bakertilly

Young Scholars of Central Pennsylvania

Financial Statements and
Supplementary Information

June 30, 2024

Independent Auditors' Report

To the Board of Directors of
Young Scholars of Central Pennsylvania

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Young Scholars of Central Pennsylvania (the School), as of and for the year ended June 30, 2024, 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 referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the School as of June 30, 2024 and the respective changes in financial position thereof and the respective budgetary comparison for the General Fund 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). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of 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.

Emphasis of Matter

As discussed in Note 12 to the financial statements, certain errors in previously reported balances were discovered by management of the School during the current year. Accordingly, net position of the governmental activities, fund balance of the general fund, and net position of the business-type activities and food service fund, have been restated as of July 1, 2023, to correct the errors. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about 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.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 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, 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.

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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinions on the basic financial statements are not affected by this missing information.

Baker Tilly US, LLP

State College, Pennsylvania
February 21, 2025

Young Scholars of Central Pennsylvania

Statement of Net Deficit
June 30, 2024

	Governmental Activities	Business-Type Activity	Total
Assets and Deferred Outflows of Resources			
Current Assets			
Cash	$ 3,493,415	$ -	$ 3,493,415
Intergovernmental receivable	1,224,436	-	1,224,436
Other receivable	2,666	-	2,666
Prepaid expenses	62,000	-	62,000
Total current assets	4,782,517	-	4,782,517
Capital Assets, Net	970,822	-	970,822
Total assets	5,753,339	-	5,753,339
Deferred Outflows of Resources			
Pension	2,232,444	23,746	2,256,190
Other postemployment benefits (OPEB)	127,092	-	127,092
Total deferred outflows of resources	2,359,536	23,746	2,383,282
Total assets and deferred outflows of resources	$ 8,112,875	$ 23,746	$ 8,136,621
Liabilities, Deferred Inflows of Resources and Net Deficit			
Liabilities			
Current liabilities:			
Accounts payable	$ 422,363	$ -	$ 422,363
Lease liability	672,158	-	672,158
Internal balances	58,329	(58,329)	-
Unearned revenue	-	44,062	44,062
Deferred employee retention credit	1,221,684	-	1,221,684
Accrued payroll liabilities	373,033	-	373,033
Total current liabilities	2,747,567	(14,267)	2,733,300
Noncurrent liabilities:			
Net pension liability	9,072,360	91,640	9,164,000
Lease liability	110,278	-	110,278
Net other postemployment benefits liability (OPEB)	382,000	-	382,000
Total noncurrent liabilities	9,564,638	91,640	9,656,278
Total liabilities	12,312,205	77,373	12,389,578
Deferred Inflows of Resources			
Pension	378,180	3,820	382,000
Other postemployment benefits (OPEB)	95,000	-	95,000
Total deferred inflows of resources	473,180	3,820	477,000
Net Position (Deficit)			
Net investment in capital assets	188,386	-	188,386
Unrestricted (deficit)	(4,860,896)	(57,447)	(4,918,343)
Total net deficit	(4,672,510)	(57,447)	(4,729,957)
Total liabilities, deferred inflows of resources and net deficit	$ 8,112,875	$ 23,746	$ 8,136,621

See notes to financial statements

Young Scholars of Central Pennsylvania

Statement of Activities

Year Ended June 30, 2024

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Net Expenses, Revenues and Changes in Net Position (Deficit): Governmental Activities	Net Expenses, Revenues and Changes in Net Position (Deficit): Business-Type Activity	Total
Governmental Activities						
Instruction	$ (6,079,383)	$ -	$ 5,708,825	$ (370,558)		$ (370,558)
Instructional student support	(158,003)	-	148,372	(9,631)		(9,631)
Administrative and financial support services	(1,482,152)	-	1,391,811	(90,341)		(90,341)
Pupil health	(31,512)	-	-	(31,512)		(31,512)
Operation and maintenance of plant services	(240,589)	-	-	(240,589)		(240,589)
Noninstructional	(50,322)	-	47,255	(3,067)		(3,067)
Interest on long-term debt	(27,135)	-	-	(27,135)		(27,135)
Total governmental activities	(8,069,096)	-	7,296,263	(772,833)		(772,833)
Business-Type Activity						
Food service	(258,083)	35,257	94,345		$ (128,481)	(128,481)
Total	$ (8,327,179)	$ 35,257	$ 7,390,608		(128,481)	(901,314)
		General Revenues				
		Investment earnings		34,126	-	34,126
		Transfer in (out)		-	-	-
		Total general revenues		34,126	-	34,126
		Change in net deficit		(738,707)	(128,481)	(867,188)
		Net Deficit, Beginning, as Previously Reported		(4,195,472)	-	(4,195,472)
		Error Correction (See Note 12) - Food Service		(71,034)	71,034	-
		Error Correction (See Note 12) - Grants		332,703	-	332,703
		Net Deficit, Beginning, as Restated		(3,933,803)	71,034	(3,862,769)
		Net Deficit, Ending		$ (4,672,510)	$ (57,447)	$ (4,729,957)

See notes to financial statements

Young Scholars of Central Pennsylvania

Balance Sheet - Governmental Fund
June 30, 2024

Assets		
Cash	$	3,493,415
Other receivables		2,666
Intergovernmental receivable		1,224,436
Prepaid expenses		62,000
Total assets	$	4,782,517
Liabilities and Fund Balance		
Liabilities		
Accounts payable	$	422,363
Due to other fund		58,329
Deferred employee retention credit		1,221,684
Accrued payroll liabilities		373,033
Total liabilities		2,075,409
Fund Balance		
Committed		395,953
Unassigned		2,311,155
Total fund balance		2,707,108
Total liabilities and fund balance	$	4,782,517

See notes to financial statements

Young Scholars of Central Pennsylvania

Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Deficit
June 30, 2024

Total Fund Balance, Governmental Fund	$ 2,707,108
Amounts reported for governmental activities in the statement of net deficit are different because:	
Capital assets used in governmental activities are long-term financial resources, and therefore, are not reported as assets in the general fund. The cost of assets is $4,440,472 and the accumulated depreciation is $3,469,650.	970,822
Long-term liabilities, including lease liability, are not due and payable in the current period, and therefore, are not reported as liabilities in the governmental fund.	(782,436)
Deferred outflows related to net pension liability are not reported in the governmental funds, however, are reported in the statement of net deficit.	2,232,444
Deferred inflows related to net pension liability are not reported in the governmental funds, however, are reported in the statement of net deficit.	(378,180)
Long-term liabilities, including net pension liability, are not due and payable in the current period, and therefore, are not reported as liabilities in the governmental fund.	(9,072,360)
Deferred outflows related to net OPEB liability are not reported in the governmental funds, however, are reported in the statement of net deficit.	127,092
Deferred inflows related to net OPEB liability are not reported in the governmental funds, however, are reported in the statement of net deficit.	(95,000)
Long-term liabilities, including net OPEB liability, are not due and payable in the current period, and therefore, are not reported as liabilities in the governmental fund.	(382,000)
Total Net Deficit, Governmental Activities	$ (4,672,510)

See notes to financial statements

Young Scholars of Central Pennsylvania

Statement of Revenues, Expenditures and Change in Fund Balance - Governmental Fund
Year Ended June 30, 2024

Revenues	
Local sources	$ 6,998,190
State sources	11,340
Federal sources	320,863
Total revenues	7,330,393
Expenditures	
Instruction	5,056,503
Support services	2,175,625
Operation of noninstructional services	49,161
Facilities acquisition, construction and improvement services	11,173
Debt service	656,510
Total expenditures	7,948,972
Net change in fund balance	(618,579)
Fund Balance, Beginning, as Previously Reported	3,064,018
Error Correction (See Note 12) - Food Service	(71,034)
Error Correction (See Note 12) - Grants	332,703
Fund Balance, Beginning, as Restated	3,325,687
Fund Balance, Ending	$ 2,707,108

See notes to financial statements

Young Scholars of Central Pennsylvania

Reconciliation of the Governmental Fund Statement of Revenues, Expenditures and Change in Fund Balance to the Statement of Activities
Year Ended June 30, 2024

Net Change in Fund Balance, Governmental Fund		$ (618,579)
Amounts reported for governmental activities in the statement of net deficit are different because:		
Capital outlays are reported in the governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeds capital outlays in the current period:		
Capital outlays	$ 161,632	
Depreciation expense	(732,613)	(570,981)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. During the fiscal year ended June 30, 2024, the following transactions factor into this reconciliation:		
New leases	(131,202)	
Principal payments on lease liability	657,080	525,878
Net pension liability is considered long-term in nature, and is not reported as a liability within the funds. Such a liability is, however, reported within the statement of net deficit, and changes in the liability are reflected within the statement of activities. This represents the change in pension liability and the deferred outflows and inflows related to the pension.		(61,293)
Net OPEB liability is considered long-term in nature, and is not reported as a liability within the funds. Such a liability is, however, reported within the statement of net deficit, and changes in the liability are reflected within the statement of activities. This represents the change in OPEB liability and the deferred outflows and inflows related to OPEB.		(13,732)
Change in Net Deficit of Governmental Activities		$ (738,707)

Statement of Revenues, Expenditures and Change in Fund Balances - Budget and Actual - General Fund
Year Ended June 30, 2024

	Original and Final Budget	Actual	Variance With Final Budget Favorable (Unfavorable)
Revenues			
Local sources	$ 7,482,529	$ 6,998,190	$ (484,339)
State sources	21,821	11,340	(10,481)
Federal sources	364,174	320,863	(43,311)
Total revenues	7,868,524	7,330,393	(538,131)
Expenditures			
Instruction:			
Regular program	3,624,754	3,805,015	(180,261)
Special programs	1,482,545	1,251,488	231,057
Other programs	47,280	-	47,280
Total instruction	5,154,579	5,056,503	98,076
Support services:			
Pupil personnel	15,000	10,903	4,097
Instructional staff	148,500	177,530	(29,030)
Administration	676,858	865,709	(188,851)
Pupil health	91,681	263,642	(171,961)
Business	631,401	628,404	2,997
Operation and maintenance of plant services	238,447	229,437	9,010
Other support services	25,500	-	25,500
Total support services	1,827,387	2,175,625	(348,238)
Operation of noninstructional services:			
Food service	146,858	(661)	147,519
Student activities	13,800	49,822	(36,022)
Scholarships and awards	-	-	-
Total operation of noninstructional services	160,658	49,161	111,497
Facilities acquisition, construction and improvement services	70,000	11,173	58,827
Debt service	655,781	656,510	(729)
Total expenditures	7,868,405	7,948,972	(80,567)
Net change in fund balance	$ 119	(618,579)	$ (618,698)
Fund Balance, Beginning, as Previously Reported		3,064,018	
Error Correction (See Note 12) - Food Service		(71,034)	
Error Correction (See Note 12) - Grants		332,703	
Fund Balance, Beginning, as Restated		3,325,687	
Fund Balance, Ending		$ 2,707,108	

See notes to financial statements

Balance Sheet - Proprietary Fund - Food Service
June 30, 2024

Assets and Deferred Outflows of Resources		
Current Assets		
Due from other fund	$	58,329
Deferred Outflows of Resources		
Pension		23,746
Total	$	82,075
Liabilities, Deferred Inflows of Resources and Net Deficit		
Current Liabilities		
Other current liabilities	$	44,062
Noncurrent Liabilities		
Net pension liability		91,640
Total liabilities		135,702
Deferred Inflows of Resources		
Pension		3,820
Net Position (Deficit)		(57,447)
Total	$	82,075

Young Scholars of Central Pennsylvania

Statement of Revenues, Expenses and Change in Net Position - Proprietary Fund - Food Service
Year Ended June 30, 2024

Operating Revenues	
Food service revenues	$ 35,257
Operating Expenses	
Salaries	26,891
Benefits	90,887
Other	2,292
Food costs	138,013
Total operating expenses	258,083
Operating loss	(222,826)
Nonoperating Revenues	
Federal sources	91,102
State sources	3,243
Total nonoperating revenues	94,345
Change in net position	(128,481)
Net Position, Beginning, as Previously Reported	-
Error Correction (See Note 12)	71,034
Net Position, Beginning, as Restated	71,034
Net Position, Ending	$ (57,447)

Young Scholars of Central Pennsylvania

Statement of Cash Flows - Proprietary Fund - Food Service
Year Ended June 30, 2024

Cash Flows From Operating Activities	
Cash received from customers	$ 56,143
Cash paid to employees and vendors	(150,488)
Net cash used in operating activities	(94,345)
Cash Flows From Noncapital Financing Activities	
State sources	3,243
Federal sources	91,102
Net cash provided by noncapital financing activities	94,345
Change in cash	-
Cash, Beginning	-
Cash, Ending	$ -
Reconciliation of Operating Loss to Net Cash Used in Operating Activities	
Operating loss	$ (222,826)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Pension changes	71,714
Changes in assets and liabilities resulting in the provisions (use) of cash:	
Other receivable	1,067
Due from other fund	35,881
Unearned revenue	19,819
Net cash used in operating activities	$ (94,345)

See notes to financial statements

1. Nature of Operations and Summary of Significant Accounting Policies

The financial statements of Young Scholars of Central Pennsylvania (the School) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Nature of Operations

The School is a not-for-profit corporation that provides education to children in kindergarten to grade eight in Centre and surrounding counties. The School was formed as a charter school under the Pennsylvania Charter School Law. It is exempt from federal taxes under Internal Revenue Code Section 501(c)(3) and is not considered a private foundation within the meaning of Section 509(a).

The School follows the accounting standards for contingencies in evaluating certain tax positions. This guidance prescribes recognition threshold principles for the financial statement recognition of tax positions taken or expected to be taken on a tax return that are not certain to be realized. No liability has been recognized by the School for uncertain tax positions as of June 30, 2024.

Reporting Entity

The School is required by the Commonwealth of Pennsylvania to follow accounting principles applicable to government entities. The GASB issued Statement No. 14, *The Financial Reporting Entity*, as amended to determine component units that should be included in financial statements. The specific criteria used in determining whether other organizations should be included in the School's financial reporting entity are financial accountability, fiscal dependency and legal separation.

As defined above, there are no other related organizations that should be included in the School's financial statements, nor is the School considered to be a component unit of any other government.

Basis of Presentation

Government-Wide Statements

The School's basic financial statements include both government-wide (reporting the School as a whole) and fund financial statements (reporting the School's major fund). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The School's General Fund is classified as a governmental activity. The School's Food Service Fund is classified as a business-type activity.

The government-wide statement of activities reports both the gross and net cost of each of the School's functions. The functions are also supported by general government revenues. The statement of activities reduces gross expenses (including depreciation) by related program revenues, operating grants and contributions. Program revenues must be directly associated with the function. Operating grants and contributions include operating-specific and discretionary grants.

The net costs (by function or business-type activity) are normally covered by general revenue.

The School does not allocate indirect costs, including depreciation.

The government-wide focus is more on the long-term sustainability of the School as an entity and the change in the School's net position resulting from the current year's activities.

Fund Financial Statements

The financial transactions of the School are reported in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, fund balance, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The following fund types are used by the School:

Governmental Fund

Governmental funds are those through which most functions of the School are financed. The acquisition, use and balances of the School's expendable financial resources and the related liabilities are accounted for through its governmental fund.

General Fund

The General Fund accounts for the general operations of the School. Revenues are derived from State appropriations which are passed primarily through the State College Area School District. Many of the more significant activities of the School, including instruction, administration and certain noninstructional services are accounted for in this fund. The General Fund is always considered a major fund.

Proprietary Fund

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position and cash flows. GAAP applicable are those similar to businesses in the private sector. The following is a description of the proprietary fund used by the School:

Food Service Fund

The Food Service Fund accounts for all revenues and expenditures pertaining to cafeteria operations since such operations are financed and operated in a manner similar to private business enterprises. It is the intent of the government body that the cost of providing such goods or services to the students on a continuing basis be financed or recovered primarily through user charges or cost reimbursements plans. The Food Service Fund is a major fund.

Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. With this measurement focus, all assets, deferred outflows of resources, liabilities and deferred inflows of resources associated with the operation of the School are included on the statement of net deficit. The statement of activities presents increases (i.e., revenues) and decreases (i.e., expenses) in the School's total net position.

Fund Financial Statements

Governmental funds are accounted for using the current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures) in the fund balance. Proprietary funds are accounted for using the economic resources measurement focus.

Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

The measurement focus is upon determination of changes in financial position, rather than upon net income determination.

Accrual Basis

Governmental activities in the government-wide financial statements and the proprietary fund within the fund-level financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

Modified Accrual Basis

The governmental fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to pay liabilities of the current period (within 60 days after year-end). Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

Budgets and Budgetary Accounting

The School adopts an annual budget for the General Fund in accordance with law.

The General Fund budget is maintained on a modified accrual basis by function and object, with expenditures controlled by line item. Appropriations lapse at the end of each year and must be re-appropriated. Encumbrances are not reported.

The Board approves budget transfers between departments within the General Fund. Budgeted amounts are as originally adopted or as amended by the Board at various times. The Board made no transfers or supplemental appropriations during 2024.

Capital Assets

Capital assets purchased or acquired are reported at historical cost or estimated historical cost. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

	Years
Leasehold improvements	5
Equipment and other capital assets	3-5
Furniture	7

Leases

The School is a lessee because it leases capital assets from other entities. As a lessee, the School reports a lease liability and an intangible right-to-use capital asset (known as the lease asset) on the government-wide financial statements. In the governmental fund financial statements, the School recognizes lease proceeds and capital outlay at initiation of the lease, and the outflow of resources for the lease liability as a debt service payment. The School recognize leases as a lease liability and an intangible capital asset.

Pension

The School provides eligible employees with retirement benefits through the Public School Employer's Retirement System (PSERS), a governmental cost sharing, multiple-employer defined benefit pension plan. PSERS was established as of July 18, 1917, under the provisions of Public Law 1043, No. 343.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of PSERS and additions to/deductions from PSERS's fiduciary net position have been determined on the same basis as they are reported by PSERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms and investments are reported at fair value.

Other Postemployment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB and OPEB expense, information about the fiduciary net position of PSERS and additions to/deductions from PSERS's fiduciary net position have been determined on the same basis as they are reported by PSERS. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

The School has not allocated a proportionate share of its net OPEB liability or other OPEB-related measures to its proprietary fund as the amounts are relatively small and would be satisfied with amounts from the governmental fund when due.

Governmental Fund Balances

The School classifies its governmental fund balances as follows:

- *Nonspendable* - includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints;

- *Restricted* - includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation;

- *Committed* - includes fund balance amounts that are constrained for specific purposes that are internally imposed by the School through formal action of the School Board which do not lapse at year-end;

- *Assigned* - includes fund balance amounts that are constrained for specific purposes that are internally imposed by the School, but not through a formal action of the School Board;

- *Unassigned* - includes positive fund balance within the General Fund which has not been classified within the above mentioned categories and negative fund balances in other governmental funds.

Restricted Net Position/Fund Balances

In governmental funds when an expenditure is incurred that can be paid using either restricted or unrestricted resources, the School's policy is generally to first apply the expenditure toward restricted fund balance and then to other, less-restrictive classifications-committed, assigned and then unassigned fund balances.

Deferred Outflows/Inflows of Resources

In addition to assets, the School will sometimes report 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 a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the School will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

2. Significant Concentration of Credit Risk

The School maintains substantially all of its cash balances with two local financial institutions.

Custodial credit risk is the risk that, in the event of a bank failure, the School's deposits may not be returned. The School does not have a formal deposit policy for custodial credit risk. At June 30, 2024, $2,984,689 of the School's bank balances were exposed to custodial credit risk, as these deposits were not covered by depository insurance, but rather were collateralized with securities held by the pledging financial institution, but not in the School's name.

3. Intergovernmental Receivable

Intergovernmental receivable consists of tuition revenues, in the amount of $1,027,906, from local participating school districts; $117,781 of federal revenues and $78,749 of IDEA revenues (federal funding passed through the local intermediate unit), earned during fiscal 2024, that had yet to be provided to the School at June 30, 2024.

4. Capital Assets

Capital assets activity for the year ended June 30, 2024 is as follows:

	Balance, July 1, 2023	Additions	Deductions	Balance, June 30, 2024
Government activities:				
Capital assets, being depreciated:				
Leasehold improvements	$ 94,178	$ -	$ -	$ 94,178
Equipment and furniture	593,068	30,430	-	623,498
Leased assets	3,716,215	131,202	(124,621)	3,722,796
Accumulated depreciation	(2,861,658)	(732,613)	124,621	(3,469,650)
Governmental activities capital assets, net	$ 1,541,803	$ (570,981)	$ -	$ 970,822

Depreciation of $732,613 was charged to instruction expense.

5. Line of Credit

The School has a $400,000 variable rate line of credit with interest due monthly at prime rate plus 75 basis points with a floor of 4.25% (7.70% at June 30, 2024). This line of credit is due on demand and contains a provision that in an event of default, outstanding amounts become immediately due. There were no borrowings at June 30, 2024. The line of credit is secured by all business assets of the School.

6. Fund Balance Classifications

The School presents its governmental fund balances by level of constraint in the aggregate on its balance sheet - governmental fund. The individual specific purposes of each constraint are presented below:

	General Fund
Committed for:	
Renovations	$ 395,953

7. Retirement Plan

Plan Description

The Public School Employees' Retirement System (PSERS) is a governmental cost-sharing multiple-employer defined benefit pension plan that provides retirement benefits to public school employees of the Commonwealth of Pennsylvania. The members eligible to participate in PSERS include all full-time public school employees, part-time hourly public school employees who render at least 500 hours of service in the school year and part-time per diem public school employees who render at least 80 days of service in the school year in any of the reporting entities in Pennsylvania. PSERS issues a publicly available financial report that can be obtained at www.psers.state.pa.us.

Benefits Provided

PSERS provides retirement, disability and death benefits. Members are eligible for monthly retirement benefits upon reaching (a) age 62 with at least one year of credited service; (b) age 60 with 30 or more years of credited service; or (c) 35 or more years of service regardless of age. Act 120 of 2010 (Act 120) preserves the benefits of existing members and introduced benefit reductions for individuals who become new members on or after July 1, 2011. Act 120 created two new membership classes, Membership Class T-E (Class T-E) and Membership Class T-F (Class T-F). To qualify for normal retirement, Class T-E and Class T-F members must work until age 65 with a minimum of three years of service or attain a total combination of age and service that is equal to or greater than 92 with a minimum of 35 years of service.

Act 5 of 2017 (Act 5) introduced a hybrid benefit with two membership classes and a separate defined contribution plan for individuals who become new members on or after July 1, 2019. Act 5 created two new hybrid membership classes, Membership Class T-G (Class T-G) and Membership Class T-H (Class T-H) and the separate defined contribution membership class, Membership Class DC (Class DC). To qualify for normal retirement, Class T-G and Class T-H members must work until age 67 with a minimum of three years of credited service. Class T-G may also qualify for normal retirement by attaining a total combination of age and service that is equal to or greater than 97 with a minimum of 35 years of credited service.

Benefits are generally equal to 1% or 2.5%, depending on membership class, of the member's final average salary (as defined in the Code) multiplied times the number of years of credited service. For members whose membership started prior to July 1, 2011, after completion of five years of service, a member's right to the defined benefits is vested and early retirement benefits may be elected. For Class T-E and Class T-F members, the right to benefits is vested after 10 years of service.

Participants are eligible for disability retirement benefits after completion of five years of credited service. Such benefits are generally equal to 2% or 2.5%, depending upon membership class, of the member's final salary (as defined in the Code) multiplied by the number of years of credited service, but not less than one-third of such salary nor greater than the benefit the member would have had at normal retirement age. Members over normal retirement age may apply for disability benefits.

Death benefits are payable upon the death of an active member who has reached age 62 with at least one year of credited service (age 65 with at least three years of credited service for Class T-E and Class T-F members) or who has at least five years of credited service (10 years for Class T-E and Class T-F members). Such benefits are actuarially equivalent to the benefit that would have been effective if the member had retired on the day before death.

Member Contributions

The contribution rates based on qualified member compensation for virtually all members are presented below:

Member Contribution Rates

Membership Class	Continuous Employment Since	Defined Benefit (DB) Contribution Rate	DC Contribution Rate	Total Contribution Rate
T-C	Prior to July 22, 1983	5.25 %	N/A	5.25/6.25 %
T-C	On or after July 22, 1983	6.25	N/A	6.25
T-D	Prior to July 22, 1983	6.50	N/A	6.50
T-D	On or after July 22, 1983	7.50	N/A	7.50
T-E	On or after July 1, 2011	7.50% base rate with shared risk provision	N/A	Prior to 7/1/21:7.50; After 7/1/21: 8.00
T-F	On or after July 1, 2011	10.30% base rate with shared risk provision	N/A	Prior to 7/1/21:10.30; After 7/1/21: 10.80
T-G	On or after July 1, 2019	5.50% base rate with shared risk provision	2.75 %	Prior to 7/1/21:8.25; After 7/1/21: 9.00
T-H	On or after July 1, 2019	4.50% base rate with shared risk provision	3.00	Prior to 7/1/21:7.50; After 7/1/21: 8.25
DC	On or after July 1, 2019	N/A	7.50	7.50

Shared Risk Program Summary

Membership Class	Defined Benefit (DB) Base Rate	Shared Risk Increment	Minimum	Maximum
T-E	7.50 %	+/- 0.50 %	5.50 %	9.50 %
T-F	10.30	+/- 0.50	8.30	12.30
T-G	5.50	+/- 0.75	2.50	8.50
T-H	4.50	+/- 0.75	1.50	7.50

Employer Contributions

The School's contractually required contribution rate for the fiscal year ended June 30, 2024 was 33.36%* of covered payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to PSERS from the School were $995,190 for the year ended June 30, 2024.

*This includes the defined contribution rate of 0.27% which is an estimated rate.

Pension Liabilities, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension

At June 30, 2024, the School reported a liability of $9,164,000 for its proportionate share of the PSERS net pension liability. The PSERS net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by rolling forward the PSERS total pension liability as of June 30, 2022 to June 30, 2023. The School's proportion of the PSERS net pension liability was calculated utilizing the employer's one-year reported contributions as it relates to the total one-year reported contributions. At June 30, 2024, the District's proportion was .0206%, which was an increase of .0026% from its proportion measured as of June 30, 2023.

For the year ended June 30, 2024, the District recognized pension expense of $1,159,000.
At June 30, 2024, 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	$ 2,000	$ 125,000
Net difference between projected and actual earnings on pension plan investments	259,000	-
Changes in assumptions	137,000	-
Changes in proportion and differences between District contributions and proportionate share of contributions	863,000	257,000
District contributions subsequent to the measurement date	995,190	-
Total	$ 2,256,190	$ 382,000

$995,190 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2025.

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

Years ending June 30:	
2025	$ 214,000
2026	15,000
2027	563,000
2028	87,000
Total	$ 879,000

Changes in Actuarial Assumptions

The total pension liability as of June 30, 2023 (the 2023 measurement date) was determined by rolling forward the PSERS' total pension liability as of the June 30, 2022 actuarial valuation to June 30, 2023 using the following actuarial assumptions, applied to all periods included in the measurement:

- Actuarial cost method - Entry Age Normal - level percent of pay;
- Investment return - 7.00%, includes inflation at 2.50%;
- Salary growth - Effective average of 4.50%, comprised of inflation of 2.50% and 2.00% for real wage growth and for merit or seniority increases;
- Mortality rates were based on a blend of 50% PubT-2010 and 50% PubG-2010 Retiree Tables for Males and Females, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2020 Improvement Scale;
- The discount rate used to measure the Total Pension Liability was 7.0% as of June 30, 2022 and as of June 30, 2023.
- Demographic and economic assumptions approved by the PSERS Board for use effective with the June 30, 2021 actuarial valuation:
    - Salary growth rate - decreased from 5.00% to 4.50%.
    - Real wage growth and merit or seniority increases (components for salary growth) - decreased from 2.75% and 2.25% to 2.50% and 2.00%, respectively.
    - Mortality rates - Previously based on the RP-2014 Mortality Tables for Males and Females, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2015 Mortality Improvement Scale. Effective with the June 30, 2021 actuarial valuation, mortality rates are based on a blend of 50% PubT-2010 and 50% PubG-2010 Retiree Tables for Males and Females, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2020 Improvement Scale.

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study that was performed for the five-year period ending June 30, 2020.

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 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 weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The pension plan's policy in regard to the allocation of invested plan assets is established and may be amended by the PSERS Board. Plan assets are managed with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the pension.

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global public equity	30.0 %	5.2 %
Private equity	12.0	7.9
Fixed income	33.0	3.2
Commodities	7.5	2.7
Infrastructure/MLPs	10.0	5.4
Real estate	11.0	5.7
Absolute return	4.0	4.1
Cash	3.0	1.2
Leverage	(10.5)	1.2
	100.0 %	

The above was the PSERS Board's adopted asset allocation policy and best estimates of geometric real rates of return for each major asset class as of June 30, 2023.

Discount Rate

The discount rate used to measure the total pension liability was 7.00%. 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 contractually required rates, 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.

Sensitivity of the District'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 7.0%, 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 (6.0%) or 1-percentage-point higher (8.0%) 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	$ 11,879,000	$ 9,164,000	$ 6,873,000

Pension Plan Fiduciary Net Position

Detailed information about PSERS' fiduciary net position is available in PSERS Annual Comprehensive Financial Report which can be found on the PSERS's website at www.psers.pa.gov.

8. Other Postemployment Benefits (OPEB)

PSERS Health Insurance Premium Assistance Program

General Information About the PSERS Health Insurance Premium Assistance Program

PSERS provides premium assistance which is a governmental cost sharing, multiple-employer OPEB plan for all eligible retirees who qualify and elect to participate. Employer contribution rates for premium assistance are established to provide reserves in the health insurance account that are sufficient for the payment of premium assistance benefits for each succeeding year. Effective January 1, 2002 under the provisions of Act 9 of 2001, participating eligible retirees are entitled to receive premium assistance payments equal to the lesser of $100 per month or their out-of-pocket monthly health insurance premium. To receive premium assistance, eligible retirees must obtain their health insurance through either their school employer or the PSERS' Health Options Program (HOP). As of June 30, 2023, there were no assumed future benefit increases to participating eligible retirees.

Premium Assistance Eligibility Criteria

Retirees of PSERS can participate in the premium assistance program if they satisfy the following criteria:

- Have 24 ½ or more years of service or
- Are a disability retiree or
- Have 15 or more years of service and retired after reaching superannuation age

For Class DC members to become eligible for premium assistance, they must satisfy the following criteria:

- Attain Medicare eligibility with 24 ½ or more eligibility points or
- Have 15 or more eligibility points and terminated after age 67 and
- Have received all or part of their distributions.

Employer Contributions

The School's contractually required contribution rate for the fiscal year ended June 30, 2024 was 0.64% of covered payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the OPEB plan from the School were $19,092 for the year ended June 30, 2024.

OPEB Liabilities, OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2024, the School reported a liability of $382,000 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by rolling forward PSERS' total OPEB liability as of June 30, 2022 to June 30, 2023. The School's proportion of the net OPEB liability was calculated utilizing the employer's one-year reported covered payroll as it relates to the total one-year reported covered payroll. At June 30, 2024, the School's proportion was .0211%, which was an increase of .0029% from its proportion measured as of June 30, 2023.

For the year ended June 30, 2024, the School recognized OPEB expense of $33,000. At June 30, 2024, 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
Changes in assumptions	$ 33,000	$ 72,000
Changes in proportion	71,000	19,000
Differences between expected and actual experience	4,000	4,000
Contributions subsequent to the measurement date	19,092	-
	$ 127,092	$ 95,000

$19,092 reported as deferred outflows of resources related to OPEB resulting from School contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years ending June 30:	
2025	$ 6,000
2026	4,000
2027	-
2028	(7,000)
2029	10,000
Thereafter	-
Total	$ 13,000

Actuarial Assumptions

The Total OPEB Liability as of June 30, 2023 (the measurement date), was determined by rolling forward PSERS's Total OPEB Liability as of June 30, 2022 to June 30, 2023 using the following actuarial assumptions, applied to all periods included in the measurement:

- Actuarial cost method - Entry Age Normal - level percent of pay;
- Investment return - 4.13% - S&P 20 Year Municipal Bond Rate;
- Salary growth - Effective average of 4.50%, comprised of inflation of 2.50% and 2.00% for real wage growth and for merit or seniority increases;
- Premium Assistance reimbursement is capped at $1,200 per year;
- Assumed Healthcare cost trends were applied to retirees with less than $1,200 in premium assistance per year;
- Mortality rates were based on a blend of 50% PubT-2010 and 50% PubG-2010 Retiree Tables for Males and Females, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2020 Improvement Scale;
- Participation rate;
  - Eligible retirees will elect to participate Pre age 65 at 50%;
  - Eligible retirees will elect to participate Post age 65 at 70%.

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study that was performed for the five year period ending June 30, 2020.

The following assumptions were used to determine the contribution rate:

- The results of the actuarial valuation as of June 30, 2021 determined the employer contribution rate for fiscal year 2023;
- Cost Method: Amount necessary to assure solvency of Premium Assistance through the third fiscal year after the valuation date;
- Asset valuation method: Market Value;
- Participation rate: The actual data for retirees benefiting under the Plan as of June 30, 2021 was used in lieu of the 63% utilization assumption for eligible retirees;
- Mortality Tables for Males and Females, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2015 Mortality Improvement Scale.

Investments consist primarily of short-term assets designed to protect the principal of the plan assets. The expected rate of return on OPEB plan investments was determined using the OPEB asset allocation policy and best estimates of geometric real rates of return for each asset class.

The OPEB plan's policy in regard to the allocation of invested plan assets is established and may be amended by the PSERS Board. Under the program, as defined in the retirement code employer contribution rates for Premium Assistance are established to provide reserves in the Health Insurance Account that are sufficient for the payment of Premium Assistance benefits for each succeeding year.

OPEB Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	100.0 %	1.2 %

The above was the Board's adopted asset allocation policy and best estimates of geometric real rates of return for each major asset class as of June 30, 2023.

Discount Rate

The discount rate used to measure the Total OPEB Liability was 4.13%. Under the plan's funding policy, contributions are structured for short-term funding of Premium Assistance. The funding policy sets contribution rates necessary to assure solvency of Premium Assistance through the third fiscal year after the actuarial valuation date. The Premium Assistance account is funded to establish reserves that are sufficient for the payment of Premium Assistance benefits for each succeeding year. Due to the short-term funding policy, the OPEB plan's fiduciary net position was not projected to be sufficient to meet projected future benefit payments, therefore the plan is considered a pay-as-you-go plan. A discount rate of 4.13%, which represents the S&P 20 year Municipal Bond Rate at June 30, 2023, was applied to all projected benefit payments to measure the total OPEB liability.

Sensitivity of PSERS Net OPEB Liability to Change in Healthcare Cost Trend Rates

Healthcare cost trends were applied to retirees receiving less than $1,200 in annual Premium Assistance. As of June 30, 2024, retirees Premium Assistance benefits are not subject to future healthcare cost increases. The annual Premium Assistance reimbursement for qualifying retirees is capped at a maximum of $1,200. The actual number of retirees receiving less than the $1,200 per year cap is a small percentage of the total population and has a minimal impact on Healthcare Cost Trends as depicted below.

The following presents PSERS net OPEB liability for June 30, 2024, calculated using current Healthcare cost trends as well as what PSERS net OPEB liability would be if its health cost trends were 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease	Healthcare Trends Cost Rate	1% Increase
PSERS Net OPEB Liability	$ 382,000	$ 382,000	$ 382,000

Sensitivity of the District'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 4.13%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (3.13%) or 1-percentage-point higher (5.13%) than the current rate:

	1% Decrease (3.13%)	Discount Rate (4.13%)	1% Increase (5.13%)
School's proportionate share of the net OPEB liability	$ 432,000	$ 382,000	$ 340,000

OPEB Plan Fiduciary Net Position

Detailed information about PSERS' fiduciary net position is available in PSERS Annual Comprehensive Financial Report which can be found on the PSERS' website at www.psers.pa.gov.

9. Lessee - Lease Liability

Governmental Activities

Lease liabilities as of June 30, 2024 are as follows:

Lease Liability Description	Date of Issue	Final Maturity Interest Rates	Original Indebtedness	Balance
School building	July 2020 - June 2025	2.0 %	$ 3,591,594	$ 651,234
Copiers	July 2024 - June 2029	2.0	131,202	131,202
Total				$ 782,436

Debt service requirements to maturity for governmental activities are as follows:

Years	Principal	Interest	Total
2025	$ 672,158	$ 15,616	$ 687,774
2026	25,574	2,325	27,899
2027	26,132	1,767	27,899
2028	26,690	1,209	27,899
2029	31,882	667	32,549
Total	$ 782,436	$ 21,584	$ 804,020

10. Employee Retention Credit

The Employee Retention Credit (ERC), which was included as part of the Coronavirus Aid, Relief and Economic Security (CARES) Act and amended by the Consolidated Appropriations Act (CAA) and the American Rescue Plan Act (ARPA), incentivizes employers severely impacted by the COVID-19 pandemic to retain their employees when they might otherwise find it difficult to do so. The fully refundable tax credit is allowed against the employer's share of employment taxes for qualified wages paid after March 12, 2020 and before September 30, 2021. Credits in excess of the tax amounts paid by an employer are treated as overpayments and are also refunded to the employer. The ERC is calculated as a percentage of qualified wages (as defined in the CARES Act, as amended) paid by an eligible employer.

While management believes that the School qualifies for certain quarters for the ERC under the credit's partial suspension provisions, the School has deferred recognition of certain credits received totaling $1,221,684 until all barriers are determined to be substantially met. These amounts are reported as deferred employee retention credit on the statement of net deficit and on the balance sheet - governmental fund as of June 30, 2024.

11. Pending Changes in Accounting Principles

GASB has approved the following:

- Statement No. 101, *Compensated Absences;*
- Statement No. 102, *Certain Risk Disclosures;*
- Statement No. 103, *Financial Reporting Model Improvements;*
- Statement No. 104, *Disclosure of Certain Capital Assets*

School management is in the process of analyzing these pending changes in accounting principles and the impact they may have on the financial reporting process.

12. Restatements to Beginning Balances

Grants

Intergovernmental grant receivable and deferred grant revenue reported in the General Fund and the Statement of Net Position at June 30, 2023, were misstated in error by $332,703. Accordingly, the School restated (increased) the net receivable of its governmental activities and General Fund at July 1, 2023 and (increased) the net position of its governmental activities and fund balance of its General Fund by $332,703.

Food Service

Interfund receivable and other receivables reported in the financial statements at June 30, 2023, were misstated in error by $71,034. Accordingly, the School restated (increased) the interfund receivable of its business-type activities and its Food Service Fund by $72,829 and decreased its interfund receivable of its governmental activities and General Fund by $72,829. The School also restated (decreased) the other receivable of its business type activities and its Food Service Fund by $1,795 and increased its other receivable of its governmental activities and General Fund by $1,795 at July 1, 2023. This resulted in the net position of its governmental activities and fund balance of its General Fund being restated by (decreased) $71,034 and net position of its business-type activities and its Food Service Fund being restated by (increased) $71,034.

	June 30, 2023, As Previously Reported	Error Correction	June 30, 2023, As Restated
Government-wide:			
Governmental activities	$ (4,195,472)		
Grants error correction		$ 332,703	
Food Service error correction		(71,034)	
	$ (4,195,472)	$ 261,669	$ (3,933,803)
Business-type activities:	$ -		
Food Service error correction		$ (71,034)	
	$ -	$ (71,034)	$ (71,034)
Governmental funds:			
General Fund (major fund)	$ 3,064,018		
Grants error correction		$ 332,703	
Food Service error correction		(71,034)	
	$ 3,064,018	$ 261,669	$ 3,325,687
Proprietary fund:	$ -		
Food Service error correction		$ (71,034)	
	$ -	$ (71,034)	$ (71,034)

Young Scholars of Central Pennsylvania

Schedule of the School's Proportionate Share of the Net Pension Liability
Year Ended June 30, 2024
(Unaudited)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
School's proportion of the net pension liability	0.0206%	0.0180%	0.0188%	0.0194%	0.0179%	0.0169%	0.0168%	0.0140%	0.0120%	0.0088%
School's proportionate share of the net pension liability	$ 9,164,000	$ 8,003,000	$ 7,719,000	$ 9,552,000	$ 8,374,000	$ 8,113,000	$ 8,297,000	$ 6,941,000	$ 5,199,000	$ 3,483,000
School's covered-employee payroll	3,239,220	2,683,276	2,708,373	2,752,150	2,471,522	2,271,989	2,239,795	1,813,580	1,538,482	1,651,136
School's proportionate share of the net pension liability as a percentage of its covered-employee payroll	282.91%	298.25%	285.01%	347.07%	338.82%	357.09%	370.44%	382.72%	337.93%	210.95%
PSERS plan fiduciary net position as a percentage of the total pension liability	61.85%	61.34%	63.67%	54.32%	55.66%	54.00%	51.84%	50.14%	54.36%	57.24%

Young Scholars of Central Pennsylvania

Schedule of School's Pension Contributions
Year Ended June 30, 2024
(Unaudited)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	$ 995,190	$ 1,050,197	$ 955,075	$ 809,707	$ 917,846	$ 780,408	$ 680,320	$ 642,477	$ 436,496	$ 339,209
Contributions in relation to the contractually required contribution	(995,190)	(1,050,197)	(955,075)	(809,707)	(917,846)	(780,408)	(680,320)	(642,477)	(436,496)	(339,209)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
School's covered-employee payroll	$ 3,239,220	$ 2,683,276	$ 2,708,373	$ 2,752,150	$ 2,471,522	$ 2,271,989	$ 2,239,795	$ 1,813,580	$ 1,538,482	$ 1,651,136
Contributions as a percentage of covered-employee payroll	30.72%	39.14%	35.26%	29.42%	37.14%	34.35%	30.37%	35.43%	28.37%	20.54%

Young Scholars of Central Pennsylvania

Schedule of the School's Proportionate Share of the Net OPEB Liability
Year Ended June 30, 2024
(Unaudited)

	2024	2023	2022	2021	2020	2019	2018	2017
School's proportion of the net OPEB liability	0.0211%	0.0182%	0.0191%	0.0196%	0.0179%	0.0169%	0.0168%	0.0140%
School's proportionate share of the net OPEB liability	$ 382,000	$ 335,000	$ 453,000	$ 424,000	$ 381,000	$ 352,000	$ 342,000	$ 302,000
School's covered-employee payroll	3,239,220	2,683,276	2,708,373	2,752,150	2,471,522	2,271,989	2,239,795	1,813,580
School's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll	11.79%	12.48%	16.73%	15.41%	15.42%	15.49%	15.27%	16.65%
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

The School adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 45*, for the year ended June 30, 2018 to conform with accounting principles generally accepted in the United States of America. Therefore, information for years prior to 2017 is not available for reporting.

Young Scholars of Central Pennsylvania

Schedule of School's OPEB Contributions
Year Ended June 30, 2024
(Unaudited)

	2024	2023	2022	2021	2020	2019	2018	2017
Contractually required contribution	$ 19,092	$ 22,824	$ 22,380	$ 19,708	$ 23,049	$ 19,869	$ 17,790	$ 19,870
Contributions in relation to the contractually required contribution	(19,092)	(22,824)	(22,380)	(19,708)	(23,049)	(19,869)	(17,790)	(19,870)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
School's covered-employee payroll	$ 3,239,220	$ 2,683,276	$ 2,708,373	$ 2,752,150	$ 2,471,522	$ 2,271,989	$ 2,239,795	$ 1,813,580
Contributions as a percentage of covered-employee payroll	0.59%	0.85%	0.83%	0.72%	0.87%	0.87%	0.79%	1.10%

The School adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 45*, for the year ended June 30, 2018 to conform with accounting principles generally accepted in the United States of America. Therefore, information for years prior to 2017 is not available for reporting.