Other Post-Employment Benefits – The School does not provide benefits to retired employees other than retirement benefits funded through the Public Employees Retirement System of Idaho. However, certain retired employees can remain on the School insurance policy after retirement if the retired employee pays the average monthly cost. The difference between the age-adjusted monthly cost and the average monthly cost is referred to as an "implicit subsidy" since the medical insurance rate of a retired employee is generally higher than the medical insurance rate of a younger employee. GASB 75 requires that employers have actuarial calculations performed for these other post-employment benefits so that an asset or liability, deferred outflows of resources, deferred inflows of resources, and expenses can be recorded in the government-wide financial statements and related notes and required supplementary information can be prepared. Management believes the costs of implementing GASB 75 cannot be justified at this time. Accordingly, the School accounts for the other-post employment benefits for retirees on the pay-as-you-go basis.

Pensions – For purposes of measuring the net pension liability and pension expense/revenue, information about the fiduciary net position of the Public Employee Retirement System of Idaho Base Plan (the Base Plan) and additions to/deductions from Base Plan's fiduciary net position have been determined on the same basis as they are reported by the Base Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Net Position – Net position is assets plus deferred outflows of resources less liabilities less deferred inflows of resources. The net investment in capital assets component of net position consists of the historical cost of capital assets less accumulated depreciation less any outstanding debt that was used to finance those assets plus deferred outflows of resources less deferred inflows of resources related to those assets. Restricted net position consists of assets that are restricted by creditors, grantors, contributors, legislation, and other parties. All other net position not reported as restricted or net investment in capital assets is reported as unrestricted.

Fund Balance Classifications – Restrictions of the fund balance indicate portions that are legally or contractually segregated for a specific future use. Nonspendable portions of the fund balance are those amounts that cannot be spent because they are in a nonspendable form or because they are legally or contractually required to be maintained intact. Committed portions represent amounts that can only be used for specific purposes pursuant to formal action (i.e. board approval) of the reporting entity's governing body. Assigned portions represent amounts that are constrained by the government's intent to be used for a specific purpose. Remaining fund balances are reported as unassigned. When expenditures are incurred that qualify for either restricted or unrestricted resources, the School first utilizes restricted resources. When expenditures are incurred that qualify for either committed or assigned or unassigned resources, the School first utilizes committed resources then assigned resources before using unassigned resources.

Income Taxes – The School is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code except for income, if any, derived from unrelated business activities. The School's tax returns for the current year and prior two years are subject to examination by the IRS and state tax authorities, generally for three years after they are filed.

Contingent Liabilities – Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the School expects such amounts, if any, to be immaterial.

Interfund Activity – Interfund activity is reported either as loans, services provided, reimbursements, or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers.

Use of Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Concentrations of Credit Risk – The School maintains its cash at insured financial institutions. Periodically, balances may exceed federally insured limits. The School does not have a formal policy concerning concentrations of credit risk.

Risk Management – The School is exposed to various risks related to its operations. Insurance is utilized to the extent practical to minimize these risks.

Subsequent Events – Subsequent events were evaluated through the date of the auditor's report, which is the date the financial statements were available to be issued.

B. CASH

Cash consists of the following at year end:

Cash - Deposits	$184,503
Total	$184,503

Deposits – At year end, the carrying amounts of the School's deposits were $184,503 and the bank balances were $228,601. The bank balances were insured.

Investments – State statutes authorize government entities to invest in certain bonds, notes, accounts, investment pools, and other obligations of the state, U.S. Government, and U.S. corporations pursuant to Idaho Code 67-1210 and 67-1210A. These statutes are designed to help minimize the custodial risk that deposits may not be returned in the event of the failure of the issuer or other counterparty, interest rate risk resulting from fair value losses arising from rising interest rates, or credit risks that an issuer or other counterparty will not fulfill its obligations. The School's investment policy complies with state statutes.

C. RECEIVABLES

Receivables consist of the following at year end:

	General Fund	Special Revenue Funds	Total
State Sources			
Foundation Program	$58,463		$58,463
Total	$58,463		$58,463
Federal Sources			
Special Programs		$87,150	$87,150
Total		$87,150	$87,150

D. CAPITAL ASSETS

A summary of capital assets for the year is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Nondepreciable Capital Assets				
Land	$613,212			$613,212
Total	613,212	$0	$0	613,212
Depreciable Capital Assets				
Buildings	2,164,224			2,164,224
Equipment	29,409			29,409
Subtotal	2,193,633	0	0	2,193,633
Accumulated Depreciation				
Buildings	316,522	43,284		359,806
Equipment	12,935	2,534		15,469
Subtotal	329,457	45,818	0	375,275
Total	1,864,176	(45,818)	0	1,818,358
Net Capital Assets	$2,477,388	($45,818)	$0	$2,431,570

Depreciation expense of $45,818 was charged to the capital assets – student occupied program.

E. LONG-TERM DEBT

Notes Payable – At year end, the School's notes payable were as follows:

Note payable USDA 97-02, due in monthly payments of $4,560 with interest at 3.375% through 2052/53, secured by real estate, paid through the general fund	$1,053,886
Note payable BOI, due in monthly payments of $7,934 with interest at 6.9% through 2041/42, secured by real estate and guaranteed by the U.S. government, paid through the general fund	1,048,631
Total	$2,102,517

Maturities on the notes are estimated as follows:

Year Ended	Principal	Interest
6/30/22	$43,044	$106,889
6/30/23	45,391	104,542
6/30/24	47,882	102,051
6/30/25	50,523	99,410
6/30/26	53,326	96,607
6/30/27-31	315,130	434,535
6/30/32-36	416,533	333,132
6/30/37-41	554,433	195,232
6/30/42-46	272,721	71,190
6/30/47-51	241,874	31,726
6/30/52-56	61,660	1,292
Total	$2,102,517	$1,576,606

Capital Leases – The School leases portables and equipment that qualify as capital lease obligations. The portables and equipment cost $272,753 and at year end, related accumulated depreciation was $21,144.

Capital leases due in monthly installments of $624 - $5,082 with interest at 7.9% - 10.2% through 2022/23, secured by portables and equipment, paid through the general fund	$113,091
Total	$113,091

Maturities on the capital leases are estimated as follows:

Year Ended	
6/30/22	$61,609
6/30/23	60,985
Total Future Minimum Lease Payments	122,594
Amount Representing Interest	(9,503)
Present Value of Future Minimum Lease Payments	$113,091

Changes in long-term debt are as follows:

Description	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Note Payable USDA 97-02	$1,072,691		$18,805	$1,053,886	$19,450
Note Payable BOI	1,070,656		22,025	1,048,631	23,594
Capital Leases	170,050		56,959	113,091	54,640
Total	$2,313,397	$0	$97,789	$2,215,608	$97,684

Interest and related costs during the year amounted to $120,619 and were charged to the debt service – interest program.

F. PENSION PLAN

Plan Description

The School contributes to the Base Plan which is a cost-sharing multiple-employer defined benefit pension plan administered by Public Employee Retirement System of Idaho (PERSI or System) that covers substantially all employees of the State of Idaho, its agencies and various participating political subdivisions. The cost to administer the plan is financed through the contributions and investment earnings of the plan. PERSI issues a publicly available financial report that includes financial statements and the required supplementary information for PERSI. That report may be obtained on the PERSI website at www.persi.idaho.gov.

Responsibility for administration of the Base Plan is assigned to the Board comprised of five members appointed by the Governor and confirmed by the Idaho Senate. State law requires that two members of the Board be active Base Plan members with at least ten years of service and three members who are Idaho citizens not members of the Base Plan except by reason of having served on the Board.

Pension Benefits

The Base Plan provides retirement, disability, death and survivor benefits of eligible members or beneficiaries. Benefits are based on members' years of service, age, and highest average salary. Members become fully vested in their retirement benefits with five years of credited service (5 months for elected or appointed officials). Members are eligible for retirement benefits upon attainment of the ages specified for their employment classification. The annual service retirement allowance for each month of credited service is 2.0% (2.3% for police/firefighters) of the average monthly salary for the highest consecutive 42 months.

The benefit payments for the Base Plan are calculated using a benefit formula adopted by the Idaho Legislature. The Base Plan is required to provide a 1% minimum cost of living increase per year provided the Consumer Price Index increases 1% or more. The PERSI Board has the authority to provide higher cost of living increases to a maximum of the Consumer Price Index movement or 6%, whichever is less; however, any amount above the 1% minimum is subject to review by the Idaho Legislature.

Member and Employer Contributions

Member and employer contributions paid to the Base Plan are set by statute and are established as a percent of covered compensation. Contribution rates are determined by the PERSI Board within limitations, as defined by state law. The Board may make periodic changes to employer and employee contribution rates (expressed as percentages of annual covered payroll) that are adequate to accumulate sufficient assets to pay benefits when due.

The contribution rates for employees are set by statute at 60% of the employer rate for general employees and 72% for police and firefighters. As of June 30, 2020 it was 7.16% for general employees and 8.81% for police and firefighters. The employer contribution rate as a percent of covered payroll is set by the Retirement Board and was 11.94% for general employees and 12.28% for police and firefighters. The School's contributions were $121,716 for the year ended June 30, 2021.

Pension Liabilities, Pension Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2021, the School reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School's proportion of the net pension liability was based on the School's share of contributions in the Base Plan pension plan relative to the total contributions of all participating PERSI Base Plan employers. At June 30, 2020, the School's proportion was 0.0243228 percent.

For the year ended June 30, 2021, the School recognized pension revenue (expense) of ($231,455). At June 30, 2021, the School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$44,129	$18,442
Changes in assumptions or other inputs	9,552	
Net difference between projected and actual earnings on pension plan investments	64,738	
Employer contributions subsequent to the measurement date	121,716	
Total	$240,135	$18,442

$121,716 reported as deferred outflows of resources related to pensions resulting from School contributions made subsequent to the measurement date will be recognized as an addition to the pension expense or reduction of the pension revenue in the year ending June 30, 2022.

The average of the expected remaining service lives of all employees that are provided with pensions through the System (active and inactive employees) determined at July 1, 2019 the beginning of the measurement period ended June 30, 2019 is 4.8 and 4.8 for the measurement period June 30, 2020.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension revenue (expense) as follows:

Year Ended	
6/30/22	($1,824)
6/30/23	(23,792)
6/30/24	(32,291)
6/30/25	(42,069)
Total	($99,976)

Actuarial Assumptions

Valuations are based on actuarial assumptions, the benefit formulas, and employee groups. Level percentages of payroll normal costs are determined using the Entry Age Normal Cost Method. Under the Entry Age Normal Cost Method, the actuarial present value of the projected benefits of each individual included in the actuarial valuation is allocated as a level percentage of each year's earnings of the individual between entry age and assumed exit age. The Base Plan amortizes any unfunded actuarial accrued liability based on a level percentage of payroll. The maximum amortization period for the Base Plan permitted under Section 59-1322, Idaho Code, is 25 years.

The total pension liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary increases	3.75%
Salary inflation	3.75%
Investment rate of return	7.05%, net of investment expenses
Cost-of-living adjustments	1%

Mortality rates were based on the RP – 2000 combined table for healthy males or females as appropriate with the following offsets:

- Set back 3 years for teachers
- No offset for male fire and police
- Forward one year for female fire and police
- Set back one year for all general employees and all beneficiaries

An experience study was performed for the period July 1, 2013 through June 30, 2017 which reviewed all economic and demographic assumptions other than mortality. The total pension liability as of June 30, 2020 is based on the results of an actuarial valuation date of July 1, 2020.

The long-term expected rate of return on pension plan investments was determined using the building block approach and a forward-looking model in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Even though history provides a valuable perspective for setting the investment return assumption, the System relies primarily on an approach which builds upon the latest capital market assumptions. Specifically, the System uses consultants, investment managers and trustees to develop capital market assumptions in analyzing the System's asset allocation. The assumptions and the System's formal policy for asset allocation are shown below. The formal asset allocation policy is somewhat more conservative than the current allocation of System's assets.

The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are as of 2020.

Capital Market Assumptions from Callen 2020

Asset Class	**Target Allocation**	**Long-Term Expected Nominal Rate of Return (Arithmetic)**	**Long-Term Expected Real Rate of Return (Arithmetic)**
Core Fixed Income	30.00%	2.80%	0.55%
Broad US Equities	55.00%	8.55%	6.30%
Developed Foreign Equities	15.00%	8.70%	6.45%
Assumed Inflation - Mean		2.25%	2.25%
Assumed Inflation - Standard Deviation		1.50%	1.50%
Portfolio Arithmetic Mean Return		6.85%	4.60%
Portfolio Standard Deviation		12.33%	12.33%
Portfolio Long-Term (Geometric) Expected Rate of Return		6.25%	3.89%
Assumed Investment Expenses		0.40%	0.40%
Portfolio Long-Term (Geometric) Expected Rate of Return*		5.85%	3.49%

Investment Policy Assumptions from PERSI November 2019

Portfolio Long-Term Expected Real Rate of Return*	4.14%
Portfolio Standard Deviation	14.16%

Economic/Demographic Assumptions from Milliman 2018

Valuation Assumptions Chosen by PERSI Board	
Long-Term Expected Real Rate of Return*	4.05%
Assumed Inflation	3.00%
Long-Term Expected Geometric Rate of Return*	**7.05%**

*Net of Investment Expenses

Discount Rate

The discount rate used to measure the total pension liability was 7.05%. 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. Based on these assumptions, the pension plans' 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. The long-term expected rate of return was determined net of pension plan investment expense but without reduction for pension plan administrative expense.

Sensitivity of the School's proportionate share of the net pension liability to changes in the discount rate.

The following presents the School's proportionate share of the net pension liability calculated using the discount rate of 7.05 percent, as well as what the School's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.05 percent) or 1-percentage-point higher (8.05 percent) than the current rate:

	1% Decrease (6.05%)	Current Discount Rate (7.05%)	1% Increase (8.05%)
School's proportionate share of the net pension liability (asset)	$1,158,266	$564,808	$74,114

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERSI financial report.

PERSI issues a publicly available financial report that includes financial statements and the required supplementary information for PERSI. That report may be obtained on the PERSI website at www.persi.idaho.gov.

Impacts on the School’s net position

Depending on the annual performance of the Base Plan and the various non-financial factors that affect the collective Base Plan net pension liability (as described above), the School may periodically experience a deficit in its net position. This can occur as a result of recording the School’s allocable portion of the net pension liability which is an estimated liability that changes substantially from year to year depending on the factors described above but does not currently require cash outflows. As the net pension liability of the Base Plan is closely monitored by PERSI’s board (who makes changes to the contribution rates and other terms of the Base Plan whenever deemed necessary), such deficits are not deemed to be of substantial concern.

G. INTERFUND BALANCES AND TRANSFERS

Interfund balances at year end consist of the following:

	Due From Fund	
Due To Fund	Nonmajor Governmental	**Total**
General	$62,569	$62,569
Total	$62,569	$62,569

Interfund balances resulted from the time lag between when expenditures are incurred in a fund and when the fund is reimbursed for such expenditures.

Interfund transfers during the year consist of the following:

Fund	Transfer In	Transfer Out	Purpose
General		$14,564	Support
Nonmajor Governmental	$14,564		Support
Total	$14,564	$14,564	

MONTICELLO MONTESSORI PUBLIC CHARTER SCHOOL
Budgetary Comparison Schedule - General Fund
Year Ended June 30, 2021

General Fund	Budgeted Amounts (GAAP Basis) Original	Final	Actual Amounts	Final Budget Variance Positive (Negative)
Revenues				
Local Revenue	$41,734	$41,734	$45,835	$4,101
State Revenue	1,459,374	1,459,374	1,348,211	(111,163)
Federal Revenue	0	0	0	0
Total Revenues	1,501,108	1,501,108	1,394,046	(107,062)
Expenditures				
Instructional Programs				
Elementary School	650,023	650,023	729,815	(79,792)
Special Education	59,795	59,795	74,110	(14,315)
Special Education Preschool	29,555	29,555	0	29,555
Gifted & Talented	0	0	0	0
School Activity	0	0	3,775	(3,775)
Support Service Programs				
Attendance - Guidance - Health	0	0	0	0
Instruction Improvement	0	0	10,934	(10,934)
Educational Media	0	0	630	(630)
Instruction-Related Technology	0	0	0	0
Board of Education	23,000	23,000	22,924	76
District Administration	217,628	217,628	265,098	(47,470)
Buildings - Care	72,369	72,369	68,095	4,274
Maintenance - Student Occupied	92,900	92,900	35,479	57,421
Maintenance - Grounds	11,500	11,500	4,581	6,919
Security	16,850	16,850	1,678	15,172
Pupil-To-School Transportation	81,765	81,765	104,285	(22,520)
Non-Instructional Programs				
Child Nutrition	0	0	0	0
Capital Assets - Student Occupied	0	0	0	0
Capital Assets - Non-Student Occupied	0	0	0	0
Debt Service - Principal	0	0	97,789	(97,789)
Debt Service - Interest	210,917	210,917	120,619	90,298
Total Expenditures	1,466,302	1,466,302	1,539,812	(73,510) *
Excess (Deficiency) of Revenues Over Expenditures	34,806	34,806	(145,766)	(180,572)
Other Financing Sources (Uses)				
Transfers In	0	0	0	0
Transfers Out	0	0	(14,564)	(14,564) *
Total Other Financing Sources (Uses)	0	0	(14,564)	(14,564)
Net Change in Fund Balances	34,806	34,806	(160,330)	(195,136)
Fund Balances - Beginning	0	0	408,968	(408,968)
Fund Balances - Ending	$34,806	$34,806	$248,638	($604,104)

**Total expenditures (over) under appropriations are:* ($88,074)

MONTICELLO MONTESSORI PUBLIC CHARTER SCHOOL

Schedule of Employer's Share of Net Pension Liability
PERSI - Base Plan
Last 10 - Fiscal Years*

	2021	2020	2019
School's portion of the net pension liability	0.0243228%	0.0225233%	0.0207276%
School's proportionate share of the net pension liability	$564,808	$257,097	$305,736
School's covered payroll	$866,106	$775,459	$665,539
School's proportional share of the net pension liability as a percentage of its covered payroll	65.21%	33.15%	45.94%
Plan fiduciary net position as a percentage of the total pension liability	88.22%	93.79%	91.69%

	2018	2017	2016	2015
School's portion of the net pension liability	0.0204004%	0.0204573%	0.0168943%	0.0156698%
School's proportionate share of the net pension liability	$320,659	$414,701	$222,470	$115,354
School's covered payroll	$635,150	$598,551	$475,848	$424,514
School's proportional share of the net pension liability as a percentage of its covered payroll	50.49%	69.28%	46.75%	27.17%
Plan fiduciary net position as a percentage of the total pension liability	90.68%	87.26%	91.38%	94.95%

*GASB 68 requires ten years of information to be presented in this table. However, until a 10-year trend is compiled, only those years for which information is available will be presented.

Data reported is measured as of June 30, 2020.

MONTICELLO MONTESSORI PUBLIC CHARTER SCHOOL

Schedule of Employer Contributions

PERSI - Base Plan

Last 10 - Fiscal Years*

	2021	2020	2019
Statutorily required contribution	$121,716	$103,413	$87,782
Contributions in relation to the statutorily required contribution	$121,716	$103,413	$87,782
Contribution deficiency (excess)	$0	$0	$0
School's covered payroll	$1,019,397	$866,106	$775,459
Contributions as a percentage of covered payroll	11.94%	11.94%	11.32%

	2018	2017	2016	2015
Statutorily required contribution	$75,339	$71,899	$67,756	$53,866
Contributions in relation to the statutorily required contribution	$75,339	$71,899	$67,756	$53,866
Contribution deficiency (excess)	$0	$0	$0	$0
School's covered payroll	$665,539	$635,150	$598,551	$475,848
Contributions as a percentage of covered payroll	11.32%	11.32%	11.32%	11.32%

*GASB 68 requires ten years of information to be presented in this table. However, until a 10-year trend is compiled, only those years for which information is available will be presented.

Data reported is measured as of each year's fiscal year end.

MONTICELLO MONTESSORI PUBLIC CHARTER SCHOOL

Combining Balance Sheet - Nonmajor Governmental Funds

June 30, 2021

	Special Revenue Funds			
	Technology	Substance Abuse	Title I-A ESSA IBP	ESSER I
Assets				
Cash	$4,958	$4,627		
Receivables:				
State Sources				
Federal Sources				$39,253
Due From Other Funds				
Total Assets	$4,958	$4,627	$0	$39,253
Liabilities				
Accounts Payable	$1,808			
Salaries & Benefits Payable				
Due To Other Funds				$39,253
Unspent Grant Allocation				
Total Liabilities	1,808	$0	$0	39,253
Fund Balances				
Restricted:				
Special Programs	3,150	4,627		
Debt Service				
Unassigned				
Total Fund Balances	3,150	4,627	0	0
Total Liabilities and Fund Balances	$4,958	$4,627	$0	$39,253

MONTICELLO MONTESSORI PUBLIC CHARTER SCHOOL
Combining Balance Sheet - Nonmajor Governmental Funds
June 30, 2021

	Special Revenue Funds			
	IDEA Part B 611 School Age 3-21	**School Based Medicaid**	**Title IV-A ESSA SS & AE**	**Title II-A ESSA SEI**
Assets				
Cash				
Receivables:				
State Sources				
Federal Sources	$10,707	$11,518	$7,522	$18,150
Due From Other Funds				
Total Assets	$10,707	$11,518	$7,522	$18,150
Liabilities				
Accounts Payable	$1,775	$5,428		
Salaries & Benefits Payable				
Due To Other Funds	8,932	6,090		$8,294
Unspent Grant Allocation			$7,522	9,856
Total Liabilities	10,707	11,518	7,522	18,150
Fund Balances				
Restricted:				
Special Programs				
Debt Service				
Unassigned				
Total Fund Balances	0	0	0	0
Total Liabilities and Fund Balances	$10,707	$11,518	$7,522	$18,150

MONTICELLO MONTESSORI PUBLIC CHARTER SCHOOL

Combining Balance Sheet - Nonmajor Governmental Funds

June 30, 2021

	Special Revenue Funds	
	CRF	**Total**
Assets		
Cash		$9,585
Receivables:		
State Sources		0
Federal Sources		87,150
Due From Other Funds		0
Total Assets	$0	$96,735
Liabilities		
Accounts Payable		$9,011
Salaries & Benefits Payable		0
Due To Other Funds		62,569
Unspent Grant Allocation		17,378
Total Liabilities	$0	88,958
Fund Balances		
Restricted:		
Special Programs		7,777
Debt Service		0
Unassigned		0
Total Fund Balances	0	7,777
Total Liabilities and Fund Balances	$0	$96,735

MONTICELLO MONTESSORI PUBLIC CHARTER SCHOOL

Combining Statement of Revenues, Expenditures, and Changes in
Fund Balances - Nonmajor Governmental Funds
Year Ended June 30, 2021

	Special Revenue Funds			
	Technology	Substance Abuse	Title I-A ESSA IBP	ESSER I
Revenues				
Local Revenue				
State Revenue	$47,745	$4,848		
Federal Revenue			$49,417	$39,253
Total Revenues	47,745	4,848	49,417	39,253
Expenditures				
Instructional Programs				
Elementary School			49,417	39,253
Special Education				
Special Education Preschool				
Gifted & Talented				
School Activity				
Support Service Programs				
Attendance - Guidance - Health		221		
Instruction Improvement				
Educational Media				
Instruction-Related Technology	44,595			
Board of Education				
District Administration				
Buildings - Care				
Maintenance - Student Occupied				
Maintenance - Grounds				
Security				
Pupil-To-School Transportation				
Non-Instructional Programs				
Child Nutrition				
Capital Assets - Student Occupied				
Capital Assets - Non-Student Occupied				
Debt Service - Principal				
Debt Service - Interest				
Total Expenditures	44,595	221	49,417	39,253
Excess (Deficiency) of Revenues				
Over Expenditures	3,150	4,627	0	0
Other Financing Sources (Uses)				
Transfers In				
Transfers Out				
Total Other Financing Sources (Uses)	0	0	0	0
Net Change in Fund Balances	3,150	4,627	0	0
Fund Balances - Beginning	0	0	0	0
Fund Balances - Ending	$3,150	$4,627	$0	$0

MONTICELLO MONTESSORI PUBLIC CHARTER SCHOOL

Combining Statement of Revenues, Expenditures, and Changes in
Fund Balances - Nonmajor Governmental Funds
Year Ended June 30, 2021

	Special Revenue Funds			
	IDEA Part B 611 School Age 3-21	**School Based Medicaid**	**Title IV-A ESSA SS & AE**	**Title II-A ESSA SEI**
Revenues				
Local Revenue				
State Revenue				
Federal Revenue	$43,523	$79,317	$2,478	$8,294
Total Revenues	43,523	79,317	2,478	8,294
Expenditures				
Instructional Programs				
Elementary School				
Special Education	43,523	93,881		
Special Education Preschool				
Gifted & Talented			2,478	
School Activity				
Support Service Programs				
Attendance - Guidance - Health				
Instruction Improvement				8,294
Educational Media				
Instruction-Related Technology				
Board of Education				
District Administration				
Buildings - Care				
Maintenance - Student Occupied				
Maintenance - Grounds				
Security				
Pupil-To-School Transportation				
Non-Instructional Programs				
Child Nutrition				
Capital Assets - Student Occupied				
Capital Assets - Non-Student Occupied				
Debt Service - Principal				
Debt Service - Interest				
Total Expenditures	43,523	93,881	2,478	8,294
Excess (Deficiency) of Revenues				
Over Expenditures	0	(14,564)	0	0
Other Financing Sources (Uses)				
Transfers In		14,564		
Transfers Out				
Total Other Financing Sources (Uses)	0	14,564	0	0
Net Change in Fund Balances	0	0	0	0
Fund Balances - Beginning	0	0	0	0
Fund Balances - Ending	$0	$0	$0	$0

MONTICELLO MONTESSORI PUBLIC CHARTER SCHOOL

Combining Statement of Revenues, Expenditures, and Changes in
Fund Balances - Nonmajor Governmental Funds
Year Ended June 30, 2021

	Special Revenue Funds	
	CRF	**Total**
Revenues		
Local Revenue		$0
State Revenue		52,593
Federal Revenue	$195,517	417,799
Total Revenues	195,517	470,392
Expenditures		
Instructional Programs		
Elementary School	55,941	144,611
Special Education		137,404
Special Education Preschool		0
Gifted & Talented		2,478
School Activity		0
Support Service Programs		
Attendance - Guidance - Health		221
Instruction Improvement	13,170	21,464
Educational Media		0
Instruction-Related Technology	118,690	163,285
Board of Education		0
District Administration		0
Buildings - Care	7,716	7,716
Maintenance - Student Occupied		0
Maintenance - Grounds		0
Security		0
Pupil-To-School Transportation		0
Non-Instructional Programs		
Child Nutrition		0
Capital Assets - Student Occupied		0
Capital Assets - Non-Student Occupied		0
Debt Service - Principal		0
Debt Service - Interest		0
Total Expenditures	195,517	477,179
Excess (Deficiency) of Revenues		
Over Expenditures	0	(6,787)
Other Financing Sources (Uses)		
Transfers In		14,564
Transfers Out		0
Total Other Financing Sources (Uses)	0	14,564
Net Change in Fund Balances	0	7,777
Fund Balances - Beginning	0	0
Fund Balances - Ending	$0	$7,777

Quest CPAs PLLC
Quality Expertise Service Timeliness

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*

Board of Directors
Monticello Montessori Public Charter School

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Monticello Montessori Public Charter School (the School), as of and for the year ended June 30, 2021, 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, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our 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 combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and response as 2021-001 that we consider to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School's financial statements are free of 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

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results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

School's Response to Finding

The School's response to the finding identified in our audit is described in the accompanying schedule of findings and responses. The School's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Quest CPAs PLLC

Payette, Idaho
October 20, 2021

FINDINGS - FINANCIAL STATEMENT AUDIT

Material Weakness

2021-001 Completion and Timeliness of Core Accounting Procedures and Controls

Condition – During the year, the School did not perform the following core accounting procedures and controls in a consistent or timely manner:

- Reconciling and reviewing bank statements
- Paying bills and retaining supporting documentation evidencing procurement process
- Making payroll tax deposits and filing quarterly payroll tax reports

Criteria – Inherent in an internal control structure is the consistent and timely completion of core accounting procedures and controls.

Cause – These core accounting procedures and controls were not performed consistently or timely due to significant turnover in the business manager position.

Effect – The lack of consistent and timely core accounting procedures and controls can increase the risk of inaccurate financial information, overspending, penalty and interest charges, and other financial problems.

Recommendation – It is recommended that the School ensure that the aforementioned core accounting procedures and controls are performed in a consistent and timely manner going forward.

Views of Responsible Officials and Planned Corrective Actions – The School has retained an experienced business manager and is working as quickly as possible to ensure all core accounting procedures and controls are up to date and in process going forward.