses of the cost-sharing OPEB plan, whereas OPEB expenditures are recognized in the governmental funds when a requirement to remit contributions to the plan exists.		(2,731,480)
CHANGE IN NET DEFICIT - GOVERNMENTAL ACTIVITIES		$ (880,056)

The accompanying notes are an integral part of these financial statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of the Charter School

Las Américas ASPIRA Academy is organized under Delaware Code, Title 14, Chapter 5 of the State of Delaware. The Charter School Law grants authority for independent public schools to be created for the purpose of increasing choices for parents of public school students and increasing academic performance. A charter school is an independent public school governed by an independent board of directors. In Delaware, charter schools have the same basic standing as a school district with some exceptions - most notably, they may not levy taxes. To encourage innovation, charter schools operate free from a number of state laws and regulations. Las Américas ASPIRA Academy's initial charter was granted for a four-year period, renewable every five years thereafter. Las Américas ASPIRA Academy's first full year of school started on September 1, 2011.

Charter schools are funded similarly to other public schools in that state and local funds are allocated for each enrolled student. Public funds are not provided for facilities. Charter schools may charge for selected additional costs consistent with those permitted by other school districts. Because a charter school receives local, state, and federal funds, they may not charge tuition.

The financial statements of Las Américas ASPIRA Academy ("the School") have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to local governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the School are described below.

Reporting Entity

The School is a special purpose government and is considered a component unit of the State of Delaware. A component unit, although a legally separate entity, is, in substance, part of the State of Delaware's operations. The School has no component units for which it is considered to be financially accountable.

Entity-wide and Fund Financial Statements

The entity-wide financial statements (the statement of net position and the statement of activities) report information on all activities of the School. For the most part, the effect of interfund activity has been removed from these financial statements.

The statement of activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct expenses are those that are clearly identifiable

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

with a specific program. Program revenues include grants and contributions that are restricted to meeting the operational or capital requirements of a particular function.

Separate financial statements are provided for governmental funds. The major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Entity-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Charges to the School are recognized as revenues in the year for which they are billed. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Amounts reported as program revenues include 1) charges to students for special fees, supplies, food, or services provided; 2) operating grants and contributions; and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include charges to school districts.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the School considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

Charges to the school districts, state appropriations, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when the School receives cash.

The School reports the following major governmental funds:

- **General Fund** – The general fund is the School's primary operating fund. It accounts for all financial resources of the School, except those required to be accounted for in another fund.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

- **Capital Projects Fund** – The capital projects fund accounts for resources accumulated and payments made for the acquisition and improvement of sites, construction and remodeling of facilities, debt service, and procurement of equipment necessary for providing educational programs for all students within the School.

Cash and Pooled Cash

The School's cash is considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition, as well as cash deposits held in an investment pool controlled by the personnel of the State Treasurer's Office in Dover, Delaware.

Investments

Investments are recorded at fair value.

In establishing the fair value of investments, the School uses the following hierarchy. The lowest level of valuation available is used for all investments.

Level 1 – Valuations based on quoted market prices in active markets for identical assets or liabilities that the entity has the ability to access.

Level 2 – Valuations based on quoted prices of similar products in active markets or identical products in markets that are not active or for which all significant inputs are observable, directly or indirectly.

Level 3 – Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

Receivables

The School considers all accounts receivable at year end to be collectible; therefore, no allowance for doubtful accounts has been recorded.

Capital Assets

Capital assets, which include land, buildings and improvements, furniture and fixtures, and equipment, are reported in the entity-wide financial statements. The School defines capital assets as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of one year.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Such assets are recorded at historical cost or estimated cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the lives of the assets are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Building and improvements, furniture and fixtures, and equipment of the School are depreciated or amortized using the straight-line method over the estimated useful lives of the related assets. The School generally uses the following estimated useful lives:

Building and improvements	22 - 40 years
Furniture and fixtures	3 years
Equipment	5 years
Right to use asset - equipment	Life of lease

Deferred Inflows and Outflows of Resources

In addition to assets, the statement of net position includes a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense) until then. The School reports deferred pension and OPEB contributions resulting from pension and OPEB contributions subsequent to the measurement date of the net pension asset and OPEB liability and certain other items which represent differences related to changes in the net pension asset and OPEB liability which will be amortized over future periods. In addition to liabilities, the statement of net position includes a separate section for deferred inflows of resources. This separate financial statement element represents a source of net position that applies to future periods. The School reports certain items which represent differences related to changes in the net pension asset and OPEB liability which will be amortized over future periods.

Long-term Obligations

In the entity-wide financial statements, long-term debt is reported as liabilities. In the fund financial statements, the face amount of debt issued is reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

Compensated Absences

Vacation pay plus related payroll taxes are accrued when incurred in the entity-wide financial statements. The liability for these amounts is reported in the governmental funds only when the liability matures, for example, as a result of employee resignations and retirements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Vacation – Twelve-month employees can accumulate up to 42 days of vacation. Any days in excess of 42 are dropped as of July 1 of each year. Employees are paid for unused vacation upon termination and retirement at the current rate of pay.

Sick Leave – Sick leave allowances are as follows: teachers shall be allowed 10 days of sick leave per year, and annual employees earn one day of sick leave for each month worked. Any unused sick days shall be accumulated to the employee's credit up to a maximum of 120 days. Compensation for accumulated sick days is received when employees (a) qualify and apply for state pension and are paid at a rate of 50 percent of the per diem rate of pay not to exceed 120 days; or (b) in the case of death, when payment is made to the employee's estate at a rate of one day's pay for each day of unused sick leave not to exceed 120 days.

The compensated absences liability was $648,880 at June 30, 2022, of which $389,328 was reimbursable by the State of Delaware.

Fund Equity

Fund balance will be displayed in the following classification (if applicable) depicting the relative strength of the spending constraints placed on the purposes for which resources can be used:

Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed – amounts that can be used only for specific purposes determined by formal action of the Board of Directors. The Board is the highest level of decision-making authority for the School. Commitments may be established, modified, or rescinded only through resolutions approved by the Board of Directors.

Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. The Head of School may assign amounts for specific purposes.

Unassigned – all other spendable amounts.

When an expenditure is incurred for purposes for which both restricted and unassigned fund balances are available, the School considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

available, the School considers amounts to have been spent first out of committed funds, then assigned funds and finally, unassigned funds, as needed, unless the Board or Head of School has provided otherwise in its commitment or assignment actions.

Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. The net investment in capital assets consists of capital assets, net of accumulated depreciation and amortization, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Any remaining portions of net position are reflected as unrestricted. When both restricted and unrestricted resources are available for use, it is the School's policy to use restricted resources first and then unrestricted resources as they are needed.

Income Tax Status

The School is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and, therefore, has no provision for federal income taxes. The School qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(1). The School did not engage in any unrelated business activities during the fiscal year. Management believes more likely than not that its tax-exempt status and tax positions will be sustained if examined by authorities.

Use of Estimates in the Preparation of Financial Statements

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Comparative Data

Comparative total data for the prior year is presented in the basic financial statements to provide an understanding of changes in the School's financial position and operations. That comparative data is not at the level of detail required for a presentation in conformity with accounting principles generally accepted in the United States of America and, therefore, should be read in conjunction with the School's financial statements for the year ended June 30, 2021, from which the summarized information was derived.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Implementation of GASB Statement

During the year ended June 30, 2022, the School implemented Governmental Accounting Standards Board ("GASB") Statement No. 87, "Lease Accounting." The purpose of this statement is to increase the usefulness of governmental financial statements by requiring recognition of certain lease assets and liabilities for all leases, including those that previously were classified as operating leases.

NOTE 2 CASH, POOLED CASH, AND INVESTMENTS

Deposits

At June 30, 2022, the School had a cash and pooled cash balance of $5,251,433. Of those amounts, $5,250,301 was part of an investment pool controlled by the personnel of the State Treasurer's Office in Dover, Delaware, and all investment decisions are made by the State Treasurer's Office. These funds are considered to be highly liquid and available for immediate use and, thus, are recorded as cash equivalents in these financial statements.

The funds held by the State of Delaware investment pool, an internal investment pool, are specifically identified for the School, but the credit risk cannot be categorized for these funds. Credit risk for such investments depends on the financial stability of the State of Delaware. The State reports that its investment securities are stated at quoted market prices, except that investment securities with a remaining maturity at time of purchase of one year or less are stated at cost or amortized cost.

At June 30, 2022, the reported amount of the School's deposits outside of the State Treasurer's Office was $1,132 and the bank balance was $1,132, all of which was covered by federal depository insurance.

Investments

State statutes authorize the School to invest in U.S. government securities, government agency securities, certificates of deposit, time deposits and bankers acceptances, corporate debt instruments, money market funds, and other similar instruments that are insured by the Federal Deposit Insurance Corporation ("FDIC") or are backed by the full faith and credit of the United States of America or any of its agencies or instrumentalities.

The School categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The School has the following recurring fair value measurements as of June 30, 2022:

NOTE 2 CASH, POOLED CASH, AND INVESTMENTS (cont'd)

Investment Type	Fair Value	Level 2
Money Market Mutual Fund	$ 11,815,513	$ 11,815,513
TOTAL	$ 11,815,513	$ 11,815,513

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the School will not be able to recover the value of its investments or collateral security that are in the possession of an outside party. As of June 30, 2022, none of the School's investments were subject to custodial credit risk.

Interest Rate Risk

The School does not have an investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, to ensure that its assets remain liquid enough to satisfy its current obligations, at June 30, 2022, all of the School's investments had maturity dates of less than one year.

Credit Risk

The School has no investment policy that would limit its investment choices to those with certain credit ratings.

NOTE 3 ACCOUNTS RECEIVABLE

Accounts receivable represent receivables for revenues earned by the School. At June 30, 2022, receivables are as follows:

Description	
Passed through the State of Delaware:	
Federal government	$ 80,677
Other receivables:	
Miscellaneous receivables	1,542
Total accounts receivable	$ 82,219

NOTE 4 CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2022 is as follows:

	Beginning Balances	Additions	Deletions	Ending Balances
Governmental Activities:				
General capital assets not being depreciated/amortized:				
Land	$ 529,959	$ 972,727	$ -	$ 1,502,686
Construction-in-progress	-	4,182,115	-	4,182,115
Total general capital assets not being depreciated/amortized	529,959	5,154,842	-	5,684,801
General capital assets being Depreciated/amortized:				
Building and improvements	24,496,538	5,106,819	-	29,603,357
Furniture and equipment	2,500,858	301,038	-	2,801,896
Right to use asset - equipment	891,649	74,460	-	966,109
Total general capital assets being depreciated/amortized	27,889,045	5,482,317	-	33,371,362
Accumulated depreciation	5,400,319	1,763,523	-	7,166,842
Accumulated amortization - right	5,689,705	2,079,354	-	7,769,059
to use asset - equipment	286,386	315,831	-	602,217
Total general capital assets being depreciated/amortized, net	22,199,340	3,402,963	-	25,602,303
Governmental Activities, Net	$ 22,729,299	$ 8,557,805	$ -	$ 31,287,104

Depreciation/amortization expense was charged to the following governmental activities:

Instructional services	$ 557,393
Operation and maintenance of facilities	1,521,961
	$ 2,079,354

NOTE 5 LONG-TERM DEBT

During the year ended June 30, 2017, the School issued revenue bonds, Series A and Series B of 2016 in the amounts of $20,125,000 and $900,000, respectively, in order to repay the balances of the three notes issued in 2015 and fund ongoing construction. The bonds are subject to certain financial covenants, which were met in the current fiscal year.

The Series A of 2016 bonds bear interest ranging from 3.25 percent to 5.00 percent, maturing June 1, 2026 to June 1, 2051, with interest payable on December 1 and June 1.

The Series B of 2016 bonds bear interest at 6.25 percent and mature on June 1, 2022, with interest payable on December 1 and June 1.

NOTE 5 LONG-TERM DEBT (cont'd)

During the year ended June 30, 2020, the School issued notes payable in the amounts of $1,000,000 and $500,000 to finance construction of the new building. The notes bear interest at eight percent per annum, and interest is payable monthly. The notes are due in full on March 1, 2025. The notes are secured by liens against the School's building. The notes were paid in full during the fiscal year ended June 30, 2022.

During the year ended June 30, 2022, the School issued revenue bonds, Series A and Series B of 2022 in the amounts of $19,695,000 and $1,300,000, respectively. The bonds are subject to certain financial covenants, which were met in the current fiscal year.

The Series A of 2022 bonds bear interest ranging from 3.00 percent to 4.00 percent, maturing June 1, 2032 to June 1, 2057, with interest payable on December 1 and June 1.

The Series B of 2022 bonds bear interest at 5.40 percent, maturing June 1, 2026 to June 1, 2029, with interest payable on December 1 and June 1.

The School leases copier and computer equipment under a number of leases. The School has entered into these lease agreements at different times during fiscal years 2019, 2020, 2021 and 2022. The leases expire at various times during fiscal years 2023 and 2024.

A schedule of changes in long-term liabilities for the year ended June 30, 2022 is as follows:

	Amounts Outstanding 7/1/2021	Additions	Retirements	Amounts Outstanding 6/30/2022	Due Within One Year
Governmental Activities:					
Bonds payable	$20,280,000	$20,995,000	$ 325,000	$40,950,000	$ 340,000
Bond premium	1,353,868	1,146,709	77,892	2,422,685	77,892
	21,633,868	22,141,709	402,892	43,372,685	417,892
Lease Payable	563,816	74,460	317,131	321,145	257,525
Notes payable	1,500,000	-	1,500,000	-	-
Net pension liability	4,180,653	-	4,180,653	-	-
Net OPEB liability	30,225,825	660,940	-	30,886,765	-
Compensated absences	525,242	123,638	-	648,880	-
Total Governmental Activities	$58,629,404	$23,000,747	$7,061,616	$75,229,475	$ 675,417

Payment of the bonds payable is expected to be refunded by the capital projects fund, and all other liabilities are expected to be funded by the general fund.

NOTE 5 LONG-TERM DEBT (cont'd)

A summary of the School's bonds payable is as follows:

Description	Amount of Original Issue	Interest Rate	Maturity Date	Balance June 30, 2022
Series A of 2016	$20,125,000	3.25% - 5.00%	Annually	$ 19,955,000
Series A of 2022	19,695,000	3.00% - 4.00%	Annually	19,695,000
Series B of 2022	1,300,000	5.40%	Annually	1,300,000
Bonds payable, at face				40,950,000
Unamortized premium				2,422,685
Bonds payable, net				$ 43,372,685
Amounts due in one year				$ 417,892
Amounts due after one year				42,954,793
				$ 43,372,685

The total principal and interest maturities as of June 30, 2022 for bonds payable are as follows:

Year Ending June 30,	Principal	Interest	Total
2023	$ 340,000	$ 1,817,025	$ 2,157,025
2024	350,000	1,805,975	2,155,975
2025	365,000	1,794,600	2,159,600
2026	705,000	1,782,738	2,487,738
2027	735,000	1,752,730	2,487,730
2028-2032	4,250,000	8,187,040	12,439,040
2033-2037	5,260,000	7,178,350	12,438,350
2038-2042	6,565,000	4,813,350	11,378,350
2043-2047	8,205,000	4,226,950	12,431,950
2048-2052	8,945,000	2,169,800	11,114,800
2053-2057	5,230,000	644,000	5,874,000
Total	$40,950,000	$36,174,558	$77,124,558

The total principal and interest maturities as of June 30, 2022 for lease payables are as follows:

Year	Principal	Interest	Total
2023	$ 257,525	$ 16,020	$ 273,545
2024	63,620	5,658	69,427
Totals	$ 321,145	$ 21,827	$ 342,972

NOTE 6 FUND BALANCES

As of June 30, 2022, fund balances are composed of the following:

	General Fund	Capital Projects Fund	Total Governmental Funds
Nonspendable:			
Prepaid expenditures	$ 140,337	$ -	$ 140,337
Restricted:			
Capital projects	-	4,004	4,004
Debt service	-	2,987,078	2,987,078
Repair and replacement	-	100,000	100,000
Building expansion	-	7,921,063	7,921,063
Unassigned	3,442,973	-	3,442,973
Total Fund Balances	$ 3,583,310	$11,012,145	$14,595,455

NOTE 7 INTERNAL TRANSFERS

Interfund balances between funds represent temporary loans recorded at year end subsequent to a final allocation of expenses. There were no balances as of June 30, 2022. During the year, the general fund transferred $1,318,754 to the capital projects fund to fund current year principal and interest payments on long-term debt.

NOTE 8 PENSION PLAN

Plan Description

School employees are considered state employees and are covered under the State of Delaware Employees' Pension Plan ("the Plan"), which is a cost-sharing, multiple-employer defined benefit public employees' retirement system ("the State PERS") established in the Delaware Code. The Plan is administered by the Delaware Public Employees Retirement System ("DPERS").

The State of Delaware General Assembly is responsible for setting benefits and contributions, and amending plan provisions; administrative rules and regulations are adopted and maintained by the Board of Pension Trustees ("the Board").

The following are brief descriptions of the Plan in effect as of June 30, 2022. For a more complete description, please refer to the Delaware Employees' Pension Plan Comprehensive Annual Financial Report. Separately issued financial statements for the Plan may be obtained by writing to the State of Delaware Public Employee Retirement System, McArdle Building, Suite 1, 860 Silver Lake Boulevard, Dover, DE 19904; by calling 1-800-722-7300; or by visiting the PERS website at www.delawarepensions.com.

NOTE 8 PENSION PLAN (cont'd)

Plan Description and Eligibility

The State Employees' Pension Plan covers virtually all full-time or regular part-time employees of the State, including employees of other affiliated entities.

There are two tiers within this plan: 1) employees hired prior to January 1, 2012 (Pre-2012), and 2) employees hired on or after January 1, 2012 (Post-2011).

Benefits Provided

Service Benefits

Final average monthly compensation (employees hired Post-2011 may not include overtime in pension compensation) multiplied by 2.0 percent and multiplied by years of credited service prior to January 1, 1997, plus final average monthly compensation multiplied by 1.85 percent and multiplied by years of credited service after December 31, 1996, subject to minimum limitations. For this plan, final average monthly compensation is the monthly average of the highest three periods of twelve consecutive months of compensation.

Vesting

Pre-2012 date of hire employees vest in the plan after five years of credited service. Post-2011 date of hire employees vest in the plan after ten years of credited service.

Retirement

Pre-2012 date of hire employees may retire at age 62 with five years of credited service; at age 60 with 15 years of credited service; or after 30 years of credited service at any age. Post-2011 date of hire employees may retire at age 65 with at least 10 years of credited service; at age 60 with 20 years of credited service; or after 30 years of credited service at any age.

Disability Benefits

Disability benefits for Pre-2012 date of hire employees are offered using the same calculations as the Service Benefits described above. Employees in this program must have five years of credited service. In lieu of disability pension benefits, over 90 percent of the members of this plan opted into a Disability Insurance Program offered by the State effective January 1, 2006. Post-2011 date of hire employees are also included in the Disability Insurance Program.

Survivor and Burial Benefits

In the event of the death of a member of the Plan, the eligible survivor receives 50 percent of the benefits received under the pension (or 75 percent with a three percent reduction of the benefit).

NOTE 8 PENSION PLAN (cont'd)

If the employee is an active member of the Plan with at least five years of credited service, the eligible survivor receives 75 percent of the benefit the active employee would have received at age 62.

Burial benefits are established at $7,000 per plan member.

Contributions

Member Contributions

Pre-2012 date of hire employees contribute three percent of earnings in excess of $6,000. Post-2011 date of hire employees contribute five percent of earnings in excess of $6,000.

Employer Contributions

Employer contributions are determined by the Board. For the year ended June 30, 2022, the rate of the employer contribution was 12.45 percent of covered payroll. The School's contribution to PERS for the year ended June 30, 2022 was $1,088,098.

PRI Contribution

All reporting units participating in the State PERS make contributions to a PRI fund which accumulates resources to fund ad hoc postretirement increases granted by the General Assembly. The increases are funded over a five-year period from the PRI fund. The allocation of the contribution from the PRI fund to the Pension Trust is a reduction of the net pension liability of each participating employer.

Pension Liability and Expense, and Deferred Outflows and Inflows of Resources

At June 30, 2022, the School reported a pension asset of $3,863,696 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2021, and the total pension liability used to calculate the net pension asset was determined by rolling forward the Plan's total pension liability as of June 30, 2020 to June 30, 2021. The School's proportion of the net pension asset was calculated based on the actual contributions made during the measurement period in proportion to the total of all employer contributions made during the measurement period. At June 30, 2021, the School's proportion was 0.3171 percent, which was an increase of 0.0197 percent from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the School recognized pension credit of $572,429. At June 30, 2022, the School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

NOTE 8 PENSION PLAN (cont'd)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual investment earnings	$ -	$ 7,761,082
Changes in proportions	778,713	-
Changes in assumptions	698,074	-
Differences between actual and expected experience	585,637	-
Contributions subsequent to the date of measurement	1,088,098	-
	$ 3,150,522	$ 7,761,082

An amount of $1,088,098 is reported as deferred outflows of resources resulting from the School's contributions subsequent to the June 30, 2021 measurement date and will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts will be reported as deferred outflows of resources and deferred inflows of resources related to pensions, and will be recognized in pension expense as follows:

Year Ending June 30,	
2023	$ (1,488,152)
2024	(1,430,852)
2025	(1,592,788)
2026	(1,490,003)
2027	303,137
	$ (5,698,658)

Actuarial Assumptions

The total pension liability as of the June 30, 2021 measurement date was determined by an actuarial valuation as of June 30, 2020, and update procedures were used to roll forward the total pension liability to June 30, 2021. These actuarial valuations used the following actuarial assumptions, applied to all periods:

- Investment return – 7.0 percent, including inflation of 2.5 percent
- Salary increases – 2.5 percent + merit, including inflation of 2.5 percent
- Cost-of-living adjustments – ad hoc

The total pension liabilities are measured based on assumptions pertaining to interest rates, inflation rates, and employee demographic behavior in future years. It is likely that future

NOTE 8 PENSION PLAN (cont'd)

experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the actual experience deviates, the larger the impact on future financial statements.

Mortality rates were based on the Sex Distinct RP-2014 Combined Mortality Table projected to 2017 using an adjusted version on MP-2015 mortality improvement scale on a fully generational basis.

Projected benefit payments do not include the effects of projected ad hoc cost-of-living adjustments ("ad hoc COLAs"), as they are not substantively automatic. The primary considerations relevant to making this determination include the historical patterns of granting the changes and the consistency in the amounts of the changes.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by an asset allocation percentage, which is based on the nature and mix of current and expected plan investments, and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the Plan are summarized in the following table:

Asset Class	Long-term Expected Real Rate of Return	Target Asset Allocation
Domestic equity	5.7%	32.3%
International equity	5.7%	18.1%
Fixed income	2.0%	20.6%
Alternative investments	7.8%	24.2%
Cash and equivalents	0.0%	4.8%

Discount Rate

The discount used to measure the total pension liability was 7.0 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at rates determined by the Board, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

NOTE 8 PENSION PLAN (cont'd)

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

The following presents the net pension liability, calculated using the discount rate of 7.0 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.0 percent) or one percentage point higher (8.0 percent) than the current rate.

	1% Decrease 6.0%	Current Discount Rate 7.0%	1% Increase 8.0%
School's proportionate share of the net pension liability (asset)	$ 472,227	$ (3,863,696)	$ (7,502,846)

Pension Plan Fiduciary Net Position

Detailed information about PERS' fiduciary net position is available in PERS Comprehensive Annual Financial Report, which can be found on the Plan's website at www.delawarepensions.com.

NOTE 9 OTHER POSTEMPLOYMENT BENEFITS PLAN

Plan Description

School employees are considered state employees and are covered under the State of Delaware Employees' Other Postemployment Benefits ("OPEB") Fund Trust ("the Plan"), which is a cost-sharing, multiple-employer defined benefit plan established in the Delaware Code.

The State of Delaware General Assembly is responsible for setting benefits and contributions, and amending plan provisions; administrative rules and regulations are adopted and maintained by the DPERS Board of Pension Trustees, which acts as the Board of Trustees ("the Board") for the Plan and is responsible for the financial management of the Plan.

The following are brief descriptions of the Plan in effect as of June 30, 2022. For a more complete description, please refer to the Delaware Public Employees' Retirement System Comprehensive Annual Financial Report. Separately issued financial statements for the Plan may be obtained by writing to the State of Delaware Public Employee Retirement System, McArdle Building, Suite 1, 860 Silver Lake Boulevard, Dover, DE 19904; by calling 1-800-722-7300; or by visiting the PERS website at www.delawarepensions.com.

Plan Description and Eligibility

The Plan is a cost-sharing multiple employer plan that covers all employees of the State that are eligible to participate in the defined benefit pension plan, including employees of other affiliated entities.

NOTE 9 OTHER POSTEMPLOYMENT BENEFITS PLAN (cont'd)

Benefits Provided

The Plan provides medical coverage to pensioners and their eligible dependents. The participant's cost of Plan benefits is variable based on years of service. Pensioners who retire after July 1, 2012 and who become eligible for Medicare will pay an additional five percent of the Medicare Supplement offered by the State. Surviving spouses are eligible for coverage after a retiree's death.

Contributions

Employer Contributions

Participating employers fund the Plan for current retirees on a pay-as-you-go basis along with funding for future benefits at a rate that is approved in the annual budget, but not actuarially determined. For the year ended June 30, 2022, the rate of the employer contribution was 11.48 percent of covered payroll. The School's contribution to the Plan for the year ended June 30, 2022 was $1,003,382.

Other Postemployment Benefits Plan Liability and Expense, and Deferred Outflows and Inflows of Resources

At June 30, 2022, the School reported a liability of $30,886,765 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by rolling forward the Plan's total OPEB liability as of June 30, 2020 to June 30, 2021. The School's proportion of the net OPEB liability was calculated based on the actual contributions made during the measurement period in proportion to the total of all employer contributions made during the measurement period. At June 30, 2021, the School's proportion was 0.3063 percent, which was an increase of 0.0160 percent from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the School recognized OPEB expense of $3,734,862. At June 30, 2022, the School reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual investment earnings	$ -	$ 356,793
Changes in proportions	5,920,735	-
Changes in assumptions	740,696	1,012,265
Net difference between projected and actual experience	5,350,640	4,250,425
Contributions subsequent to the date of measurement	1,003,382	-
	$13,015,453	$ 5,619,483

NOTE 9 OTHER POSTEMPLOYMENT BENEFITS PLAN (cont'd)

An amount of $1,003,382 is reported as deferred outflows of resources resulting from the School's contributions subsequent to the June 30, 2021 measurement date and will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2023. Other amounts will be reported as deferred outflows of resources and deferred inflows of resources related to OPEB, and will be recognized in OPEB expense as follows:

Year Ending June 30,	
2023	$ 748,699
2024	1,345,433
2025	1,550,862
2026	1,867,869
2027	879,725
	$ 6,392,588

Actuarial Assumptions

The total OPEB liability as of the June 30, 2021 measurement date was determined by an actuarial valuation as of June 30, 2020, and update procedures were used to roll forward the total OPEB liability to June 30, 2021. These actuarial valuations used the following actuarial assumptions:

- Discount rate – 2.16 percent
- Salary increases – 3.25 percent + merit
- Healthcare cost trend rates – 5.50 percent

Mortality rates are based on the sex-distinct employee, healthy annuitant, and disabled annuitant mortality tables derived from the Pub-2010 General Benefits Weighted Annuitant Mortality Table, including adjustment facts. Future mortality improvements are reflected by applying a custom projection scale on a generational basis to adjusted base tables from the base year.

The total OPEB liabilities are measured based on assumptions pertaining to the interest rates, inflation rates, health costs, and employee demographic behavior in future years. The assumptions used were based on the results of an actuarial experience study performed in 2021 and covering the period July 1, 2015 through June 30, 2020. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

Discount Rate

The discount rate used to measure the total OPEB liability was 2.21 percent at the beginning of the current measurement period and 2.16 percent at the end, based on the Bond Buyer GO 20-

NOTE 9 OTHER POSTEMPLOYMENT BENEFITS PLAN (cont'd)

Bond Municipal Bond Index, an index satisfying the GASB requirement of an index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that employer contributions to the Plan will continue to follow the pay-as-you-go contribution policy. Based on the assumptions of a pay-as-you-go plan, the discount rates used at the June 30, 2021 and 2020 measurement date are equal to the applicable rate of the 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

Sensitivity of the School's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability, calculated using the discount rate of 2.16 percent, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (1.16 percent) or one percentage point higher (3.16 percent) than the current rate.

	1% Decrease 1.16%	Current Discount Rate 2.16%	1% Increase 3.16%
School's proportionate share of the net OPEB liability	$ 36,903,582	$ 30,886,765	$ 26,132,425

Sensitivity of the School's Proportionate Share of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the net OPEB liability, calculated using the healthcare cost trend rate of 5.5 percent, as well as what the net OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower (4.5 percent) or one percentage point higher (6.5 percent) than the current rate.

	1% Decrease 4.5%	Current Healthcare Trend Rate 5.5%	1% Increase 6.5%
School's proportionate share of the net OPEB liability	$ 25,262,932	$ 30,886,765	$ 38,292,256

Plan Fiduciary Net Position

Detailed information about the Plan's fiduciary net position is available in PERS Comprehensive Annual Financial Report, which can be found on the Plan's website at www.delawarepensions.com.

NOTE 10 RISK MANAGEMENT

The School has purchased commercial insurance policies for various risks of loss related to torts; theft, damage, or destruction of assets; errors or omissions; injuries to employees; or acts of God. Payments of premiums for these policies are recorded as expenses of the School for the year ended June 30, 2022. There was no significant reduction in coverage compared to the prior year.

NOTE 11 EXCESS EXPENDITURES OVER APPROPRIATIONS

The School overspent budgetary appropriations in the following categories:

Salaries	$	406,546
Contractual Services	$	697,768
Communications	$	1,513
Insurance	$	10,053
Supplies and Material	$	135,197
Student activities	$	39,414
Capital outlays - equipment	$	340,267

The excess expenditures were covered by revenues exceeded anticipated amounts and by other expenditure categories that were less than their budgeted appropriation.

NOTE 12 UNCERTAINTIES

As a result of the spread of the COVID-19 coronavirus which is ongoing at June 30, 2022, economic and operational uncertainties have arisen which may impact the School in fiscal year 2023. While the School has fully resumed in-class learning, there continues to be uncertainty regarding the potential for another resurgence of the virus, which may require another period of remote or hybrid learning. The extent of the potential impact is unknown as the COVID-19 pandemic continues to develop.

Grants

The School receives significant financial assistance from federal agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the State Office of Auditor of Accounts. Any disallowed claims resulting from such audits could become a liability of the general fund. The School's administration believes such disallowance, if any, would be immaterial.

NOTE 13 DEFICIT NET POSITION

For governmental activities, the unrestricted net deficit amount of $24,929,016 includes the effect of deferring the recognition of pension and OPEB contributions made subsequent to the measurement date of the net pension asset and net OPEB liability, and the deferred outflows related to the pension and OPEB plans. This is offset by the School's actuarially determined pension asset and OPEB liability, and the deferred inflows related to the pension and OPEB plans.

NOTE 14 COMMITMENTS AND CONTINGENCIES

In the normal course of business, there are various outstanding commitments and contingent liabilities in addition to the normal encumbrances for the purchase of goods and services. The School does not anticipate losses from these transactions.

Construction Commitments

At June 30, 2022, the School was party to a construction contract in the amount of $11,805,336 for building renovations, of which $3,892,965 in expenditures had been incurred by June 30, 2022, resulting in a remaining construction commitment of $7,912,371. All payments under this contract are reported as construction-in-progress on the statement of net position as of June 30, 2022. The remaining $289,150 included in construction-in-progress is not under formal commitment due to the terms of the contracts not listing a fixed price, but instead hourly rates or some other measure of estimating cost at completion.

NOTE 15 CHANGE IN ACCOUNTING PRINCIPLE

In accordance with the adoption of GASB Statement No. 87, as discussed in Note 1, the School has restated its July 1, 2021 net position in its governmental activities to record the right to use assets and lease liabilities associated with the School's leasing arrangements at June 30, 2021. The net result of this change is an increase to capital assets net of amortization of $605,263, an increase in lease payable of $563,816, and an increase to net investment in capital assets component of net position of $41,447 in its governmental activities.

NOTE 16 SUBSEQUENT EVENTS

The School has evaluated all subsequent events through October 20, 2022, the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

LAS AMÉRICAS ASPIRA ACADEMY
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Charges to school districts	$ 5,170,322	$ 5,549,646	$ 5,745,221	$ 195,575
State aid	11,916,792	11,588,992	11,708,761	119,769
Federal aid	1,903,979	1,997,695	2,732,866	735,171
Interest income	-	-	2	2
Food service revenue	214,047	244,525	59,885	(184,640)
Other local revenues	791,984	1,476,326	866,943	(609,383)
After care	202,919	195,668	169,005	(26,663)
Donations	5,500	200,750	1,798,598	1,597,848
Summer camp	84,070	84,070	94,565	10,495
TOTAL REVENUES	20,289,613	21,337,672	23,175,846	1,838,174
EXPENDITURES				
Current:				
Salaries	8,705,345	8,934,154	9,340,700	(406,546)
Employment costs	4,791,139	4,759,768	4,743,031	16,737
Travel	58,426	56,000	39,053	16,947
Contractual services	1,688,749	1,941,134	2,638,902	(697,768)
Communications	25,500	28,000	29,513	(1,513)
Public utilities service	344,043	256,500	237,818	18,682
Insurance	62,500	93,000	103,053	(10,053)
Transportation - buses	1,338,882	1,355,852	-	1,355,852
Repairs and maintenance	105,000	126,000	106,376	19,624
Supplies and materials	1,082,513	1,257,605	1,392,802	(135,197)
Student activities	65,000	73,000	112,414	(39,414)
Capital outlays:				
Property	1,924,853	2,126,167	484,741	1,641,426
Equipment	35,000	49,000	389,267	(340,267)
TOTAL EXPENDITURES	20,226,950	21,056,180	19,617,670	1,438,510
EXCESS OF REVENUES OVER EXPENDITURES	62,663	281,492	3,558,176	3,276,684
OTHER FINANCING USES				
Transfer out	-	-	(1,318,754)	(1,318,754)
TOTAL OTHER FINANCING USES	-	-	(1,318,754)	(1,318,754)
NET CHANGE IN FUND BALANCE	62,663	281,492	2,239,422	1,957,930
FUND BALANCE, BEGINNING OF YEAR	1,343,888	1,343,888	1,343,888	-
FUND BALANCE, END OF YEAR	$ 1,406,551	$ 1,625,380	$ 3,583,310	$ 1,957,930

NOTE: The School's budget is presented on the modified accrual basis of accounting.

LAS AMÉRICAS ASPIRA ACADEMY
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
STATE OF DELAWARE EMPLOYEES' PENSION PLAN

	MEASUREMENT DATE							
PROPORTIONATE SHARE OF NET PENSION LIABILITY	JUNE 30, 2021	JUNE 30, 2020	JUNE 30, 2019	JUNE 30, 2018	JUNE 30, 2017	JUNE 30, 2016	JUNE 30, 2015	JUNE 30, 2014
School's proportion of the net pension liability (asset)	0.3171%	0.2974%	0.2792%	0.2395%	0.1910%	0.1756%	0.1409%	0.1061%
School's proportion of the net pension liability (asset) - dollar value	$ (3,863,696)	$ 4,180,653	$ 4,347,423	$ 3,092,441	$ 2,800,443	$ 2,646,247	$ 937,416	$ 390,535
School's covered employee payroll	$ 6,929,211	$ 6,411,405	$ 5,794,303	$ 4,754,194	$ 3,721,305	$ 3,349,061	$ 2,627,918	$ 1,939,990
School's proportionate share of the net pension liability (asset) as a percentage of its covered employee payroll	-55.76%	65.21%	75.03%	65.05%	75.25%	79.01%	35.67%	20.13%
Plan fiduciary net position as a percentage of the total pension liability (asset)	110.48%	87.27%	85.41%	87.49%	85.31%	84.11%	92.67%	95.80%

In accordance with GASB Statement No. 68, this schedule has been prepared prospectively as the above information for the preceding years is not readily available. This schedule will accumulate each year until sufficient information to present a ten-year trend is available.

LAS AMÉRICAS ASPIRA ACADEMY
SCHEDULE OF SCHOOL PENSION CONTRIBUTIONS
STATE OF DELAWARE EMPLOYEES' PENSION PLAN

CONTRIBUTIONS	JUNE 30, 2022	JUNE 30, 2021	JUNE 30, 2020	JUNE 30, 2019	JUNE 30, 2018	JUNE 30, 2017	JUNE 30, 2016	JUNE 30, 2015
Contractually required contribution	$ 1,088,098	$ 854,373	$ 766,804	$ 685,466	$ 495,387	$ 356,501	$ 320,840	$ 251,229
Contributions in relation to the contractually required contribution	1,088,098	854,373	766,804	685,466	495,387	356,501	320,840	251,229
Contribution excess	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
School's covered employee payroll	$ 8,739,743	$ 6,929,221	$ 6,411,405	$ 5,794,303	$ 4,754,194	$ 3,721,305	$ 3,349,060	$ 2,627,918
Contributions as a percentage of covered employee payroll	12.45%	12.33%	11.96%	11.83%	10.42%	9.58%	9.58%	9.56%

In accordance with GASB Statement No. 68, this schedule has been prepared prospectively as the above information for the preceding years is not readily available. This schedule will accumulate each year until sufficient information to present a ten-year trend is available.

LAS AMÉRICAS ASPIRA ACADEMY
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
STATE OF DELAWARE EMPLOYEES' OPEB PLAN

	MEASUREMENT DATE				
PROPORTIONATE SHARE OF NET OPEB LIABILITY	JUNE 30, 2022	JUNE 30, 2020	JUNE 30, 2019	JUNE 30, 2018	JUNE 30, 2017
School's proportion of the net OPEB liability	0.3063%	0.2903%	0.2718%	0.2334%	0.1867%
School's proportion of the net OPEB liability - dollar value	$ 30,886,765	$ 30,225,825	$ 21,660,108	$ 19,161,282	$ 15,409,745
School's covered employee payroll	$ 6,929,221	$ 6,411,405	$ 5,794,303	$ 4,754,194	$ 3,721,305
School's proportionate share of the net OPEB liability as a percentage of its covered employee payroll	481.75%	471.44%	373.82%	403.04%	414.10%
Plan fiduciary net position as a percentage of the total OPEB liability	6.06%	4.27%	4.89%	4.44%	4.13%

In accordance with GASB Statement No. 75, this schedule has been prepared prospectively as the above information for the preceding years is not readily available. This schedule will accumulate each year until sufficient information to present a ten-year trend is available.

LAS AMÉRICAS ASPIRA ACADEMY
SCHEDULE OF SCHOOL OPEB CONTRIBUTIONS
STATE OF DELAWARE EMPLOYEES' OPEB PLAN

CONTRIBUTIONS	JUNE 30, 2022	JUNE 30, 2021	JUNE 30, 2020	JUNE 30, 2019	JUNE 30, 2018
Contractually required contribution	$ 1,003,382	$ 817,824	$ 802,196	$ 683,069	$ 524,241
Contributions in relation to the contractually required contribution	1,003,382	817,824	802,196	683,069	524,241
Contribution excess	$ -	$ -	$ -	$ -	$ -
School's covered employee payroll	$ 8,739,743	$ 6,929,221	$ 6,411,405	$ 5,794,303	$ 4,754,194
Contributions as a percentage of covered employee payroll	11.48%	11.80%	12.51%	11.79%	11.03%

In accordance with GASB Statement No. 75, this schedule has been prepared prospectively as the above information for the preceding years is not readily available. This schedule will accumulate each year until sufficient information to present a ten-year trend is available.

SUPPLEMENTARY INFORMATION

LAS AMÉRICAS ASPIRA ACADEMY
COMBINING BALANCE SHEET - GENERAL FUND
JUNE 30, 2022

	State Allocation	Local Funding	Federal Funding	Total
ASSETS				
Cash and pooled cash	$ 263,987	$ 4,987,446	$ -	$ 5,251,433
Accounts receivable	-	1,542	80,677	82,219
Prepaid expenditures	-	140,337	-	140,337
TOTAL ASSETS	$ 263,987	$ 5,129,325	$ 80,677	$ 5,473,989
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	$ -	$ 56,230	$ -	$ 56,230
Accrued salaries and related costs	-	1,753,772	80,677	1,834,449
TOTAL LIABILITIES	-	1,810,002	80,677	1,890,679
FUND BALANCES				
Nonspendable	-	140,337	-	140,337
Unassigned	263,987	3,178,986	-	3,442,973
TOTAL FUND BALANCES	263,987	3,319,323	-	3,583,310
TOTAL LIABILITIES AND FUND BALANCES	$ 263,987	$ 5,129,325	$ 80,677	$ 5,473,989

LAS AMÉRICAS ASPIRA ACADEMY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022

	State Allocation	Local Funding	Federal Funding	Total
REVENUES				
Charges to school districts	$ -	$ 5,745,221	$ -	$ 5,745,221
State aid	11,708,761	-	-	11,708,761
Federal aid	-	-	2,732,866	2,732,866
Interest income	-	2	-	2
Food service revenue	-	59,885	-	59,885
After care	-	169,005	-	169,005
Donations	-	1,798,598	-	1,798,598
Summer camp	-	94,565	-	94,565
TOTAL REVENUES	11,717,897	8,725,083	2,732,866	23,175,846
EXPENDITURES				
Current:				
Instruction	8,216,003	4,218,851	1,453,917	13,888,771
Operation and maintenance of facilities	628,747	1,399,966	351,514	2,380,227
Transportation	1,323,852	-	325	1,324,177
Food services	223,447	-	927,040	1,150,487
Capital outlays:				
Property	62,436	496,765	-	559,201
Equipment	77,429	237,308	70	314,807
TOTAL EXPENDITURES	10,531,914	6,352,890	2,732,866	19,617,670
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,185,983	2,372,193	-	3,558,176
OTHER FINANCING USES:				
Transfer out	(1,318,754)	-	-	(1,318,754)
TOTAL OTHER FINANCING USES	(1,318,754)	-	-	(1,318,754)
NET CHANGE IN FUND BALANCES	(132,771)	2,372,193	-	2,239,422
FUND BALANCES, BEGINNING OF YEAR	396,758	947,130	-	1,343,888
FUND BALANCES, END OF YEAR	$ 263,987	$ 3,319,323	$ -	$ 3,583,310

LAS AMÉRICAS ASPIRA ACADEMY
SCHEDULE OF EXPENDITURES BY NATURAL CLASSIFICATION - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

EXPENDITURES	
Current:	
Salaries	$ 9,340,700
Employment costs	4,743,031
Travel	39,053
Contractual services	2,638,902
Communications	29,513
Public utilities service	237,818
Insurance	103,053
Transportation - buses	-
Repairs and maintenance	106,376
Supplies and materials	1,392,802
Student activities	112,414
Capital outlays:	
Property	10,531,712
Equipment	389,267
Debt service:	
Principal	1,825,000
Interest	1,287,300
Bond issuance costs	795,509
TOTAL EXPENDITURES	$ 33,572,450

SINGLE AUDIT SUPPLEMENT

BTCPA
BARBACANE THORNTON & COMPANY

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*

October 20, 2022

Board of Directors
Las Américas ASPIRA Academy
Newark, Delaware

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 the governmental activities and each major fund of Las Américas ASPIRA Academy ("the School"), Newark, Delaware, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the School's basic financial statements, and have issued our report thereon dated October 20, 2022.

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") to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the 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.

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Board of Directors
Las Américas ASPIRA Academy

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 may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether School's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other 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.

Barbacane, Thornton & Company LLP

BARBACANE, THORNTON & COMPANY LLP

INDEPENDENT AUDITOR'S REPORT ON
COMPLIANCE FOR EACH MAJOR PROGRAM AND
ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE

October 20, 2022

Board of Directors
Las Américas ASPIRA Academy
Newark, Delaware

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Las Américas ASPIRA Academy's ("the School") 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 the School's major federal programs for the year ended June 30, 2022. The School's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and recommendations.

In our opinion, the School compiled, in all material respects, with the 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, 2022.

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 ("GAAS"); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States ("*Government Auditing Standards*"); 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.

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Board of Directors
Las Américas ASPIRA Academy

We are required to be independent of Las Américas ASPIRA Academy 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 the School's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with GAAS, *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 the School's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the School's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control over compliance. Accordingly, no such opinion is expressed.

Board of Directors
Las Américas ASPIRA Academy

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.

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.

Barbacane, Thornton & Company LLP

BARBACANE, THORNTON & COMPANY LLP

LAS AMÉRICAS ASPIRA ACADEMY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

FEDERAL GRANTOR PROJECT TITLE	SOURCE CODE	FEDERAL CFDA NUMBER	GRANT PERIOD BEGINNING/ ENDING DATES	GRANT AMOUNT	TOTAL RECEIVED FOR YEAR	ACCRUED (UNEARNED) REVENUE 06/30/21	REVENUE RECOGNIZED	CURRENT YEAR EXPENDITURES	ACCRUED (UNEARNED) REVENUE 06/30/22	PASSED THROUGH TO SUB-RECIPIENTS
U.S. Department of Agriculture										
Passed through DE Department of Education										
National School Lunch Program	I	10.555	07/01/20-06/30/21	N/A	$ 818,334	$ -	$ 818,334	$ 818,334	$ -	$ -
Total CFDA #10.555					818,334	-	818,334	818,334	-	-
Summer Food Program For Children	I	10.559	07/01/20-06/30/21	N/A	30,867	-	30,867	30,867	-	-
Total CFDA #10.559					30,867	-	30,867	30,867	-	-
Total Child Nutrition Cluster					849,201	-	849,201	849,201	-	-
Child and Adult Care Food Program	I	10.558	07/01/20-06/30/21	N/A	77,839	-	77,839	77,839	-	-
Total CFDA #10.558					77,839	-	77,839	77,839	-	-
Total U.S. Department of Agriculture					927,040	-	927,040	927,040	-	-
U.S. Department of Education										
Passed through DE Department of Education										
Title I - Grants to Local Education Agencies	I	84.010	07/01/20-11/30/22	269,039	32,281	-	32,281	32,281	-	-
Title I - Grants to Local Education Agencies	I	84.010	07/01/21-11/30/23	306,256	306,256	16,730	370,203	370,203	80,677	-
Total CFDA #84.010					338,537	16,730	402,484	402,484	80,677	-
IDEA Part B	I	84.027	07/01/20-11/30/22	209,571	14,773	-	14,773	14,773	-	-
IDEA Part B	I	84.027	07/01/20-11/30/22	235,611	176,721	-	176,721	176,721	-	-
APR IDEA 611 X	I	84.027	07/01/21-09/30/23	64,277	37,324	-	37,324	37,324	-	-
Total CFDA #84.027					228,818	-	228,818	228,818	-	-
Special Education Preschool Grants	I	84.173	07/01/21-11/30/23	6,831	3,656	-	3,656	3,656	-	-
APR IDEA 619 X	I	84.173	07/01/21-09/30/23	5,406	5,406	-	5,406	5,406	-	-
Total CFDA #84.173					9,062	-	9,062	9,062	-	-
Total Special Education Cluster					237,880	-	237,880	237,880	-	-
English Language Acquisition	I	84.365	07/01/21-11/30/23	30,873	26,685	-	26,685	26,685	-	-
Total CFDA #84.365					26,685	-	26,685	26,685	-	-
Title II - Improving Teacher Quality State Grants	I	84.367	07/01/21-11/30/23	75,283	43,267	-	43,267	43,267	-	-
Total CFDA #84.367					43,267	-	43,267	43,267	-	-
Perkins Consolidated Grant - Career Tech	I	84.048	07/01/21-11/30/22	42,351	18,821	-	18,821	18,821	-	-
Total CFDA #84.048					18,821	-	18,821	18,821	-	-
Education Stabilization Fund	I	84.425	03/01/20-11/30/22	276,950	89,613	-	89,613	89,613	-	-
Education Stabilization Fund	I	84.425	07/01/20-11/30/23	878,253	421,444	-	421,444	421,444	-	-
Education Stabilization Fund	I	84.425	07/01/22-11/30/24	1,997,363	550,438	-	550,438	550,438	-	-
Education Stabilization Fund	I	84.425	07/01/22-12/31/24	15,194	15,194	-	15,194	15,194	-	-
Total CFDA #84.425					1,076,689	-	1,076,689	1,076,689	-	-
Total U.S. Department of Education					1,741,879	16,730	1,805,826	1,805,826	80,677	-
TOTAL FEDERAL AWARDS					$ 2,668,919	$ 16,730	$ 2,732,866	$ 2,732,866	$ 80,677	$ -

Source Code:

I = Indirect funding

LAS AMÉRICAS ASPIRA ACADEMY
NEWARK, DELAWARE

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

NOTE A BASIS OF ACCOUNTING

All expenditures included in the schedule of expenditures of federal awards are presented on the basis that expenditures are reported to the respective federal grantor agencies. Accordingly, expenditures are recorded when the federal obligation is determined.

NOTE B FEDERAL EXPENDITURES

The schedule of expenditures of federal awards reflects federal expenditures for all individual grants which were active during the fiscal year.

NOTE C INDIRECT COST RATE

The School has not elected to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance. For the year ended June 30, 2022, there were no indirect costs included in the schedule of expenditures of federal awards.

SCHEDULE OF FINDINGS AND RECOMMENDATIONS

LAS AMÉRICAS ASPIRA ACADEMY
NEWARK, DELAWARE

SCHEDULE OF FINDINGS AND RECOMMENDATIONS

PART A - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued [*unmodified, qualified, adverse, or disclaimer*]:

Unmodified

Internal control over financial reporting:

• Material weakness(es) identified?	______ Yes	X No
• Significant deficiency(ies) identified?	______ Yes	X None reported
• Noncompliance material to financial statements noted?	______ Yes	X No

Federal Awards

Internal control over major program:

• Material weakness(es) identified?	______ Yes	X No
• Significant deficiency(ies) identified?	______ Yes	X None reported

Type of auditor's report issued on compliance for major programs [*unmodified, qualified, adverse, or disclaimer*]:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?	______ Yes	X No

Identification of major programs:

CFDA Numbers	*Name of Federal Program or Cluster*
10.555 and 10.559	Child Nutrition Cluster
84.425	Education Stabilization Fund

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

Auditee qualified as low-risk auditee?	X Yes	______ No

PART B - FINDINGS RELATED TO FINANCIAL STATEMENTS

STATUS OF PRIOR YEAR FINDINGS

None.

CURRENT YEAR FINDINGS AND RECOMMENDATIONS

None.

PART C - FINDINGS RELATED TO FEDERAL AWARDS

STATUS OF PRIOR YEAR FINDINGS

None.

CURRENT YEAR FINDINGS AND RECOMMENDATIONS

None.