UNITED SCHOOLS COLUMBUS
(formally known as UNITED PREPARATORY ACADEMY)

FRANKLIN COUNTY, OHIO

Single Audit

For the Year Ended June 30, 2024

Charles E. Harris
& Associates, Inc.
CPAs and Government Consultants

OHIO AUDITOR OF STATE
KEITH FABER

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Columbus, Ohio 43215
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Board of Trustees
United Schools Columbus
1469 East Main Street
Columbus, Ohio 43223

We have reviewed the *Independent Auditor's Report* of the United Schools Columbus, Franklin County, prepared by Charles E. Harris & Associates, Inc., for the audit period July 1 2023 through June 30, 2024. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The United Schools Columbus is responsible for compliance with these laws and regulations.

Keith Faber
Auditor of State
Columbus, Ohio

April 03, 2025

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UNITED SCHOOLS COLUMBUS
FRANKLIN COUNTY
SINGLE AUDIT
For the Year Ended June 30, 2024

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INDEPENDENT AUDITOR'S REPORT

United Schools Columbus
Franklin County
1469 East Main Street
Columbus, Ohio 43223

To the Board of Trustees:

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the United Schools Columbus, Franklin County, Ohio (the Academy), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Academy'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 financial position of the Academy as of June 30, 2024, and the respective changes in financial position and cash flows, thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Academy, 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 opinion.

Emphasis of Matter

As discussed in Note 2 and 15 to the financial statements, we noted the merging of Columbus Collegiate Academy, Columbus Collegiate Academy West, and United Preparatory Academy East with the Academy. We did not modify our opinion regarding 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 Academy's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Academy'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 Academy'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 management's discussion and analysis and schedules of net pension liabilities, other postemployment benefit liabilities/assets, and pension and other postemployment benefit contributions listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Academy's basic financial statements. The Schedule of Expenditures of Federal Awards (Schedule) as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* is presented for purposes of additional analysis and is not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 26, 2024, on our consideration of the Academy's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Academy's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Academy's internal control over financial reporting and compliance.

Charles E. Harris & Associates, Inc.
December 26, 2024

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As management of United Schools Columbus (the School), we offer readers of the School's financial statements this narrative overview and analysis of the financial activities of the School for the fiscal year ended June 30, 2024. The intent of this discussion and analysis is to look at the School's financial performance as a whole. Readers should also review the basic financial statements and the notes to the basic financial statements to enhance their understanding of the School's financial performance.

Financial Highlights

Key financial highlights for the School are as follows:

- On July 1, 2023, Columbus Collegiate Academy, Columbus Collegiate Academy West, and United Preparatory Academy East merged with the School (see Note 15 of the basic financial statements for further information).

- Effective July 1, 2023, the School changed it's name from United Preparatory Academy to United Schools Columbus

- Total net position of the School increased $3,105,724 during the fiscal year. Ending net position of the School was $12.8 million.

- Total assets increased $2,873,836 from the prior fiscal year and total liabilities decreased by $252,899 from the prior fiscal year.

- The School's operating loss for fiscal year 2024 was $6.7 million.

Using this Annual Financial Report

This financial report contains the basic financial statements of the School, as well as the Management's Discussion and Analysis and notes to the basic financial statements. The basic financial statements include a statement of net position, statement of revenues, expenses and changes in net position, and a statement of cash flows. As the School reports its operations using enterprise fund accounting, all financial transactions and accounts are reported as one activity, therefore the entity wide and the fund presentation information is the same.

Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position

The statement of net position and the statement of revenues, expenses and changes in net position answer the question, "How did we do financially during the fiscal year?" The statement of net position includes all assets and deferred outflows of resources and all liabilities and deferred inflows of resources, both financial and capital, and short-term and long-term, using the accrual basis of accounting and the economic resources measurement focus, which is similar to the accounting used by most private-sector companies. This basis of accounting takes into account all revenues and expenses during the year, regardless of when the cash is received or paid.

This statement reports the School's net position; however, in evaluating the overall position and financial viability of the School, non-financial information such as the condition of the School's property and potential changes in the laws governing charter schools in the State of Ohio will also need to be evaluated.

The statement of revenues, expenses and changes in net position reports the changes in net position. This change in net position is important because it tells the reader that, for the School as a whole, the financial position of the School has improved or diminished. The causes of this change may be the result of many factors, some financial, some not.

Financial Analysis

Table 1 provides a summary of the School's net position at June 30, 2024.

Table 1 - Net Position

	2024	2023 *	Change
ASSETS			
Current Assets	$ 12,880,143	$ 9,603,866	$ 3,276,277
Net OPEB Asset	680,500	922,459	(241,959)
Capital Assets, Net	9,085,262	9,245,744	(160,482)
Total Assets	22,645,905	19,772,069	2,873,836
DEFERRED OUTFLOWS OF RESOURCES			
Pensions	2,945,800	3,604,760	(658,960)
OPEB	732,420	536,767	195,653
Total Deferred Outflows of Resources	3,678,220	4,141,527	(463,307)
LIABILITIES			
Current Liabilities	814,063	948,235	(134,172)
Long-term liabilities:			
Due within one year	12,814	491,092	(478,278)
Due in more than one year			
Leases Payable	43,510	1,239	42,271
Net Pension Liability	9,994,914	9,885,926	108,988
Net OPEB Liability	704,740	496,448	208,292
Total Liabilities	11,570,041	11,822,940	(252,899)
DEFERRED INFLOWS OF RESOURCES			
Pensions	828,134	1,058,127	(229,993)
OPEB	1,154,828	1,367,131	(212,303)
Total Deferred Inflows of Resources	1,982,962	2,425,258	(442,296)
NET POSITION			
Net Investment in Capital Assets	8,889,762	8,750,664	139,098
Restricted	985,379	1,324,504	(339,125)
Unrestricted	2,895,981	(409,770)	3,305,751
Total Net Position	$ 12,771,122	$ 9,665,398	$ 3,105,724

* Restated

Current and other assets increased significantly in comparison with the prior fiscal year-end. This increase is primarily the result of an increase in cash and cash equivalents.

Long-term liabilities decreased in the fiscal year due to the principal loan payments.

The fluctuations in net OPEB asset, deferred inflows and outflows or resources, net pension liability, and net OPEB liability are due to changes in the retirement systems unfunded liabilities/assets that are passed through to the School's financial statements. All components of pension and OPEB accruals contribute to the fluctuations in deferred outflows/inflows, net OPEB asset and noncurrent liabilities are described in more detail in their respective notes.

Financial Analysis

Table 2 shows the change in net position for the fiscal year ended June 30, 2024.

Table 2 - Change in Net Position

	2024	2023 *
OPERATING REVENUES		
Program Revenues:		
State Foundation	$ 7,944,991	$ 7,553,016
Other Operating Revenues	57,450	62,794
Total Operating Revenues	8,002,441	7,615,810
OPERATING EXPENSES		
Salaries	5,569,755	5,596,678
Fringe Benefits	1,951,994	1,834,169
Purchased Services	5,596,124	5,528,047
Materials and Supplies	816,845	945,142
Depreciation/Amortization	583,659	606,429
Other	184,089	154,109
Total Operating Expenses	14,702,466	14,664,574
Operating Loss	(6,700,025)	(7,048,764)
NON-OPERATING REVENUES (EXPENSES)		
Interest Income	439,495	75,365
Interest and Fiscal Charges	(4,897)	(18,421)
Federal and State Grants	8,954,106	7,620,124
Contributions and Donations	385,383	64,826
Other Non-Operating Revenue	31,662	82,385
Total Non-Operating Revenues (Expenses)	9,805,749	7,824,279
Change in Net Position	3,105,724	775,515
Net Position - Beginning of Year	9,665,398	8,889,883
Net Position - End of Year	$ 12,771,122	$ 9,665,398

* Restated

State Foundation payments increased in comparison with the prior fiscal year due to the State of Ohio Biennial Budget increases. Interest income increased due to the increased rate in Star Ohio. Federal and State Grants revenue increased due to the School receiving grants related to the COVID-19 pandemic.

Capital Assets

At the end of fiscal year 2024, the School's capital assets decreased in comparison with the prior year. This decrease represents the amount by which current year depreciation/amortization exceeded current year acquisitions. See Note 5 of the basic financial statements for additional details.

Debt

At the end of fiscal year 2024, the School had an increase in lease payable due to the issuance of a new lease. See Note 6 of the basic financial statements for additional details.

Current Financial Issues

The future financial stability of the School is not without challenges. There will continue to be challenges outside of the School's control (i.e. – the economy, the state budget). Since the primary source of funding is the state foundation program, an economic slowdown in the state could result in budgetary cuts to education, which would have a negative impact on the School.

Contacting the School

This financial report is designed to provide a general overview of the finances of the United Schools Columbus and to show the School's accountability for the monies it receives to all vested and interested parties, as well as meeting the annual reporting requirements of the State of Ohio. Any questions about the information contained within this report or requests for additional financial information should be directed to the Treasurer of United Schools Columbus, 671 West State Street, Columbus OH 43215.

United Schools Columbus
Franklin County, Ohio
Statement of Revenues, Expenses and Change in Net Position
For the Fiscal Year End June 30, 2024

ASSETS	
Current Assets:	
Cash and Cash Equivalents	$ 11,691,514
Receivables:	
Intergovernmental	1,109,636
Other	750
Prepaid Items	78,243
Total Current Assets	12,880,143
Noncurrent Assets:	
Net OPEB Asset	680,500
Capital Assets:	
Land	235,389
Construction in Progress	105,238
Depreciable Capital Assets, Net of Depreciation/Amortization	8,744,635
Total Noncurrent Assets	9,765,762
Total Assets	22,645,905
DEFERRED OUTFLOWS OF RESOURCES	
Pension	2,945,800
OPEB	732,420
Total Deferred Outflows of Resources	3,678,220
LIABILITIES	
Current Liabilities:	
Accounts Payable	482,779
Accrued Wages and Benefits	321,876
Intergovernmental Payable	9,408
Leases Payable	12,814
Total Current Liabilities	826,877
Noncurrent Liabilities:	
Leases Payable	43,510
Net Pension Liability	9,994,914
Net OPEB Liability	704,740
Total Noncurrent Liabilities	10,743,164
Total Liabilities	11,570,041
DEFERRED INFLOWS OF RESOURCES	
Pension	828,134
OPEB	1,154,828
Total Deferred Inflows of Resources	1,982,962
NET POSITION	
Net Investment in Capital Assets	8,889,762
Restricted for:	
State Funded Programs	25,373
Federally Funded Programs	45,710
OPEB	680,500
Other	233,796
Unrestricted	2,895,981
Total Net Position	$ 12,771,122

See accompanying notes to the basic financial statements.

OPERATING REVENUES		
State Foundation	$	7,944,991
Other Unrestricted Grants-in-Aid		57,450
Total Operating Revenues		8,002,441
OPERATING EXPENSES		
Salaries and Wages		5,569,755
Fringe Benefits		1,951,994
Purchased Services		5,596,124
Materials and Supplies		816,845
Depreciation/Amortization		583,659
Other		184,089
Total Operating Expenses		14,702,466
Operating Loss		(6,700,025)
NON-OPERATING REVENUES (EXPENSES)		
Interest Income		439,495
Interest and Fiscal Charges		(4,897)
Federal and State Grants		8,954,106
Other Non-Operating Revenue		26,412
Contributions and Donations		385,383
Rental Income		5,250
Total Non-operating Revenues (Expenses)		9,805,749
Change in Net Position		3,105,724
Net Position - Beginning of Year, Restated		9,665,398
Net Position - End of Year	$	12,771,122

See accompanying notes to the basic financial statements.

United Schools Columbus
Franklin County, Ohio
Statement of Cash Flows
For the Fiscal Year End June 30, 2024

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from State of Ohio	$ 7,936,643
Cash Received from Other Operations	57,450
Cash Payments for Salaries and Wages	(5,496,105)
Cash Payments for Fringe Benefits	(1,392,431)
Cash Payments for Purchased Services	(5,579,702)
Cash Payments for Materials and Supplies	(839,668)
Cash Payments for Other Expenses	(186,920)
Net Cash Used in Operating Activities	(5,500,733)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Federal and State Grants	8,996,487
Contributions and Donations	385,383
Other Non-Operating Receipts	30,912
Net Cash Provided by Noncapital Financing Activities	9,412,782
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Principal Paid on Long-term Debt	(497,557)
Interest Paid on Long-term Debt	(4,897)
Payments for Capital Acquisitions	(221,258)
Net Cash Used in Capital and Related Financing Activities	(723,712)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest on Investments	439,495
Net Cash Provided by Investing Activities	439,495
Net Increase in Cash and Cash Equivalents	3,627,832
Cash and Cash Equivalents - Beginning of Year, Restated	8,063,682
Cash and Cash Equivalents - End of Year	$ 11,691,514

See accompanying notes to the basic financial statements.

RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES
OPERATING ACTIVITIES

Operating Loss	$ (6,700,025)
Adjustments:	
Depreciation/Amortization	583,659
(Increase) Decrease in Assets and Deferred Outflows:	
Intergovernmental Receivable	137,510
Other Receivable	16,290
Prepaid Items	(59,296)
Deferred Outflows - Pension	658,960
Deferred Outflows - OPEB	(195,653)
Net OPEB Asset	241,959
Increase (Decrease) in Liabilities and Deferred Inflows:	
Accounts Payable	154,257
Accrued Wages and Benefits	(150,064)
Intergovernmental Payable	(63,314)
Net Pension Liability	108,988
Net OPEB Liability	208,292
Deferred Inflows - Pension	(229,993)
Deferred Inflows - OPEB	(212,303)
Net Cash Used in Operating Activities	$ (5,500,733)

Schedule of Noncash Non-Capital and Capital Financing Activities

Net Impact of Accruals on capital asset additions	(139,176)
Leased Asset	(62,743)
Leased Liability	61,550

See accompanying notes to the basic financial statements.

NOTE 1 – DESCRIPTION OF THE SCHOOL AND REPORTING ENTITY

United Schools Columbus (formerly known as United Preparatory Academy) (the School) is a nonprofit corporation established pursuant to Ohio Rev. Code Chapters 3314 and 1702 to address the needs of students in grades kindergarten through four. The School, which is part of the State's education program, is independent of any school district and is nonsectarian in its programs, admission policies, employment practices, and all other operations. The School may sue and be sued, acquire facilities as needed, and contract for any services necessary for the operation of the School. The School qualifies as an exempt organization under Section 501c (3) of the Internal Revenue Code. Management is not aware of any course of action or series of events that have occurred that might adversely affect the School's tax exempt status.

The Thomas B. Fordham Foundation is the School's sponsor. The Sponsor is responsible for evaluating the performance of the School and has the authority to deny renewal of the contract at its expiration or terminate the contract prior to its expiration. The School entered into a service agreement with Mangen & Associates to provide certain financial and accounting services, including performing all duties required of the Treasurer of the School. See notes 12 and 13 for more information.

The School operates under the direction of a Board of Directors. The Board of Directors is responsible for carrying out the provisions of the contract, which include, but are not limited to, state-mandated standards, admission standards, and qualifications of teachers.

On July 1, 2023, Columbus Collegiate Academy, Columbus Collegiate Academy West, and United Preparatory Academy East merged with the School.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the School have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental nonprofit organizations. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the School's accounting policies are described below.

Basis of Presentation

The School's basic financial statements consist of a statement of net position, a statement of revenues, expenses and changes in net position, and a statement of cash flows. Enterprise fund reporting focuses on the determination of the change in net position, financial position and cash flows.

Measurement Focus

Enterprise accounting uses a flow of economic resources measurement focus. With this measurement focus, all assets and deferred outflows of resources and all liabilities and deferred inflows of resources are included on the statement of net position. The statement of revenues, expenses and changes in net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position.

The statement of cash flows provides information about how the School finances and meets the cash flow needs of its enterprise activities.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. The School's financial statements are prepared using the accrual basis of accounting.

Revenue resulting from exchange transactions, in which each part gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place.

Non-exchange transactions, in which the School receives value without directly giving equal value in return, include grants, entitlements, and donations. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the School must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School on a reimbursement basis.

Expenses are recognized at the time they are incurred.

Budgetary Process

Community schools are statutorily required to adopt a budget by Ohio Revised Code 3314.032(C). However, unlike traditional public schools located in the State of Ohio, community schools are not required to follow the specific budgetary process and limits set forth in the Ohio Revised Code Chapter 5705, unless specifically provided in the contract between the School and its Sponsor. The contract between the School and its Sponsor does not require the School to follow the provisions Ohio Revised Code Chapter 5705; therefore, no budgetary information is presented in the basic financial statements.

Capital Assets

Capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition value as of the date received. The School maintains a capitalization threshold of five hundred dollars. The School does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

Depreciation is computed using the straight-line method over the following useful lives:

Building and Improvements 25 years
Furniture, Fixtures, and Equipment 3-5 years

The School is reporting intangible right to use assets related to leased equipment. These intangible assets are being amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

Cash and Cash Equivalents

All monies received by the School are maintained in a demand deposit account. For internal accounting purposes, the School segregates its cash into separate funds.

During the fiscal year, the School invested in STAR Ohio (the State Treasury Asset Reserve of Ohio). STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company. In accordance with Governmental Accounting Standards Board (GASB) Statement No. 79, "Certain External Investment Pools and Pool Participants", the School measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis, which approximates fair value.

For the fiscal year 2024, there were no limitation or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding $100 million. STAR Ohio reserves the right to limit the transaction to $250 million, requiring the excess amount to be transacted the following business day(s), but only to the $250 million limit. All accounts of the participant will be combined for these purposes.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond fiscal year-end are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of purchase and an expense is reported in the year which services are consumed.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then. For the School, deferred outflows of resources are reported on the statement of net position for pensions and other postemployment benefits (OPEB). These deferred outflows of resources related to pensions and OPEB are explained in Note 8 and Note 9.

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. This deferred inflow of resources related to pension and OPEB are explained in Note 8 and Note 9.

Accrued Liabilities Payable

The School has recognized certain liabilities on its statement of net position relating to expenses, which are due but unpaid as of fiscal year-end, including:

> Accounts Payable – payments due for services or goods that were rendered or received during fiscal year 2024.

Accrued Wages and Benefits Payable – salary and benefit payments made after year-end to instructional and support staff for services rendered prior to the end of June, but whose payroll continues into the summer months based on the fiscal year 2024 contract.

Intergovernmental Payable – payments made after year-end for the Schools' share of retirement contributions and Medicare associated with services rendered during the fiscal year.

Compensated Absences

Vacation and sick leave benefits are not carried forward to future fiscal years. The School does not pay sick leave benefits upon termination or retirement.

Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation/amortization, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvements of those assets. The School applies restricted resources first when an expense is incurred for purposes which both restricted and unrestricted net position is available.

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activities. For the School, these revenues are primarily foundation and related payments from the State. Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the School. Revenues and expenses not meeting this definition are reported as non-operating.

Estimates

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

Pensions and Other Postemployment Benefits (OPEB)

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

Change in Accounting Principles and Restatement of Net Position

During the fiscal year, the School implemented the following Governmental Accounting Standards Board (GASB) Statements and Guides:

GASB Statement No. 100, Accounting Change and Error Corrections – an Amendment of GASB Statement No. 62. GASB 100 will improve the clarity of the accounting and financial reporting requirements for accounting changes and error corrections, which will result in greater consistency in application in practice. In turn, more understandable, reliable, relevant, consistent, and comparable information will be provided to financial statement users for making decisions or assessing accountability. In addition, the display and note disclosure requirements will result in more consistent, decision useful, understandable, and comprehensive information for users about accounting changes and error corrections. The implementation of the GASB pronouncement did not have any impact on beginning net position or fund balance.

On July 1, 2023, Columbus Collegiate Academy, Columbus Collegiate Academy West, and United Preparatory Academy East merged with the School, as detailed in Note 15 to the basic financial statements. In accordance with GASB Statement No. 69, the net positions of Columbus Collegiate Academy, Columbus Collegiate Academy West, and United Preparatory Academy East at June 30, 2023, is reflected as a restatement to the beginning net position of United Schools Columbus as a result of the government merger. A net position restatement is required as a result of the government merger and the net position at July 1, 2023, has been restated as follows:

Net Position July 1, 2023	$ 3,604,249
Adjustments:	
Current Assets	7,441,766
Noncurrent Assets	6,250,874
Total deferred outflows of resources	3,194,310
Current liabilities	(1,165,750)
Long-term liabilities	(7,881,234)
Total deferred inflows of resources	(1,778,817)
Total Net Position	6,061,149
Restated Net Position July 1, 2023	$ 9,665,398

In addition to the above, the cash as reported on the statement of cash flows has been restated to $8,063,682 as a result of the merger with Columbus Collegiate Academy, Columbus Collegiate Academy West, and United Preparatory Academy East.

NOTE 3 – DEPOSITS

Custodial credit risk for deposits is the risk that, in the event of bank failure, the School will not be able to recover deposits or collateral securities that are in the possession of an outside party. At June 30, 2024, the bank balance was $420,754. Of the School's bank balance, $309,842 was covered by the Federal Depository Insurance Corporation (FDIC) and the remaining balance was uninsured and uncollateralized.

Investments of the School as of June 30, 2024 were as follows:

Investment Type	Net Asset Value	Investment Maturities 6 months or less
STAR Ohio	$ 11,415,694	$ 11,415,694

The School categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs. As of June 30, 2024, the School does not have any fair value investments.

In accordance with GASB Statement No. 79, the School's investment in STAR Ohio is reported at amortized cost. For the fiscal year ended June 30, 2024, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. The weighted average of maturity of the portfolio held by STAR Ohio as of June 30, 2024, is 46.5 days and carries a rating of AAAm by S&P Global Ratings.

Interest Rate Risk: The School's investment policy follows State statute, which requires that an investment mature within five years from the date of purchase, unless matched to a specific obligation or debt of the School, and that an investment must be purchased with the expectation that it will be held to maturity.

Credit Risk: The School's investment policy limits investments to those authorized by State statute.

NOTE 4 - RECEIVABLES

Receivables at June 30, 2024, consisted of accounts receivables, and intergovernmental receivables arising from state and federal grants, overpayment of foundation payments and pension. All receivables are considered collectible in full.

NOTE 5 – CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2024 was as follows:

	Restated Beginning Balance	Additions	Deletions	Ending Balance
Capital Assets, Not Being Depreciated/Amortized				
Land	$ 235,389			$ 235,389
Construction in Progress	-	105,238	-	105,238
Total Capital Assets, Not Being Depreciated/Amortized	235,389	105,238	-	340,627
Capital Assets, Being Depreciated/Amortized				
Land Improvements	64,106	5,863		69,969
Buildings and Building Improvements	10,301,062	67,500	-	10,368,562
Furniture, Fixtures, and Equipment	1,561,052	181,833	-	1,742,885
Intangible Right to Use, Equipment	306,540	62,743	(232,200)	137,083
Total Capital Assets, Being Depreciated/Amortized	12,232,760	317,939	(232,200)	12,318,499
Less Accumulated Depreciation/Amortization				
Land Improvements	(43,770)	(5,811)		(49,581)
Buildings and Building Improvements	(1,831,273)	(413,379)	-	(2,244,652)
Furniture, Fixtures, and Equipment	(1,063,124)	(141,235)	-	(1,204,359)
Intangible Right to Use, Equipment	(284,238)	(23,234)	232,200	(75,272)
Total Accumulated Depreciation/Amortization	(3,222,405)	(583,659)	232,200	(3,573,864)
Total Capital Assets, Being Depreciated/Amortized, Net	9,010,355	(265,720)	-	8,744,635
Total Capital Assets, Net	$ 9,245,744	$ (160,482)	$ -	$ 9,085,262

NOTE 6 – LONG-TERM OBLIGATIONS

	Restated Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Net Pension Liability	$ 9,885,926	$ 108,988	$ -	$ 9,994,914	$ -
Net OPEB Liability	496,448	208,292	-	704,740	-
Leases Payable	16,107	61,550	(21,333)	56,324	12,814
Building Loan - Direct Borrowing	476,224	-	(476,224)	-	-
Total Long-Term Obligations	$ 10,874,705	$ 378,830	$ (497,557)	$ 10,755,978	$ 12,814

Leases Payable The School has outstanding agreements to lease copiers. The term of the lease was 60 months and commenced in November 2028.

A summary of principal amounts for the remaining lease is as follows:

Year Ended	Principal	Interest	Totals
2025	$ 12,814	$ 2,741	$ 15,555
2026	12,228	2,088	14,316
2027	12,918	1,398	14,316
2028	13,647	669	14,316
2029	4,717	54	4,771
Total	$ 56,324	$ 6,950	$ 63,274

NOTE 7 – RISK MANAGEMENT

Property and Liability Insurance

The School is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2024, the School contracted for general liability, property insurance, educational errors and omissions insurance. Settlement claims have not exceeded commercial coverage in the past year. There have been no significant reductions of coverage from the prior year.

Worker's Compensation

The School pays the State Worker's Compensation System a premium for employee injury coverage. The premium is calculated by multiplying the annual total gross payroll by a factor that is calculated by the State.

NOTE 8 - DEFINED BENEFIT PENSION PLANS

Net Pension Liability

The net pension liability reported on the Statement of Net Position represents a liability to employees for pensions. Pensions are a component of exchange transactions-–between an employer and its employees—of salaries and benefits for employee services. Pensions are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net pension liability represents the School's proportionate share of each pension plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan's fiduciary net position. The net pension liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost-of-living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

The Ohio Revised Code limits the School's obligation for this liability to annually required payments. The School cannot control benefit terms or the manner in which pensions are financed; however, the School does receive the benefit of employees' services in exchange for compensation including pension.

GASB 68 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

The proportionate share of each plan's unfunded benefits is presented as a long-term *net pension liability* on the accrual basis of accounting. Any liability for the contractually-required pension contribution outstanding at the end of the year is included in *accrued wages and benefits*.

Plan Description - School Employees Retirement System (SERS)

Plan Description –School non-teaching employees participate in SERS, a cost-sharing, multiple-employer defined benefit pension plan administered by SERS. SERS provides retirement, disability, and survivor benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries.

Authority to establish and amend benefits is provided by Ohio Revised Code Chapter 3309. SERS issues a publicly available, stand-alone financial report that includes financial statements, required supplementary information, and detailed information about SERS' fiduciary net position. That report can be obtained by visiting the SERS website at www.ohsers.org under Employers/Audit Resources.

Age and service requirements for retirement are as follows:

	Eligible to Retire on or before August 1, 2017 *	Eligible to Retire on or after August 1, 2017
Full Benefits	Any age with 30 years of service credit	Age 67 with 10 years of service credit; or Age 57 with 30 years of service credit
Actuarially Reduced Benefits	Age 60 with 5 years of service credit Age 55 with 25 years of service credit	Age 62 with 10 years of service credit; or Age 60 with 25 years of service credit

* Members with 25 years of service credit as of August 1, 2017, will be included in this plan.

Annual retirement benefits are calculated based on final average salary multiplied by a percentage that varies based on years of service; 2.2 percent for the first thirty years of service and 2.5 percent for years of service credit over 30. Final average salary is the average of the highest three years of salary.

An individual whose benefit effective date is before April 1, 2018, is eligible for a cost-of-living adjustment (COLA) on the first anniversary date of the benefit. New benefit recipients must wait until the fourth anniversary of their benefit for COLA eligibility. The COLA is added each year to the base benefit amount on the anniversary date of the benefit. The COLA is indexed to the percentage increase in the CPI-W, not to exceed 2.5% and with a floor of 0.0%. A three-year COLA suspension was in effect for all benefit recipients for calendar years 2018, 2019, and 2020. The Retirement Board approved a 2.5% COLA for calendar year 2023 and 2024.

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the School is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2024, the allocation to pension, death benefits, and Medicare B was the entire 14.0 percent.

The School's contractually required contribution to SERS was $296,859 for fiscal year 2024. Of this amount $1,073 is reported as accrued wages and benefits payable.

Plan Description - State Teachers Retirement System (STRS)

Plan Description –School licensed teachers and other faculty members participate in STRS Ohio, a cost-sharing, multiple-employer public employee retirement system administered by STRS. STRS provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS issues a stand-alone financial report that includes financial statements, required supplementary information, and detailed information about STRS' fiduciary net position. That report can be obtained by writing to STRS, 275 E. Broad St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS Web site at www.strsoh.org.

New members have a choice of three retirement plans; a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan, and a Combined Plan. Benefits are established by Ohio Revised Code Chapter 3307.

The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation is 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of service. Eligibility changes will be phased in until August 1, 2023, when retirement eligibility for unreduced benefits will be five years of service credit and age 65, or 34 years of service credit at any age. Eligibility changes for DB plan members who retire with actuarially reduced benefits will be phased in until August 1, 2023 when retirement eligibility will be five years of qualifying service credit and age 60, or 30 years of service credit regardless of age.

The DC Plan allows members to place all of their member contributions and 11.09 percent of the 14 percent employer contributions into an investment account. Investment allocation decisions are determined by the member. The remaining 2.91 percent of the 14 percent employer rate is allocated to the defined benefit unfunded liability. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal.

The Combined Plan offers features of both the DB Plan and the DC Plan. In the Combined Plan, 12.0 of the 14.0 percent member rates goes to the DC Plan and the remaining 2.0 percent goes to the DB plan. Member contributions to the DC plan are allocated among investment choices by the member, and contributions to the DB plan from the employer and the member are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60 with five years of services. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity after termination of employment at age 50 or later.

New members who choose the DC plan or Combined Plan will have another opportunity to reselect a permanent plan during their fifth year of membership. Members may remain in the same plan or transfer to another STRS plan. The optional annuitization of a member's defined contribution account or the defined contribution portion of a member's Combined Plan account to a lifetime benefit results in STRS bearing the risk of investment gain or loss on the account. STRS has therefore included all three plan options in the GASB 68 schedules of employer allocation and pension amounts by employer.

A DB or Combined Plan member with five or more years of credited service who is determined to be disabled may qualify for a disability benefit. Eligible survivors of members who die before service retirement may qualify for monthly benefits. New members on or after July 1, 2013, must have at least ten years of qualifying service credit that apply for disability benefits. Members in the DC Plan who become disabled are entitled only to their account balance. If a member of the DC Plan dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

Funding Policy – Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. For the fiscal year ended June 30, 2024, plan members were required to contribute 14 percent of their annual covered salary. The School was required to contribute 14 percent; the entire 14 percent was the portion used to fund pension obligations. The fiscal year 2024 contribution rates were equal to the statutory maximum rates.

The School's contractually required contributions to STRS was $628,877 for fiscal year 2024. Of this amount $37,337 is reported as accrued wages and benefits payable.

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

The 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 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 to the pension plan relative to the contributions of all participating entities.

Following is information related to the proportionate share and pension expense:

	SERS	STRS	Total
Proportion of the Net Pension Liability Prior Measurement Date *	0.0363551%	0.03562533%	
Proportion of the Net Pension Liability Current Measurement Date *	0.0444842%	0.03499863%	
Change in Proportionate Share	0.0081291%	-0.00062670%	
Proportionate Share of the Net Pension Liability	$ 2,457,981	$ 7,536,933	$ 9,994,914
Pension Expense	$ 482,532	$ 981,159	$ 1,463,691

* Includes Columbus Collegiate Academy, Columbus Collegiate Academy West, and United Preparatory Academy East School's proportionate share to reflect government merger.

At June 30, 2024, the School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	SERS	STRS	Total
Deferred Outflows of Resources			
Differences between expected and actual experience	$ 105,649	$ 274,782	$ 380,431
Changes of assumptions	17,411	620,706	638,117
Changes in proportion and differences between contributions and proportionate share of contributions	392,124	609,392	1,001,516
School contributions subsequent to the measurement date	296,859	628,877	925,736
Total Deferred Outflows of Resources	$ 812,043	$ 2,133,757	$ 2,945,800
Deferred Inflows of Resources			
Differences between expected and actual experience	$ -	$ 16,726	$ 16,726
Changes of assumptions	-	467,214	467,214
Net difference between projected and actual earnings on pension plan investments	34,551	22,590	57,141
Changes in proportion and differences between contributions and proportionate share of contributions	3,564	283,489	287,053
Total Deferred Inflows of Resources	$ 38,115	$ 790,019	$ 828,134

$925,736 reported as deferred outflows of resources related to pension resulting from School contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2025	$ 208,895	$ 173,375	$ 382,270
2026	24,886	(99,566)	(74,680)
Total	$ 477,069	$ 714,861	$ 1,191,930

Actuarial Assumptions - SERS

SERS' total pension liability was determined by their actuaries in accordance with GASB Statement No. 67 as part of their annual actuarial valuation for each defined benefit retirement plan. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts (e.g., salaries, credited service) and assumptions about the probability of occurrence of events far into the future (e.g., mortality, disabilities, retirements, employment termination). Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations. Future benefits for all current plan members were projected through 2137.

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee's entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2023, are presented below:

Wage Inflation	2.40 percent
Future Salary Increases, including inflation	3.25 percent to 13.58 percent
COLA or Ad Hoc COLA	2.0 percent, on and after April 1, 2018, COLA's for future retirees will be delayed for three years following commencement
Investment Rate of Return	7.00 percent net of investment expenses
Actuarial Cost Method	Entry Age Normal

Mortality rates were based on the PUB-2010 General Employee Amount Weight Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20% for males and set forward 2 years and adjusted 81.35% for females. Mortality among disable members were based upon the PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3% for males and set forward 3 years and adjusted 106.8% for females. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.

The most recent experience study was completed June 30, 2020.

The long-term return expectation for the Pension Plan Investments has been determined using a building-block approach and assumes a time horizon, as defined in SERS' *Statement of Investment Policy*. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	2.00 %	0.75 %
US Equity	24.75	4.82
Non-US Equity Developed	13.50	5.19
Non-US Equity Emerging	6.75	5.98
Fixed Income/Global Bonds	19.00	2.24
Private Equity	12.00	7.49
Real Estate/Real Assets	17.00	3.70
Private Debt/Private Credit	5.00	5.64
Total	100.00 %	

Discount Rate The total pension liability was calculated using the discount rate of 7.00 percent. The projection of cash flows used to determine the discount rate assumed that employers would contribute the actuarially determined contribution rate of projected compensation over the remaining 21-year amortization period of the unfunded actuarial accrued liability. The actuarially determined rate of fiscal year 2023 was 14 percent. Projected inflows from investment earning were calculated using the long-term assumed investment rate of return (7.00 percent). Based on those assumptions, the plan's fiduciary net position was projected to be available to make all 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 benefits to determine the total pension liability. The annual money weighted rate of return, calculated as the internal rate of return on pension plan investments, for fiscal year 2023 was 6.90 percent.

Sensitivity of the School's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.00 percent, as well as what each plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00 percent), or one percentage point higher (8.00 percent) than the current rate.

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
School's proportionate share of the net pension liability	$ 3,627,855	$ 2,457,981	$ 14,725,856

Actuarial Assumptions - STRS

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the July 1, 2023 actuarial valuation.

Inflation	2.50 percent
Projected salary increases	Varies by service from 2.5% to 8.5%
Investment Rate of Return	7.00 percent, net of investment expenses, including inflation
Discount Rate of Return	7.00 percent
Payroll Increases	3 percent
Cost-of-Living Adjustments	0.0 percent

Post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110% for males, projected forward generationally using mortality improvement scale MP-2020. Pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95% for females, projected forward generationally using mortality improvement scale MP-2020. Post-retirement disabled mortality rates are based on Pub-2010 Teachers Disable Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

Actuarial assumptions used in the June 30, 2023 valuation are based on the results of an actuarial experience study for the period July 1, 2015 through June 30, 2021. STRS Ohio's investment consultant develops an estimate range for the investment return assumption based on the target allocation adopted by the Retirement Board. The target allocation and long-term expected rate of return for each major asset class are summarized as follows:

Asset Class	Target Allocation *	Long-Term Expected Real Rate of Return **
Domestic Equity	26.00 %	6.60 %
International Equity	22.00	6.80
Alternatives	19.00	7.38
Fixed Income	22.00	1.75
Real Estate	10.00	5.75
Liquidity Reserves	1.00	1.00
Total	100.00 %	

* Final target weights reflected at October 1, 2022.

** 10-Year annualized geometric nominal returns, which include the real rate of return and inflation of 2.25% and does not include investment expenses. Over a 30-year period, STRS Ohio's investment consultant indicates that the above target allocations should generate a return above the actuarial rate of return, without net value added by management.

Discount Rate The discount rate used to measure the total pension liability was 7.00 percent as of June 30, 2023. The projection of cash flows used to determine the discount rate assumes member and employer contributions will be made at the statutory contribution rates in accordance with rate increases described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Based on those assumptions, STRS' fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2023. Therefore, the long-term expected rate of return on pension plan investments of 7.00 percent was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2023.

Sensitivity of the School's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table presents the School's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.00 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 one-percentage-point lower (6.00 percent) or one-percentage-point higher (8.00 percent) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
School's proportionate share of the net pension liability	$ 11,590,135	$ 7,536,933	$ 4,109,033

NOTE 9 - DEFINED BENEFIT OPEB PLANS

Net OPEB Liability/Asset

The net OPEB liability and net OPEB asset reported on the statement of net position represents a liability or asset to employees for OPEB. OPEB is a component of exchange transactions-–between an employer and its employees—of salaries and benefits for employee services. OPEB are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for OPEB is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net OPEB liability and net OPEB asset represent the School School's proportionate share of each OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each OPEB plan's fiduciary net position. The net OPEB liability and net OPEB asset calculations are dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost-of-living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting these estimates annually.

The Ohio Revised Code limits the School School's obligation for this liability to annually required payments. The School cannot control benefit terms or the manner in which OPEB are financed; however, the School does receive the benefit of employees' services in exchange for compensation including OPEB.

GASB 75 assumes the liability is solely the obligation of the employer, because they benefit from employee services. OPEB contributions come from these employers and health care plan enrollees which pay a portion of the health care costs in the form of a monthly premium. The Ohio Revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. Any change to benefits or funding could significantly affect the net OPEB liability and net OPEB asset. Resulting adjustments to the net OPEB liability and net OPEB asset would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The proportionate share of each plan's unfunded benefits is presented as a long-term *net OPEB liability* on the accrual basis of accounting. Any liability for the contractually-required OPEB contribution outstanding at the end of the year is included in accrued wages and benefits.

Plan Description - School Employees Retirement System (SERS)

Health Care Plan Description - The School contributes to the SERS Health Care Fund, administered by SERS for non-certificated retirees and their beneficiaries. For GASB 75 purposes, this plan is considered a cost-sharing other postemployment benefit (OPEB) plan. SERS' Health Care Plan provides healthcare benefits to eligible individuals receiving retirement, disability, and survivor benefits, and to their eligible dependents. Members who retire after June 1, 1986, need 10 years of service credit, exclusive of most types of purchased credit, to qualify to participate in SERS' health care coverage. In addition to age and service retirees, disability benefit recipients and beneficiaries who are receiving monthly benefits due to the death of a member or retiree, are eligible for SERS' health care coverage. Most retirees and dependents choosing SERS' health care coverage are over the age of 65 and therefore enrolled in a fully insured Medicare Advantage plan; however, SERS maintains a traditional, self-insured preferred provider organization for its non-Medicare retiree population. For both groups, SERS offers a self-insured prescription drug program. Health care is a benefit that is permitted, not mandated, by statute. The financial report of the Plan is included in the SERS Annual Comprehensive Financial Report which can be obtained on SERS' website at www.ohsers.org under Employers/Audit Resources.

Access to health care for retirees and beneficiaries is permitted in accordance with Section 3309 of the Ohio Revised Code. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). SERS' Retirement Board reserves the right to change or discontinue any health plan or program. Active employee members do not contribute to the Health Care Plan. The SERS Retirement Board established the rules for the premiums paid by the retirees for health care coverage for themselves and their dependents or for their surviving beneficiaries. Premiums vary depending on the plan selected, qualified years of service, Medicare eligibility, and retirement status.

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund in accordance with the funding policy. For fiscal year 2024, there was no contribution made to health care. A health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated if less than a full year of service credit was earned. For fiscal year 2024, this amount was $30,000. Statutes provide that no employer shall pay a health care surcharge greater than 2 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS-covered payroll for the health care surcharge.

The surcharge, is the total amount assigned to the Health Care Fund. The School's contractually required contribution to SERS was $9,408 for fiscal year 2024. All of this amount is reported as accrued wages and benefits payable.

Plan Description - State Teachers Retirement System (STRS)

The State Teachers Retirement System of Ohio (STRS) administers a cost-sharing Health Plan administered for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS. Ohio law authorizes STRS to offer this plan. Benefits include hospitalization, physicians' fees, prescription drugs and partial reimbursement of monthly Medicare Part B premiums. Medicare Part B monthly reimbursement elimination date was postponed indefinitely. The Plan is included in the report of STRS which can be obtained by visiting www.strsoh.org or by calling (888) 227-7877.

Funding Policy – Ohio Revised Code Chapter 3307 authorizes STRS to offer the Plan and gives the Retirement Board discretionary authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the Health Care Plan. Nearly all health care plan enrollees, for the most recent year, pay a portion of the health care costs in the form of a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions, currently 14 percent of covered payroll. For the fiscal year ended June 30, 2024, STRS did not allocate any employer contributions to post-employment health care.

OPEB Liability (Asset), OPEB Expense, and Deferred Outflows/Inflows of Resources Related to OPEB

The net OPEB liability and net OPEB asset were measured as of June 30, 2023, and the total OPEB liability and asset used to calculate the net OPEB liability and net OPEB asset were determined by an actuarial valuation as of that date. The School's proportion of the net OPEB liability and net OPEB asset were based on the School 's share of contributions to the respective retirement systems relative to the contributions of all participating entities.

Following is information related to the proportionate share and OPEB expense:

	SERS	STRS	Total
Proportion of the Net OPEB Liability/asset Prior Measurement Date *	0.0353593%	0.03562533%	
Proportion of the Net OPEB Liability/asset Current Measurement Date *	0.0427778%	0.03498963%	
Change in Proportionate Share	0.0074185%	-0.00063570%	
Proportionate Share of the Net OPEB Liability	$ 704,740	$ -	$ 704,740
Proportionate Share of the Net OPEB Asset	$ -	$ (680,500)	$ (680,500)
OPEB Expense	$ 43,415	$ 8,288	$ 51,703

* Includes Columbus Collegiate Academy, Columbus Collegiate Academy West, and United Preparatory Academy East School's proportionate share to reflect government merger.

At June 30, 2024, the School reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	SERS	STRS	Total
Deferred Outflows of Resources			
Differences between expected and actual experience	$ 1,467	$ 1,060	$ 2,527
Changes of assumptions	238,293	100,248	338,541
Net difference between projected and actual earnings on OPEB plan investments	5,461	1,214	6,675
Changes in proportion and differences between contributions and proportionate share of contributions	336,420	38,849	375,269
School contributions subsequent to the measurement date	9,408	-	9,408
Total Deferred Outflows of Resources	$ 591,049	$ 141,371	$ 732,420
Deferred Inflows of Resources			
Differences between expected and actual experience	$ 363,457	$ 103,795	$ 467,252
Changes of assumptions	200,154	448,984	649,138
Changes in proportion and differences between contributions and proportionate share of contributions	32,558	5,880	38,438
Total Deferred Inflows of Resources	$ 596,169	$ 558,659	$ 1,154,828

$9,408 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 or an increase to the net OPEB asset in the year ending 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:

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2025	$ (36,822)	$ (170,048)	$ (206,870)
2026	(47,178)	(91,247)	(138,425)
2027	(14,738)	(33,754)	(48,492)
2028	4,381	(46,732)	(42,351)
2029	5,258	(43,062)	(37,804)
Thereafter	74,571	(32,445)	42,126
Total	$ (14,528)	$ (417,288)	$ (431,816)

Actuarial Assumptions - SERS

The total OPEB liability is determined by SERS' actuaries in accordance with GASB Statement No. 74, as part of their annual actuarial valuation for each retirement plan. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts (e.g., salaries, credited service) and assumptions about the probability of occurrence of events far into the future (e.g., mortality, disabilities, retirements, employment terminations). Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee's entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases, actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

Key methods and assumptions used in calculating the total OPEB liability in the latest actuarial valuation date of June 30, 2023, are presented below:

Wage Inflation	2.40 percent
Future Salary Increases, including inflation	3.25 percent to 13.58 percent
Investment Rate of Return	7.00 percent net of investments expense, including inflation
Municipal Bond Index Rate:	
Measurement Date	3.86 percent
Prior Measurement Date	3.69 percent
Single Equivalent Interest Rate, net of plan investment expense, including price inflation	
Measurement Date	4.27 percent
Prior Measurement Date	4.08 percent
Medical Trend Assumption	
Measurement Date	6.75 to 4.40 percent
Prior Measurement Date	7.00 to 4.40 percent

Base Mortality: Healthy Retirees - PUB-2010 General Employee Amount Weighted Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20% for males and set forward 2 years and adjusted 81.35% for females. Disabled Retirees - PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3% for males and set forward 3 years and adjusted 106.8% for females. Contingent Survivors - PUB-2010 General Amount Weighted Below Median Contingent Survivor mortality table projected to 2017 with ages set forward 1 year and adjusted 105.5% for males and adjusted 122.5% for females. Actives - PUB-2010 General Amount Weighted Below Median Employee mortality table.

The most recent experience study was completed for the five-year period ended June 30, 2020.

The long-term expected rate of return on plan assets is reviewed as part of the actuarial five-year experience study. The most recent study covers fiscal years 2015 through 2020, and was adopted by the Board in 2021. Several factors are considered in evaluating the long-term rate of return assumption including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return, 7.00 percent, by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The capital market assumptions developed by the investment consultant are intended for use over a 10-year horizon and may not be useful in setting the long-term rate of return for funding pension plans which covers a longer timeframe. The assumption is intended to be a long-term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

The target asset allocation and best estimates of arithmetic real rates of return for each major asset class, as used in the June 30, 2020 five-year experience study, are summarized as follows:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	2.00 %	0.79 %
US Equity	24.75	4.82
Non-US Equity Developed	13.50	5.19
Non-US Equity Emerging	6.75	5.98
Fixed Income/Global Bonds	19.00	2.24
Private Equity	12.00	7.49
Real Estate/Real Assets	17.00	3.70
Private Debt/Private Credit	5.00	5.64

Discount Rate The discount rate used to measure the total OPEB liability at June 30, 2023 was 4.27 percent. The discount rate used to measure total OPEB liability prior to June 30, 2023 was 4.08 percent. The projection of cash flows used to determine the discount rate assumed that contributions will be made from members and the System at the state statute contribution rate of 1.50 percent of projected covered employee payroll each year, which includes a 1.50 percent payroll surcharge and no contributions from the basic benefits plan. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be depleted in 2048 by SERS' actuaries. The Fidelity General Obligation 20-year Municipal Bond Index Rate was used in the determination for the SEIR for both the June 30, 2022 and the June 30, 2023 total OPEB liability. The Municipal Bond Index rate is the single rate that will generate a present value of benefit payments equal to the sum of the present value determined by the long-term expected rate of return, and the present value determined by discounting those benefits after the date of depletion. The Municipal Bond Index rate is 3.86 % at June 30, 2023 and 3.69 % at June 30, 2022.

Sensitivity of the School's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and Changes in the Health Care Cost Trend Rates The net OPEB liability is sensitive to changes in the discount rate and the health care cost trend rate. The following table presents the net OPEB liability of SERS, what SERS' net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.27%) and higher (5.27%) than the current discount rate (4.27%). Also shown is what SERS' net OPEB liability would be based on health care cost trend rates that are 1 percentage point lower (5.75% decreasing to 3.40%) and higher (7.75% decreasing to 5.40%) than the current rate (6.75% decreasing to 4.40%)

	1% Decrease (3.27%)	Current Discount Rate (4.27%)	1% Increase (5.27%)
School's proportionate share of the net OPEB liability	$ 517,749	$ 704,740	$ 952,531

	1% Decrease (6.00 % decreasing to 3.40%)	Current Trend Rate (7.00 % decreasing to 4.40%)	1% Increase (8.00 % decreasing to 5.40%)
School's proportionate share of the net OPEB liability	$ 550,093	$ 704,740	$ 900,860

Actuarial Assumptions – STRS

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the June 30, 2023, actuarial valuation is presented below:

Projected salary increases	Varies by service from 2.5 percent to 8.5 percent	
Investment Rate of Return	7.00 percent, net of investment expenses, including inflation	
Payroll Increases	3 percent	
Cost-of-Living Adjustments	0 percent	
Discount Rate of Return	7.00 percent	
Health Care Cost Trends	Initial	Ultimate
Medical		
Pre-Medicare	7.50 percent	4.14 percent
Medicare	-10.94 percent	4.14 percent
Prescription Drug		
Pre-Medicare	-11.95 percent	4.14 percent
Medicare	1.33 percent	4.14 percent

Projections of benefits include the historical pattern of sharing benefit costs between the employers and retired plan members.

For healthy retirees the post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110% for males, projected forward generationally using mortality improvement scale MP-2020; pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95% for females, projected forward generationally using mortality improvement scale MP-2020. For disabled retirees, mortality rates are based on the Pub-2010 Teachers Disabled Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

Actuarial assumptions used in the June 30, 2023 valuation is based on the results of an actuarial experience study for the period July 1, 2015 through June 30, 2021.

STRS' investment consultant develops an estimate range for the investment return assumption based on the target allocation adopted by the Retirement Board. The target allocation and long-term expected rate of return for each major asset class are summarized as follows:

Asset Class	Target Allocation *	Long-Term Expected Rate of Return **
Domestic Equity	26.00 %	6.60 %
International Equity	22.00	6.80
Alternatives	19.00	7.38
Fixed Income	22.00	1.75
Real Estate	10.00	5.75
Liquidity Reserves	1.00	1.00
Total	100.00 %	

* Final Target weights reflected at October 1, 2022

** 10 year annualized geometric nominal returns, which include the real rate of return and inflation of 2.25 percent and does not include investment expenses. Over a 30-year period, STRS' investment consultant indicates that the above target allocations should

Discount Rate The discount rate used to measure the total OPEB asset was 7.00 percent as of June 30, 2023. The projection of cash flows used to determine the discount rate assumes STRS Ohio continues to allocate no employer contributions to the health care fund. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on health care plan investments of 7.00 percent was used to measure the total OPEB asset as of June 30, 2023.

Sensitivity of the School's Proportionate Share of the Net OPEB Asset to Changes in the Discount and Health Care Cost Trend Rate The following table represents the net OPEB asset as of June 30, 2023, calculated using the current period discount rate assumption of 7.00 percent, as well as what the net OPEB asset would be if it were calculated using a discount rate that is one percentage point lower (6.00 percent) or one percentage point higher (8.00 percent) than the current assumption. Also shown is the net OPEB asset as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current health care cost trend rates.

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
School's proportionate share of the net OPEB (asset)	$ (575,954)	$ (680,500)	$ (771,548)

	1% Decrease	Current Trend Rate	1% Increase
School's proportionate share of the net OPEB (asset)	$ (775,773)	$ (680,500)	$ (565,745)

NOTE 10 – EMPLOYEE BENEFITS

Insurance Benefits

The School has purchased insurance to provide employee medical/surgical, dental, life, vision and short-term disability benefits.

NOTE 11 – PURCHASED SERVICES

During the fiscal year ended June 30, 2024, other purchased service expenses for services rendered by various vendors were as follows:

Other Professional and Technical Services	$ 513,339
Garbage Removal and Cleaning	26,818
Repairs and Maintenance Services	686,038
Rentals	73,242
Property Services	2,489
Utilities	85,432
Contracted Food Services	719,184
Instructional Services	408,422
Health Services	555,566
Staff Services	10,061
Management Services	2,125,679
Data Processing Services	139,673
Communications	59,958
Transportation	185,194
Other Travel/Meeting Expense	2,529
Other Purchased Services	2,500
	$ 5,596,124

NOTE 12 – CONTRACTED FISCAL SERVICES

The School is a party to a fiscal services agreement with Mangen & Associates (M&A), which is an education finance consulting company. The Agreement may be terminated by either party, with or without cause, by giving the other party ninety days written notice to terminate. The Agreement provides that M&A will perform the following services:

1. Financial Management Services
2. Treasurer/Accounting Services
3. CCIP Administration

NOTE 13 - SPONSOR

The School has contracted with Thomas B. Fordham Foundation to provide sponsorship services. The School pays the Thomas B. Fordham Foundation 2 percent of monthly foundation payments. The sponsor provides oversight, monitoring, treasury and technical assistance for the School.

NOTE 14 - CONTINGENCIES

Grants

The School received financial assistance from Federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the School. The effect of any such disallowed claims on the overall financial position of the School at June 30, 2024, if applicable, cannot be determined at this time. However, in the opinion of management, and such disallowed claims will not have a material adverse effect on the overall financial position of the School at fiscal year-end.

Litigation

The School is not involved in any litigation that, in the opinion of management, would have material effect on the financial statements.

State Foundation Funding

School foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. However, there is an important nexus between attendance and enrollment for Foundation funding purposes. Community schools must provide documentation that clearly demonstrates students have participated in learning opportunities. The Ohio Department of Education and Workforce (ODEW) is legislatively required to adjust/reconcile funding as enrollment information is updated by schools throughout the State, which can extend past the fiscal year end.

Under Ohio Rev. Code Section 3314.08, ODEW may also perform a FTE Review subsequent to the fiscal year end that may result in an additional adjustment to the enrollment information as well as claw backs of Foundation funding due to a lack of evidence to support student participation and other matters of noncompliance. ODE has performed such a review on the School for fiscal year 2024.

As of the date of this report, additional ODEW adjustments for fiscal year 2024 have been finalized.

NOTE 15 – GOVERNMENT MERGER

On July 1, 2023, Columbus Collegiate Academy, Columbus Collegiate Academy West, and United Preparatory Academy East merged with the School. All the Schools transferred its net position to United Schools Columbus, and the effect of the government merger is reflected as a restatement to the beginning net position of United Schools Columbus at July 1, 2023. “See Note 2.”

REQUIRED SUPPLEMENTARY INFORMATION

United Schools Columbus
Franklin County, Ohio
Schedule of the School's Proportionate Share of the Net Pension Liability - SERS
Last Ten Fiscal Years

	2024	2023	2022	2021
School's Proportion of the Net Pension Liability	0.0444842%	0.0363551%	0.0324579%	0.0283028%
School's Proportionate Share of the Net Pension Liability	$ 2,457,981	$ 1,966,367	$ 1,197,603	$ 1,872,007
School's Covered Payroll	$ 1,753,007	$ 1,379,636	$ 1,121,050	$ 992,214
School's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	140.22%	142.53%	106.83%	188.67%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	76.06%	75.82%	82.86%	68.55%

Note: Prior years have been restated for School Merger

Amounts presented as of the School's measurement date which is the prior fiscal period end.

See accompanying notes to the required supplementary information

2020	2019	2018	2017	2016	2015
0.0293882%	0.0236331%	0.0161188%	0.0122910%	0.0084222%	0.0055900%
$ 1,758,348	$ 1,353,511	$ 963,063	$ 899,588	$ 480,579	$ 282,906
$ 1,008,400	$ 761,637	$ 541,014	$ 380,571	$ 253,505	$ 162,430
174.37%	177.71%	178.01%	236.38%	189.57%	174.17%
70.85%	71.36%	69.50%	62.98%	69.16%	71.70%

United Schools Columbus
Franklin County, Ohio
Schedule of the School's Proportionate Share of the Net Pension Liability - STRS
Last Ten Fiscal Years

	2024	2023	2022	2021
School's Proportion of the Net Pension Liability	0.03499863%	0.03562533%	0.02548690%	0.02265795%
School's Proportionate Share of the Net Pension Liability	$ 7,536,933	$ 7,919,559	$ 4,482,931	$ 7,548,919
School's Covered Payroll	$ 4,673,079	$ 4,655,779	$ 4,349,150	$ 3,312,407
School's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	161.28%	170.10%	103.08%	227.90%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	80.00%	78.90%	87.80%	75.50%

Note: Prior years have been restated for School Merger

Amounts presented as of the School's measurement date which is the prior fiscal period end.

See accompanying notes to the required supplementary information

2020	2019	2018	2017	2016	2015
0.02061925%	0.01837009%	0.01793791%	0.01688519%	0.01720460%	0.01080935%
$ 6,432,366	$ 5,763,487	$ 5,790,685	$ 7,801,653	$ 5,976,501	$ 3,567,048
$ 3,459,879	$ 2,999,250	$ 2,729,486	$ 2,522,707	$ 2,281,993	$ 1,060,645
185.91%	192.16%	212.15%	309.26%	261.90%	336.31%
77.40%	77.31%	75.29%	66.80%	72.10%	74.70%

United Schools Columbus
Franklin County, Ohio
Schedule of the School's Pension Contributions - SERS
Last Ten Fiscal Years

	2024	2023	2022	2021
Contractually Required Contribution	$ 296,859	$ 245,421	$ 193,149	$ 156,947
Contributions in Relation to the Contractually Required Contribution	(296,859)	(245,421)	(193,149)	(156,947)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -
School Covered Payroll	$ 2,120,421	$ 1,753,007	$ 1,379,636	$ 1,121,050
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%

Note: Prior years have been restated for School Merger

See accompanying notes to the required supplementary information

2020	2019	2018	2017	2016	2015
$ 138,910	$ 136,134	$ 102,821	$ 75,742	$ 53,280	$ 33,412
(138,910)	(136,134)	(102,821)	(75,742)	(53,280)	(33,412)
$ -	$ -	$ -	$ -	$ -	$ -
$ 992,214	$ 1,008,400	$ 761,637	$ 541,014	$ 380,571	$ 253,505
14.00%	13.50%	13.50%	14.00%	14.00%	13.18%

United Schools Columbus
Franklin County, Ohio
Schedule of the School's Pension Contributions - STRS
Last Ten Fiscal Years

	2024	2023	2022	2021
Contractually Required Contribution	$ 628,877	$ 654,231	$ 651,809	$ 608,881
Contributions in Relation to the Contractually Required Contribution	(628,877)	(654,231)	(651,809)	(608,881)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -
School Covered Payroll	$ 4,491,979	$ 4,673,079	$ 4,655,779	$ 4,349,150
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%

Note: Prior years have been restated for School Merger

See accompanying notes to the required supplementary information

2020		2019		2018		2017		2016		2015
$ 463,737		$ 484,383		$ 419,895		$ 382,128		$ 353,179		$ 319,479
(463,737)		(484,383)		(419,895)		(382,128)		(353,179)		(319,479)
$ -		$ -		$ -		$ -		$ -		$ -
$ 3,312,407		$ 3,459,879		$ 2,999,250		$ 2,729,486		$ 2,522,707		$ 2,281,993
14.00%		14.00%		14.00%		14.00%		14.00%		14.00%

United Schools Columbus
Franklin County, Ohio
Schedule of the School's Proportionate Share of the Net OPEB Liability (Asset) - SERS
Last Eight Fiscal Years (1)

	2024	2023	2022
School's Proportion of the Net OPEB Liability	0.0427778%	0.7990700%	0.6400000%
School's Proportionate Share of the Net OPEB Liability	$ 704,740	$ 112,190	$ 121,129
School's Covered Payroll	$ 1,753,007	$ 1,379,636	$ 1,121,050
School's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	40.20%	8.13%	10.80%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	30.02%	30.34%	24.08%

(1) Information prior to 2017 is not available. Schedule is intended to show ten years of information, and additional information will be displayed as it becomes available.

Note: Prior years have been restated for School Merger

Amounts presented as of the School's measurement date, which is the prior fiscal year end.

See accompanying notes to the required supplementary information

2021	2020	2019	2018	2017
0.5110000%	0.5583000%	0.2782600%	0.1805400%	0.1323900%
$ 111,053	$ 140,393	$ 77,197	$ 48,452	$ 37,736
$ 992,214	$ 1,008,400	$ 761,637	$ 541,014	$ 380,571
11.19%	13.92%	10.14%	8.96%	9.92%
18.17%	15.57%	13.57%	12.46%	11.49%

United Schools Columbus
Franklin County, Ohio
Schedule of the School's Proportionate Share of the Net OPEB Liability (Asset) - STRS
Last Eight Fiscal Years (1)

	2024	2023	2022
School's Proportion of the Net OPEB Liability/Asset	0.03498963%	0.88286200%	0.95710000%
School's Proportionate Share of the Net OPEB Liability/(Asset)	$ (680,500)	$ (228,602)	$ (201,797)
School's Covered Payroll	$ 4,673,079	$ 4,655,779	$ 4,349,150
School's Proportionate Share of the Net OPEB Liability/Asset as a Percentage of its Covered Payroll	-14.56%	-4.91%	-4.64%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability/Asset	168.52%	230.73%	174.73%

(1) Information prior to 2017 is not available. Schedule is intended to show ten years of information, and additional information will be displayed as it becomes available.

Note: Prior years have been restated for School Merger

Amounts presented as of the School's measurement date, which is the prior fiscal year end.

See accompanying notes to the required supplementary information

2021	2020	2019	2018	2017
0.85410000%	0.84680000%	0.78421700%	0.64385700%	0.64221000%
$ (150,108)	$ (140,250)	$ (126,016)	$ 251,209	$ 343,456
$ 3,312,407	$ 3,459,879	$ 2,999,250	$ 2,729,486	$ 2,522,707
-4.53%	-4.05%	-4.20%	9.20%	13.61%
182.13%	174.74%	176.00%	47.11%	37.30%

United Schools Columbus
Franklin County, Ohio
Schedule of the School's OPEB Contributions - SERS
Last Nine Fiscal Years (1)

	2024	2023	2022	2021
Contractually Required Contribution (1)	$ 9,408	$ 1,420	$ 4,865	$ 2,151
Contributions in Relation to the Contractually Required Contribution	(9,408)	(1,420)	(4,865)	(2,151)
Contribution Deficiency (Excess)	-	-	-	-
School Covered Payroll	$ 2,120,421	$ 1,753,007	$ 1,379,636	$ 1,121,050
OPEB Contributions as a Percentage of Covered Payroll (1)	0.44%	0.08%	0.35%	0.19%

(1) Includes Surcharge

(2) Information prior to 2017 is not available. Schedule is intended to show ten years of information, and additional information will be displayed as it becomes available.

Note: Prior years have been restated for School Merger

See accompanying notes to the required supplementary information

2020	2019	2018	2017	2016	2015
$ 337	$ 1,841	$ 1,942	$ 456	-	$ 246
(337)	(1,841)	(1,942)	(456)	-	(246)
-	-	-	-	-	-
$ 992,214	$ 1,008,400	$ 761,637	$ 541,014	$ 380,571	$ 253,505
0.03%	0.18%	0.25%	0.08%	0.00%	0.10%

United Schools Columbus
Franklin County, Ohio
Schedule of the School's OPEB Contributions - STRS
Last Ten Fiscal Years

	2024	2023	2022	2021
Contractually Required Contribution	$ -	$ -	$ -	$ -
Contributions in Relation to the Contractually Required Contribution	-	-	-	-
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -
School Covered Payroll	$ 4,491,979	$ 4,673,079	$ 4,655,779	$ 4,349,150
Contributions as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%

Note: Prior years have been restated for School Merger

See accompanying notes to the required supplementary information

2020		2019		2018		2017		2016		2015	
$	-	$	-	$	-	$	-	$	-	$	-
	-		-		-		-		-		-
$	-	$	-	$	-	$	-	$	-	$	-
$	3,312,407	$	3,459,879	$	2,999,250	$	2,729,486	$	2,522,707	$	2,281,993
	0.00%		0.00%		0.00%		0.00%		0.00%		0.00%

Net Pension Liability

Changes of benefit terms- SERS

There were no changes in benefit terms from the amounts reported for fiscal years 2014-2017 and 2019-2024.

The following changes were made to the benefit terms in 2018 as identified: The COLA was changed from a fixed 3.00% to a COLA that is indexed to CPI-W not greater than 2.5% with a floor of 0% beginning January 1, 2018. In addition, with the authority granted the Board under HB 49, the Board has enacted a three-year COLA suspension for benefit recipients in calendar years 2018-2020.

Changes in assumptions- SERS

There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal years 2014-2016, 2018-2021, and 2024. For fiscal year 2017, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the assumed rate of inflation was reduced from 3.25% to 3.00%, (b) payroll growth assumption was reduced from 4.00% to 3.50%, (c) assumed real wage growth was reduced from 0.75% to 0.50%, (d) Rates of withdrawal, retirement and disability were updated to reflect recent experience, (e) mortality among active members was updated to RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females, (f) mortality among service retired members, and beneficiaries was updated to the following RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates and (g) mortality among disable member was updated to RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement (h) change in discount rate from 7.75% to 7.5%. For fiscal year 2022, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the assumed rate of inflation was reduced from 3.00% to 2.40%, (b) assumed real wage growth was reduced from 0.% to 0.85%, (c) Cost-of-Living-Adjustments was reduced from 2.50% to 2.00% (d) Rates of withdrawal, retirement and disability were updated to reflect recent experience, (e) mortality amount active members, service retirees and beneficiaries, and disabled members were updated (i) change in discount rate from 7.50% to 7.00%. For fiscal year 2023, Cost-of-Living-Adjustments were increased from 2.00% to 2.50%.

Changes in benefit terms – STRS

There were no changes in benefit terms from the amounts reported for fiscal years 2014-2024.

Changes in assumptions – STRS

There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal years 2014-2017, 2019-2021, and 2024. For fiscal year 2018, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) inflation assumption lowered from 2.75% to 2.50%, (b) investment return assumption lowered from 7.75% to 7.45%, (c) total salary increases rates lowered by decreasing the merit component of the individual salary increases, as well as by 0.25% due to lower inflation, (d) payroll growth assumption lowered to 3.00%, (e) updated the healthy and disable mortality assumption to the “RP-2014” mortality tables with generational improvement scale MP-2016, (f) rates of retirement, termination and disability were modified to better reflect anticipated future experience.

For fiscal year 2022, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) investment return assumption lowered from 7.45% to 7.00%, (b) discount rate of return reduced from 7.45% to 7.00%. For fiscal year 2023, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) projected salary increases changed from, 12.50% at age 20 to 2.50% at age 65, to, varies by service from 2.50% to 8.50% (b) post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110 percent for males, projected forward generationally using mortality improvement scale MP-2020. Pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95 percent for females, projected forward generationally using mortality improvement scale MP-2020. For disabled retirees, mortality rates are based on the Pub-2010 Teachers Disabled Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

Net OPEB Liability

Changes of benefit terms- SERS

There were no changes in benefit terms from the amounts reported for fiscal years 2018-2024.

Changes in Assumptions – SERS

Amounts reported for fiscal years 2018-2023 incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented below:

Municipal Bond Index Rate:	
Fiscal year 2024	3.86 percent
Fiscal year 2023	3.69 percent
Fiscal year 2022	1.92 percent
Fiscal year 2021	2.45 percent
Fiscal year 2020	3.13 percent
Fiscal year 2019	3.62 percent
Fiscal year 2018	3.56 percent
Fiscal year 2017	2.92 percent
Single Equivalent Interest Rate, net of plan investment expense, including price inflation	
Fiscal year 2024	4.27 percent
Fiscal year 2023	4.08 percent
Fiscal year 2022	2.27 percent
Fiscal year 2021	2.63 percent
Fiscal year 2020	3.22 percent
Fiscal year 2019	3.70 percent
Fiscal year 2018	3.63 percent
Fiscal year 2017	2.98 percent

Medicare Trend Assumption	
Medicare	
Fiscal year 2024	6.75 percent decreasing to 4.40 percent
Fiscal year 2023	7.00 percent decreasing to 4.40 percent
Fiscal year 2022	5.125 percent decreasing to 4.40 percent
Fiscal year 2020	5.25 percent decreasing to 4.75 percent
Fiscal year 2019	5.375 percent decreasing to 4.75 percent
Fiscal year 2018	5.50 percent decreasing to 5.00 percent
Pre – Medicare	
Fiscal year 2024	7.00 percent decreasing to 4.40 percent
Fiscal year 2023	7.00 percent decreasing to 4.40 percent
Fiscal year 2022	6.75 percent decreasing to 4.40 percent
Fiscal year 2020	7.00 percent decreasing to 4.75 percent
Fiscal year 2019	7.25 percent decreasing to 4.75 percent
Fiscal year 2018	7.50 percent decreasing to 5.00 percent

Changes in Assumptions – STRS

For fiscal year 2018, the discount rate was increased from 3.26 percent to 4.13 percent based on the methodology defined under GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB) and the long term expected rate of return was reduced from 7.75 percent to 7.45 percent. Valuation year per capita health care costs were updated, and the salary scale was modified. The percentage of future retirees electing each option was updated based on current data and the percentage of future disabled retirees and terminated vested participants electing health coverage were decreased. The assumed mortality, disability, retirement, withdrawal and future health care cost trend rates were modified along with the portion of rebated prescription drug costs.

For fiscal year 2019, the discount rate was increased from the blended rate of 4.13 percent to the long-term expected rate of return of 7.45.

For fiscal years 2020 and 2021, the health care cost trend rates were modified.

For fiscal year 2022, the discount rate was decreased from 7.45 percent to 7.00 percent. The health care cost trend rates modified.

For fiscal year 2023, projected salary increases changed from, 12.50% at age to 2.50% at age 65, to, varies by service from 2.50% to 8.50%. The health care cost trend rates were modified.

For fiscal year 2024, the following changes of assumption affected the total OPEB liability since the prior measurement date: (a) health care cost trend rates were changed to the following: Pre-Medicare from 7.50% initial - 3.94% ultimate to 7.50% initial - 4.14% ultimate; medical Medicare from -68.78% initial - 3.94% ultimate to -10.94% initial - 4.14% ultimate; prescription drug Pre-Medicare from 9.00% initial - 3.94% ultimate to -11.95% initial - 4.14% ultimate; Medicare from -5.47% initial - 3.94% ultimate to 1.33% initial - 4.14% ultimate.

Changes in Benefit Terms – STRS

For fiscal year 2018, the subsidy multiplier for non-Medicare benefit recipients was reduced from 2.1 percent to 1.9 percent per year of service. Medicare Part B premium reimbursements were discontinued for certain survivors and beneficiaries and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 2020.

For fiscal year 2019, the subsidy multiplier for non-Medicare benefit recipients was increased from 1.9 percent to 1.944 percent per year of service effective January 1, 2019. The non-Medicare frozen subsidy base premium was increased effective January 1, 2019 and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 1, 2020.

For fiscal year 2020, claims curves were trended to the fiscal year ending June 30, 2020 to reflect the current price renewals. The non-Medicare subsidy percentage was increased effective January 1, 2020 from 1.944% to 1.984 per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2020. The Medicare subsidy percentages were adjusted effective January 1,2021 to 2.1% for the Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed to January 1, 2021.

For fiscal year 2021, Claim curves were updated to reflect the projected fiscal year end 2021 premium based on June 30, 2020 enrollment distribution. The non-Medicare subsidy percentage was increased effective January 1, 2021 from 1.984% to 2.055% per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2021. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1% for the AMA Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed indefinitely.

There were no benefit term changes from the amounts reported for fiscal year 2022-2024.

UNITED SCHOOLS COLUMBUS
FRANKLIN COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

FEDERAL GRANTOR ***Pass Through Grantor*** **Program / Cluster Title**	**Federal AL Number**	**Pass Through Entity Identifying Number**	**Total Federal Expenditures**
U.S. DEPARTMENT OF AGRICULTURE			
Passed Through Ohio Department of Education			
Child Nutrition Cluster:			
School Breakfast Program	10.553	3L70	$ 215,335
National School Lunch Program	10.555	3L60	464,909
Total Child Nutrition Cluster			680,244
Total U.S. Department of Agriculture			**680,244**
U.S. DEPARTMENT OF EDUCATION			
Passed Through Ohio Department of Education			
Special Education Cluster (IDEA)			
Special Education Grants to States	84.027	3M20	85,548
ARP IDEA	84.027X	n/a	15,112
Total Special Education Cluster (IDEA)			100,660
Supporting Effective Instruction State Grants	84.367	3Y60	72,895
Title I Grants to Local Educational Agencies	84.010	3M00	726,764
Student Support and Academic Enrichment Program	84.424	3HI0	55,192
Title III Language Instruction for English Learners	84.365A	FAIN: S365A230035	11,409
ESSER II - COVID-19 Elementary and Secondary School Em	84.425D	3HS0	145,328
ARP ESSER - COVID-19 Education Stabilization Fund	84.425U	3HS0	2,350,646
ARP Homeless II	84.425W	3HS0	42,102
Total ESSER			2,538,076
Total U.S. Department of Education			**3,504,996**
Total Expenditures of Federal Awards			**$ 4,185,240**

The accompanying notes are an integral part of this Schedule.

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED JUNE 30, 2024

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the United Schools Columbus (the School) under programs of the federal government for the year ended June 30, 2024. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the School, it is not intended to and does not present the financial position, changes in net position, or cash flows of the School.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

NOTE C – INDIRECT COST RATE

The School has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE D - CHILD NUTRITION CLUSTER

The School commingles cash receipts from the U.S. Department of Agriculture with similar State grants. When reporting expenditures on this Schedule, the School assumes it expends federal monies first.

Charles E. Harris & Associates, Inc.
Certified Public Accountants

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Parma, OH 44129-2550
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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*

United Schools Columbus
Franklin County
1469 East Main Street
Columbus, Ohio 43223

To the Board of Trustees:

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 United Schools Columbus, Franklin County, Ohio (the Academy), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Academy's basic financial statements, and have issued our report thereon dated December 26, 2024. We noted the merging of Columbus Collegiate Academy, Columbus Collegiate Academy West, and United Preparatory Academy East with the Academy.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Academy's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Academy's internal control. Accordingly, we do not express an opinion on the effectiveness of the Academy's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Academy's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Academy'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 Academy's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Charles E Harris Associates

Charles E. Harris & Associates, Inc.
December 26, 2024

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

United Schools Columbus
Franklin County
1469 East Main Street
Columbus, Ohio 43223

To the Board of Trustees:

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited the United Schools Columbus, Franklin County, Ohio's (the Academy) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on the Academy's major federal program for the year ended June 30, 2024. The Academy's major federal program is identified in the *Summary of Auditor's Results* section of the accompanying Schedule of Findings.

In our opinion, the Academy complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2024.

Basis for Opinion on the Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

We are required to be independent of the Academy and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of the Academy's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Academy's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Academy's compliance with the requirements of the major federal program as a whole.

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Academy's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the Academy's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Academy's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of this testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Charles E. Harris Associates

Charles E. Harris & Associates, Inc.
December 26, 2024

UNITED SCHOOLS COLUMBUS
FRANKLIN COUNTY

SCHEDULE OF FINDINGS
2 CFR § 200.515
JUNE 30, 2024

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	**Type of Financial Statement Opinion**	**Unmodified**
(d)(1)(ii)	**Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?**	No
(d)(1)(ii)	**Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?**	No
(d)(1)(iii)	**Was there any reported material noncompliance at the financial statement level (GAGAS)?**	No
(d)(1)(iv)	**Were there any material weaknesses in internal control reported for major federal programs?**	No
(d)(1)(iv)	**Were there any significant deficiencies in internal control reported for major federal programs?**	No
(d)(1)(v)	**Type of Major Programs' Compliance Opinion**	Unmodified
(d)(1)(vi)	**Are there any reportable findings under 2 CFR § 200.516(a)?**	No
(d)(1)(vii)	**Major Program (list):**	ESSER – Education Stabilization Fund – AL #84.425D, #84,425W and #84.425U
(d)(1)(viii)	**Dollar Threshold: Type A\B Programs**	Type A: > $ 750,000 Type B: all others
(d)(1)(ix)	**Low Risk Auditee under 2 CFR §200.520?**	Yes

2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS

None

3. FINDINGS FOR FEDERAL AWARDS

None

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OHIO AUDITOR OF STATE
KEITH FABER

UNITED SCHOOLS COLUMBUS

FRANKLIN COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.

Certified for Release 4/15/2025

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