



Financial Statements

June 30, 2021

(with comparative totals for June 30, 2020)

**Green Dot Public Schools Tennessee**

Green Dot Public Schools Tennessee

Table of Contents

June 30, 2021 (with comparative totals for June 30, 2020)

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Independent Auditor’s Report ..... 1

Financial Statements

    Statement of Financial Position ..... 3

    Statement of Activities..... 4

    Statement of Cash Flows ..... 5

    Notes to Financial Statements ..... 6

Supplementary Information

    Schedule of Expenditures of Federal Awards ..... 20

    Regional Office Statement of Financial Position..... 21

    Regional Office Statement of Activities ..... 22

    Fairley High School Statement of Financial Position..... 24

    Fairley High School Statement of Activities ..... 25

    Wooddale Middle School Statement of Financial Position ..... 27

    Wooddale Middle School Statement of Activities ..... 28

    Hillcrest High School Statement of Financial Position ..... 30

    Hillcrest High School Statement of Activities..... 31

    Kirby Middle School Statement of Financial Position ..... 33

    Kirby Middle School Statement of Activities ..... 34

    Bluff City High School Statement of Financial Position..... 36

    Bluff City High School Statement of Activities ..... 37

    Combining Statement of Financial Position..... 39

    Combining Statement of Activities ..... 41

    Combining Statement of Cash Flows ..... 43

    Notes to Supplementary Information..... 45

Independent Auditor’s Reports

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* ..... 46

Independent Auditor’s Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance Required by the Uniform Guidance ..... 48

Schedule of Findings and Questioned Costs

    Summary of Auditor’s Results..... 50

    Financial Statement Findings ..... 51

    Federal Awards Findings and Questioned Costs..... 52

    Summary Schedule of Prior Audit Findings..... 53



## Independent Auditor's Report

Board of Directors  
Green Dot Public Schools Tennessee  
Memphis, Tennessee

### Report on the Financial Statements

We have audited the accompanying financial statements of Green Dot Public Schools Tennessee (GDPS TN) (A Tennessee Nonprofit Public Benefit Corporation), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to GDPS TN's preparation and fair presentation of the financial statements 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 GDPS TN's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of GDPS TN as of June 30, 2021, and the changes in its net assets and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Report on Summarized Comparative Information**

We have previously audited the GDPS TN's 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated December 18, 2020. In our opinion, the comparative information presented herein as of and for the year ended June 30, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.

## **Other Matters**

### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information such as the Schedule of Expenditures of Federal Awards, 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* (Uniform Guidance) and other supplementary information on pages 20-45 are presented for purposes of additional analysis and are not a required part of the financial statements.

The schedule of expenditures of federal awards and the other supplementary information on pages 20-45 is the responsibility of management, and was derived from, and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 of expenditures of federal awards and the other accompanying supplementary information is fairly stated, in all material respects, in relation to the 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 January 7, 2022, on our consideration of GDPS TN's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of GDPS TN's internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of GDPS TN'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 GDPS TN's internal control over financial reporting and compliance.



Rancho Cucamonga, California  
January 7, 2022

Green Dot Public Schools Tennessee  
Statement of Financial Position  
June 30, 2021 (with comparative totals for June 30, 2020)

	2021	2020
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 4,835,576	\$ 5,981,086
Accounts receivable	2,330,437	1,472,134
Prepaid expenses	48,531	210,365
Total current assets	7,214,544	7,663,585
Non-current Assets		
Security deposits	14,000	14,000
Operating lease right-of-use asset	3,465,446	3,472,095
Property and equipment, net	7,542,038	6,715,096
Total non-current assets	11,021,484	10,201,191
Total assets	\$ 18,236,028	\$ 17,864,776
<b>Liabilities</b>		
Current liabilities		
Accounts payable	\$ 1,490,489	\$ 1,460,962
Accounts payable - related party	165,834	906,499
Refundable advance	400	10,697
Refundable advance - Paycheck Protection Program (PPP)	3,017,265	3,017,265
Current portion of operating lease liability	7,234	64,909
Current portion of loan payable	252,318	133,129
Total current liabilities	4,933,540	5,593,461
Long-term liabilities		
Operating lease liability, less current portion	3,574,733	3,465,447
Loan payable, less current portion	6,724,064	6,850,348
Total long-term liabilities	10,298,797	10,315,795
Total liabilities	15,232,337	15,909,256
<b>Net Assets</b>		
Without donor restriction	2,901,899	1,663,422
With donor restriction	101,792	292,098
Total net assets	3,003,691	1,955,520
Total liabilities and net assets	\$ 18,236,028	\$ 17,864,776

## Green Dot Public Schools Tennessee

## Statement of Activities

Year Ended June 30, 2021 (with comparative totals for June 30, 2020)

	2021	2020
Net Assets Without Donor Restriction		
Support and revenues		
State apportionments	\$ 22,820,046	\$ 21,547,875
Federal revenue	3,901,329	3,170,596
Other state revenue	809,147	44,401
Contributions and grants	310,120	931,372
Local revenue	219,067	665,511
Net assets released from restrictions	225,306	129,866
Total support and revenues	<u>28,285,015</u>	<u>26,489,621</u>
Expenses		
Program services		
Salaries and benefits	14,905,153	14,597,438
Student services	2,540,480	3,574,402
Materials and supplies	1,140,297	535,781
Other expenses	1,072,521	469,360
Depreciation	270,850	261,025
Occupancy	2,756,988	2,262,140
Interest	177,855	179,538
Subtotal	<u>22,864,144</u>	<u>21,879,684</u>
Management and general		
Salaries and benefits	909,255	891,572
Depreciation	46,078	-
Occupancy	20,524	100
Operating expenses	1,414,134	811,758
Shared services - related party	1,792,403	1,645,858
Subtotal	<u>4,182,394</u>	<u>3,349,288</u>
Total Expenses	<u>27,046,538</u>	<u>25,228,972</u>
Change in Net Assets Without Donor Restriction	<u>1,238,477</u>	<u>1,260,649</u>
Net Assets with Donor Restriction		
Contributions and grants	35,000	321,964
Net assets released from restrictions	<u>(225,306)</u>	<u>(129,866)</u>
Change in Net Assets with Donor Restriction	<u>(190,306)</u>	<u>192,098</u>
Change in Net Assets	1,048,171	1,452,747
Net Assets, Beginning of Year	<u>1,955,520</u>	<u>502,773</u>
Net Assets, End of Year	<u>\$ 3,003,691</u>	<u>\$ 1,955,520</u>

## Green Dot Public Schools Tennessee

## Statement of Cash Flows

Year Ended June 30, 2021 (with comparative totals for June 30, 2020)

	<u>2021</u>	<u>2020</u>
Operating Activities		
Change in net assets	\$ 1,048,171	\$ 1,452,747
Adjustments to reconcile change in net assets to net cash from (used for) operating activities		
Depreciation expense	316,928	261,025
Amortization expense	9,366	17,794
Changes in operating assets and liabilities		
Accounts receivable	(858,303)	(27,636)
Prepaid expenses	161,834	(207,365)
Accounts Payable	29,527	(61,955)
Accounts payable - related party	(740,665)	783,795
Operating lease assets and liabilities	58,260	58,261
Refundable advance	(10,297)	7,353
Refundable advance - PPP	-	3,017,265
Net Cash from (used for) Operating Activities	<u>14,821</u>	<u>5,301,284</u>
Investing Activities		
Purchases of property and equipment	<u>(1,153,236)</u>	<u>(2,143,723)</u>
Financing Activities		
Proceeds from loan payable	420,556	1,835,685
Principal payments on loan payable	<u>(427,651)</u>	<u>(75,000)</u>
Net Cash from (used for) Financing Activities	<u>(7,095)</u>	<u>1,760,685</u>
Net Change in Cash and Cash Equivalents	(1,145,510)	4,918,246
Cash and Cash Equivalents, Beginning of Year	<u>5,981,086</u>	<u>1,062,840</u>
Cash and Cash Equivalents, End of Year	<u>\$ 4,835,576</u>	<u>\$ 5,981,086</u>
Supplemental Cash Flow Disclosure		
Cash paid during the period for interest	<u>\$ 177,855</u>	<u>\$ 179,538</u>

**Note 1 - Principal Activity and Significant Accounting Policies**

Green Dot Public Schools Tennessee (GDPS TN) (A Tennessee Nonprofit Public Benefit Organization) was organized on May 29, 2014. Financial activity began on July 1, 2014. GDPS TN receives services from Green Dot Public Schools National (GDPS National). GDPS National represents a related party and transactions between GDPS TN and GDPS National have been identified on the face of the financial statements. See Note 13 for additional details regarding related party relationships and transactions.

During the fiscal year ended June 30, 2021, GDPS TN operated five charter schools. Fairley High School (Fairley HS), Hillcrest High School (Hillcrest HS), Kirby Middle School (Kirby MS), and Wooddale Middle School (Wooddale MS) operate under the approval of the Tennessee Department of Education (TDOE) and are part of the Achievement School District. During the fiscal year ended June 30, 2018, Bluff City High School (Bluff City HS) was opened under the approval of the TDOE. Fairley HS, Hillcrest HS, Kirby MS, Wooddale MS, and Bluff City HS receive per-pupil funding to help support operations.

GDPS TN was founded upon the simple idea that every child in every community deserves to go to a great school. GDPS TN's mission is to transform public education so all students graduate prepared for college, leadership, and life. GDPS TN's academic model is designed to meet individual student needs and to provide students with a rigorous curriculum and the support they need to succeed. GDPS TN ensures that every student has a highly effective classroom experience by providing small, safe personalized schools, high expectations for all students, local control and accountability, parent participation, maximum funding in the classroom, and a longer school day and year. During the 2020-2021 fiscal year, GDPS TN served 2,597 students in three high schools and two middle schools. GDPS TN's students mirror the socio-economic demographic of their communities and local traditional schools.

Charter School Name	Charter Number	Sponsoring District	Grades Served	Number of Students Served	Charter Expiration
Fairley High School	8055	Achievement School District	9-12	428	June 30, 2024
Wooddale Middle School	8105	Achievement School District	6-8	588	June 30, 2025
Hillcrest High School	8140	Achievement School District	9-12	504	June 30, 2026
Kirby Middle School	8135	Achievement School District	6-8	502	June 30, 2026
Bluff City High School	8005	Tennessee State Board of Education	9-11	575	June 30, 2027
				2,597	

**Basis of Accounting**

The accompanying financial statements were prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP) as applicable to nonprofit organizations. Revenues are recognized as discussed below, and expenditures are recognized in the accounting period in which the liability is incurred.



### **Comparative Financial Information**

The accompanying financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America (GAAP). Accordingly, such information should be read in conjunction with GDPS' audited financial statements for the year ended June 30, 2021, from which the summarized information was derived.

### **Net Assets**

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

*Net Assets Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor restrictions.

*Net Assets with Donor Restrictions* – Net assets subject to donor (or certain grantor) restrictions. Some donor imposed (or grantor) restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. GDPS TN reports contributions restricted by donors as increases in net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends, or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

### **Cash and Cash Equivalents**

GDPS TN considers all cash and highly liquid financial instruments with original maturities of three months or less, and which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents.

### **Receivables and Credit Policies**

Accounts receivable consist primarily of noninterest-bearing amounts due for educational programs. Management determines the allowance for uncollectable accounts receivable based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Accounts receivable are written off when deemed uncollectable. No allowance for doubtful accounts has been established, as GDPS TN deems all amounts to be fully collectible. Substantially all outstanding accounts receivable as of June 30, 2021 are due from state and/or federal sources related to grant contributions and are expected to be collected within a period of less than one year.

**Intra-Entity Transactions**

Intra-entity transactions results from a net cumulative difference between resources provided by the GDPS TN regional office to each charter school and reimbursement for those resources from each charter school to the GDPS TN regional office. Intra-entity transfers include certain costs of shared liabilities and shared assets between GDPS TN. Intra-entity transactions, including intra-entity receivables and intra-entity payables, have been eliminated.

**Property and Equipment**

Property and equipment additions over \$5,000 are recorded at cost, or if donated, at fair value on the date of donation. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets ranging from 3 to 30 years, or in the case of capitalized leased assets or leasehold improvements, the lesser of the useful life of the asset or the lease term. When assets are sold or otherwise disposed of, the cost and related depreciation or amortization are removed from the accounts, and any remaining gain or loss is included in the statement of activities. Cost of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

GDPS TN reviews the carrying values of property and equipment for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. There were no indicators of asset impairment during the year ended June 30, 2021.

**Revenue and Revenue Recognition**

Operating funds for GDPS TN are derived principally from state and federal sources. GDPS TN receives state funding based on each of the enrolled student's average daily membership in its school. Contributions are recognized when cash or notification of an entitlement is received.

A portion of the GDPS TN's revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when GDPS TN has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position. GDPS TN received cost-reimbursable grants of \$400 that have not been recognized at June 30, 2021 because qualifying expenditures have not yet been incurred, with an advance payment of \$400 recognized in the statement of financial position as a refundable advance.

Contributions of goods are recorded at fair value. Contributions of services are recorded at fair value as revenue at the time the service is rendered when specialized skills are required and when GDPS TN would otherwise purchase the services. No amounts have been reflected in the accompanying financial statements for contributed goods or services during the year being reported because items did not meet the definition above. Contributions with donor restrictions received are recorded as increases in net assets with donor restrictions. Net assets with donor restrictions received are recognized as revenue without donor restrictions when the terms of the restrictions are met, which may be in the same period if the revenue is received and the restriction satisfied during the same period. All contributions are considered to be available for use without donor restrictions unless specifically restricted by the donor.

GDPS TN was granted a \$3,017,265 loan under the Paycheck Protection Program (PPP) administered by a Small Business Administration (SBA) approved partner. The loan is uncollateralized and is fully guaranteed by the Federal government. GDPS TN is eligible for loan forgiveness of up to 100% of the loan, upon meeting certain requirements. GDPS TN has elected to account for the funding as a conditional contribution by applying ASC 958-605, *Not-for-Profit – Revenue Recognition*. GDPS TN initially recorded the loan as a refundable advance and will record the forgiveness in accordance with guidance for conditional contributions when there is no longer a measurable performance or other barrier and a right to return of the PPP loan or when such conditions are explicitly waived. Proceeds from the loan are eligible for forgiveness if GDPS TN maintains employment levels during its covered period and uses the funds for certain payroll, rent, and utility expenses. No contribution revenue has been recorded for the year ended June 30, 2021. GDPS TN will be required to repay any remaining balance, plus interest accrued at one percent, in monthly payments commencing upon notification that the loan will not be forgiven or partially forgiven. The terms of the loan provide for customary events of default including, among other things, payment defaults, breach of representations and warranties, and insolvency events. The loan may be accelerated upon the occurrence of an event of default. At June 30, 2021, the refundable advance related to PPP consists of \$3,017,265 in loan proceeds.

### **Functional Allocation of Expenses**

The financial statements report categories of expenses that are attributed to program service activities or supporting services activities such as management and general activities and fundraising and development activities. The statement of activities present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on management's estimates. All expenses, excluding depreciation and grant disbursements are allocated on the basis of estimates of time and effort.

### **Income Taxes**

GDPS TN is organized as a Tennessee nonprofit corporation and has been recognized by the Internal Revenue Service (IRS) as exempt from federal income taxes under Section 501(a) of the Internal Revenue Code as an organization described in Section 501(c)(3), and qualifies for the charitable contribution deduction under Section 170(b)(1)(A)(vi). It is also exempt from State franchise and income taxes under Section 67-6-322. GDPS TN is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, GDPS TN is subject to income tax on net income that is derived from business activities that are unrelated to its exempt purposes. GDPS TN determined that it is not subject to unrelated business income tax and has not filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS.

Management believes that GDPS TN has appropriate support for any tax positions taken affecting its annual filing requirements, and as such, does not have any uncertain tax positions that are material to the financial statements. GDPS TN would recognize future accrued interest and penalties related to unrecognized tax benefits and liabilities in income tax expense if such interest and penalties are incurred.

### **Reclassification**

Certain amounts in the prior period financial statements have been reclassified to conform to the presentation of the current period financial statements. These reclassifications had no effect on the previously reported net assets.

### **Estimates**

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

### **Financial Instruments and Credit Risk**

Deposit concentration risk is managed by placing cash, money market accounts, and certificates of deposit with financial institutions believed by management to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. To date, no losses have been experienced in any of these accounts. Credit risk associated with accounts receivable is considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from governmental agencies supportive of the GDPS TN's mission. GDPS TN does not have any money market or certificates of deposit accounts.

### **Right-of-Use Assets**

Right-of-Use (ROU) assets represent the right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at the lease commencement date and are based on the present value of lease payments over the lease term. As most leases do not provide an implicit rate, a risk-free rate is utilized in lieu of determining an incremental borrowing rate at the commencement date in deciding the present value of lease payments. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. Lease expense is recognized on a straight-line basis over the lease term. Lease agreements with lease and non lease components are generally accounted for separately.

**Change in Accounting Principle**

As of July 1, 2020, GDPS TN adopted the provisions of FASB Accounting Standards Codification Topic 606, *Revenue from Contracts with Customers*, which provides a comprehensive revenue recognition model for all contracts with customers. The new model requires revenue recognition to depict the transfer of promised goods or services to customers at an amount that reflects the consideration expected to be received in exchange for those goods or services. Management has determined that the adoption of this standard did not have a significant impact on the GDPS TN's financial statements.

In August 2018, the FASB issued ASU 2018-13, *Fair Value Measurement (Topic 820): Disclosure Framework – Changes to the Disclosure Requirements for Fair Value Measurement*, which modifies the disclosure requirements for fair value measurements by removing, modifying, or adding certain disclosures. ASU 2018-13 is effective for all entities for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019. GDPS TN has adopted this ASU as of July 1, 2020. Management has determined that the adoption of this standard did not have a significant impact on the GDPS TN's financial statements.

**Note 2 - Liquidity and Availability**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise of the following:

Financial Assets		
Cash and cash equivalents		\$ 4,835,576
Accounts receivable		<u>2,330,437</u>
Financial Assets, at year-end		<u>7,166,013</u>
Less those unavailable for general expenditures within one year, due to		
Donor-imposed restrictions		
Restrictions by donor with purpose and time restrictions		<u>(101,792)</u>
Financial assets available to meet cash needs for general expenditures within one year		<u>\$ 7,064,221</u>

As part of GDPS TN's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due.

**Note 3 - Cash and Cash Equivalents**

Cash and cash equivalents consist of the following at June 30, 2021, and 2020:

	2021		2020	
	<u>Reported Amount</u>	<u>Bank Balance</u>	<u>Reported Amount</u>	<u>Bank Balance</u>
Deposits				
Cash on hand and in banks	<u>\$ 4,835,576</u>	<u>\$ 4,919,677</u>	<u>\$ 5,981,086</u>	<u>\$ 6,299,802</u>

The majority of GDPS TN's cash is held in non-interest bearing accounts, which are subject to federally insured limits. GDPS TN has not experienced any losses in such accounts. At June 30, 2021, GDPS TN had \$4,669,677 in excess of Federal Deposit Insurance Corporation insured limits in non-interest bearing accounts.

#### Note 4 - Accounts Receivable

Accounts receivable consist of the following at June 30, 2021, and 2020:

	2021	2020
Apportionment	\$ 1,012,671	\$ 928,635
Federal receivable	712,666	418,155
State receivable	546,654	-
Other receivable	58,446	125,344
Total	<u>\$ 2,330,437</u>	<u>\$ 1,472,134</u>

#### Note 5 - Accounts Payable and Accruals

Accounts payable and accruals consist of the following at June 30, 2021, and 2020:

	2021	2020
Salaries and benefits	\$ 810,261	\$ 848,664
Other accounts payable	680,228	612,298
Total	<u>\$ 1,490,489</u>	<u>\$ 1,460,962</u>

#### Note 6 - Accounts Payable – Related Party

Accounts payable – related party consist of the following at June 30, 2021, and 2020:

	2021	2020
GDPS National	<u>\$ 165,834</u>	<u>\$ 906,499</u>

#### Note 7 - Refundable Advance

Refundable advance consists of the following at June 30, 2021 and 2020:

	2021	2020
Other	<u>\$ 400</u>	<u>\$ 10,697</u>

**Note 8 - Loans Payable**

On August 7, 2015, GDPS TN entered into an unsecured loan agreement with CSGF Memphis, LLC. CSGF Memphis LLC agreed to lend the principal sum of \$585,000 with an interest rate of 1.00 percent per annum on the principal sum outstanding. The entire unpaid principal amount of \$585,000, together with all accrued unpaid interest is due on December 31, 2025. Upon successful accomplishment of the milestones outlined in the loan, certain of the amounts due under the loan may be forgiven and treated as a charitable grant. The loans are subject to certain covenants. At June 30, 2021, GDPS TN was in compliance with the covenants. At June 30, 2021, the balance was \$585,000.

On October 5, 2016, GDPS TN entered into an unsecured loan agreement with CSGF Memphis, LLC. CSGF Memphis LLC agreed to lend the principal sum of \$820,000 with an interest rate of 2.00 percent per annum on the principal sum outstanding. \$420,000 of the principal was to be used by Hillcrest HS and \$400,000 by Kirby MS. At June 30, 2021, the balance was \$596,000.

Future maturities excluding interest are as follows:

Year Ending June 30,	Hillcrest HS	Kirby MS	Total
2022	\$ 76,317	\$ 72,683	\$ 149,000
2023	76,317	72,683	149,000
2024	76,317	72,683	149,000
2025	76,317	72,683	149,000
Total	<u>\$ 305,268</u>	<u>\$ 290,732</u>	<u>\$ 596,000</u>

On April 4, 2018, GDPS TN entered into a construction loan agreement with Nonprofit Finance Fund, a New York not-for-profit corporation. Nonprofit Finance Fund lent the principal sum of \$2,740,083 with an interest rate of 5.75 percent per annum. The loan must be paid in full by April 1, 2025. The loan is secured with GDPS TN's leasehold interest at 0 Raines Road, Memphis, Tennessee valued at \$3,000,000. The loans are subject to certain covenants, including meeting a minimum debt service coverage ratio and a minimum cash balance ratio. At June 30, 2021, GDPS TN was in compliance with the covenants. At June 30, 2021, the balance was \$2,651,947.

Future maturities excluding interest are as follows:

Year Ending June 30,	Bluff
2022	\$ 80,464
2023	85,214
2024	90,245
2025	2,396,024
Total	<u>\$ 2,651,947</u>

On May 17, 2019, GDPS TN entered into a construction loan agreement with Nonprofit Finance Fund. Nonprofit Finance agreed to lend the principal sum of \$3,300,000 with an interest rate of 6.50 percent per annum on the principal outstanding per the modified loan agreement. The loan must be paid in full by April 1, 2025. The loan is secured with GDPS TN's leasehold interest at 4100 Ross Road, Memphis, Tennessee valued at \$3,300,000. The loans are subject to certain covenants, including meeting a minimum debt service coverage ratio and a minimum cash balance ratio. At June 30, 2021, GDPS TN was in compliance with the covenants. At June 30, 2021, the balance was \$3,143,435.

Future maturities excluding interest are as follows:

Year Ending June 30,	Bluff
2022	\$ 22,854
2023	22,857
2024	24,397
2025	<u>3,073,327</u>
Total	<u>\$ 3,143,435</u>

#### Note 9 - Leases

GDPS TN leases the premise Bluff City High School located at 4100 Ross Road, Memphis, TN. The lease is set to expire on May 1, 2052, provides for two additional renewal options for 10 years each. GDPS TN did not include the renewal options in the determination of the right-of-use assets and lease liabilities due to the uncertainty of exercising the options. The agreements generally require that GDPS TN to pay insurance and repairs.

GDPS TN elected the option to use the risk-free rate determined by using a period comparable to the lease terms as the discount rate.

GDPS TN elected the short-term lease exemption for all leases with a term of twelve (12) months or less for both existing and ongoing operating leases and not to recognize the asset and liability for these leases. Lease payments for short-term leases are recognized on straight-line basis. GDPS TN did not have any leases with a term of twelve (12) months or less for the year ended June 30, 2021.

Total lease costs for the year ended June 30, 2021 were as follows:

	<u>2021</u>
Operating lease costs	<u>\$ 226,261</u>

Total lease expense under noncancelable leases was \$168,000 for the year June 30, 2020.



The following table summarizes the supplemental cash flow information for the year ended June 30, 2021:

	2021
Cash paid for amounts included in the measurement of lease liabilities	
Operating cash flows from operating leases	\$ 168,000

The following summarizes the weighted-average remaining lease term and weight-average discount rate:

	2021
Weighted-average remaining lease term:	
Operating leases	31 Years
Weighted-average discount rate:	
Operating leases	4.50%

The future minimum lease payments under noncancelable operating leases with terms greater than one year are listed below as of June 30, 2021:

Year Ending June 30,	Bluff
2022	\$ 168,280
2023	171,646
2024	175,079
2025	178,580
2026	182,152
Thereafter	6,254,872
Total lease payments	7,130,609
Less interest	(3,548,642)
Present value of lease liabilities	\$ 3,581,967

**Note 10 - Net Assets with Donor Restrictions**

Net assets consist of the following at June 30, 2021:

	2021	2020
Net assets without donor restrictions		
Undesignated	\$ 2,901,899	\$ 1,663,422

Net assets with donor restrictions		
Subject to expenditure for specified purpose and time		
Built In Memphis program	\$ 66,792	\$ 292,098
Distance Learning	35,000	-
	<u>101,792</u>	<u>292,098</u>
Total nets assets with donor restrictions	<u>\$ 101,792</u>	<u>\$ 292,098</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors for the years ended June 30, 2021.

	<u>2021</u>	<u>2020</u>
Satisfaction of purpose and time restrictions		
Built In Memphis program	<u>\$ 225,306</u>	<u>\$ 129,866</u>

## Note 11 - Employee Retirement Systems

### Plan Description

GDPS TN employees participate in the State Employees, Teachers, and Higher Education Employees' Pension Plan (SETHEEPP), a cost-sharing multiple-employer defined benefit pension plan administered by the Tennessee Consolidated Retirement System (TCRS). TCRS provides retirement benefits as well as death and disability benefits to plan members and their beneficiaries. Benefits are determined by a formula using the member's high five-year average salary and years of service. Members become eligible to retire at the age of 60 with five years of service or at any age with 30 years of service. A reduced retirement benefit is available to vested members who are at least 55 years of age or have 25 years of service. Disability benefits are available to active members with five years of service who become disabled and cannot engage in gainful employment. There is no service requirement for disability that is the result of an accident or injury occurring while the member was in the performance of duty. Members joining the plan on or after July 1, 1979, are vested after five years of service. Members joining prior to July 1, 1979, are vested after four years of service. Benefit provisions are established in state statute found in Title 8, Chapters 34-37 of the Tennessee Code Annotated (TCA). State statutes are amended by the Tennessee General Assembly. Cost of living adjustments (COLA) are provided to retirees each July based on the percentage change in the Consumer Price Index (CPI) during the previous calendar year. No COLA is granted if the CPI increases less than one-half percent. The annual COLA is capped at three percent. The TCRS issues a publicly available financial report that includes financial statements and required supplementary information.

That report may be obtained by writing to the Tennessee Treasury Department, Consolidated Retirement System, 15th Floor Andrew Jackson Building, Nashville, TN 37243-0230 or can be accessed at: [www.tn.gov/treasury/tcrs/Schools](http://www.tn.gov/treasury/tcrs/Schools).

### Funding Policy

School employees receive retirement benefits from contributions and matching through two different plans composed of different contribution and matching requirements, TCRS Legacy and TCRS Hybrid. TCRS Legacy is reserved for employees who were enrolled and contributed to the plan prior to July 1, 2014. TCRS Hybrid is for school employees that started on or after July 1, 2014.

Under TCRS Hybrid, employees contribute 5.00 percent of their gross earnings. Upon hire, employees have 30 days to opt out of the automatic 2.00 percent deferral to the Tennessee Empower 401K plan. The GDPS TN contribution is 9.00 percent, which includes a 4.00 percent contribution to TCRS Hybrid and a 5.00 percent contribution to Tennessee Empower 401K plan.

Under TCRS Legacy, employees contribute 5.00 percent of their gross earnings, and GDPS TN contribution is 10.27 percent. The employer contribution requirement for the school is established and may be amended by the TCRS Board of Trustees.

### Changes Regarding Hybrid Federally Funded Positions

Effective July 1, 2018, all Local Education Agencies (LEAs) will use two employer reporting codes for reporting teacher contributions to TCRS. Federally funded teacher salaries should be reported using an assigned teacher federal code. LEAs will submit their report and only the Actuarially Determined Contribution rate will be charged to the LEA for both federally funded and non-federally funded teachers. The Actuarially Determined Contribution rate for the year ending June 30, 2021 was 2.02%. TCRS creates an invoice in the Concord Recordkeeping System for the difference between the Total Contribution Rate (4%) and the Actuarially Determined Contribution Rate for non-federally funded salaries. LEAs will log into a separate code to pay the invoice, which is paid to the Stabilization Reserve Trust to help keep employer contributions at 4%.

The employer's contribution to TCRS and the TCRS 401K for the fiscal years ending June 30, 2021, were as shown below and equals the required contributions for the fiscal year:

TCRS Legacy	\$	508,378
TCRS Hybrid		105,491
TCRS Stabilization Reserve Trust		74,446
TCRS 401K		<u>261,632</u>
Total	\$	<u><u>949,947</u></u>

### Green Dot Public Schools 401K

Effective January 1, 2018, GDPS TN employees participate in a defined contribution plan, the Green Dot Public Schools 401K, covering eligible employees 21 years or older and with one year of eligibility service. GDPS TN makes a matching contribution equal to participants' contributions to the Green Dot Public Schools 401K of up to 4.00 percent of the participant's total compensation. The employer's contribution to the Green Dot Public Schools 401K for the year ended June 30, 2021, was \$24,894. Only employees not in the pension plan are eligible to participate in the 401K plan.

**Note 12 - Contingencies, Risks, and Uncertainties**

GDPS TN has received State and Federal funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate disallowances under terms of the grants, it is believed that any reimbursement, if required, would not be material.

Loans issued under the PPP were subject to good-faith certifications of the necessity of the loan request. Borrowers with loans issued under the program in excess of \$2 million are subject to review by the SBA for compliance with the program requirements. If the SBA determines that a borrower lacked an adequate basis for the loan or did not meet the program requirements, the loan will not be eligible for loan forgiveness and the SBA will seek repayment of the outstanding PPP loan balance. As such, the potential exists that GDPS TN may be deemed ineligible for loan forgiveness and would be required to repay the loan either partial or in whole.

GDPS TN has been negatively impacted by the effects of the world-wide coronavirus pandemic. GDPS TN is closely monitoring its operations, liquidity, and capital resources and is actively working to minimize the current and future impact of this unprecedented situation. As of the issuance date of these financial statements, the full impact to GDPS TN's financial position is not known beyond increased cash flow monitoring.

**Note 13 - Related Party Transactions**

GDPS National is a national organization which provides services to GDPS TN. These services include, but are not limited to, Human Resources, Legal, Finance and Accounting, Information Technology, Knowledge Management, Strategic Planning, and National Expansion. In exchange, GDPS TN pays service fees to GDPS National. GDPS National grants GDPS TN a non-transferable, non-sub-licensable, and non-exclusive license to use, reproduce, and display the Green Dot brand, which includes but is not limited to: trademarks, service marks, design marks, trade names, domain names, registrations in connection with GDPS National's oversight, support activities, and related educational activities of the schools in its regions. At June 30, 2021, GDPS TN reported an accounts payable – related party of \$165,834.

The GDPS TN regional office operates and oversees educational services for its charter schools.

Refer to the table below for related party transactions between GDPS TN and GDPS National:

	Grant Revenue - <u>GDPS National</u>	Service expense - <u>GDPS National</u>	Shared Service Fee Revenue - <u>GDPS TN Schools*</u>	Shared Service Fee Expense - <u>GDPS National</u>
GDPS TN Regional Office	<u>\$ 200,000</u>	<u>\$ 53,855</u>	<u>\$ 3,601,278</u>	<u>\$ 1,738,548</u>

\*Amount has been eliminated on the Statement of Activities.

**Note 14 - Subsequent Events**

GDPS TN's management has evaluated events or transactions that may occur for potential recognition or disclosure in the combined financial statements from the balance sheet date through January 7, 2022, which is the date the combined financial statements were available to be issued. Management has determined that there were no subsequent events or transactions, other than those noted below, that would have a material impact on the current year combined financial statements.

Subsequent to year-end, Wells Fargo has approved the PPP loan. Management anticipates approval from the SBA.

Subsequent to year-end, GDPS TN completed project Bluff City Phase II in August 2021. The Phase II work in progress and loan liability is noted in the disclosures above.



Supplementary Information  
June 30, 2021

# Green Dot Public Schools Tennessee

Green Dot Public Schools Tennessee  
Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2021

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Education			
Passed through Achievement School District			
COVID-19 Elementary and Secondary School Emergency Relief (ESSER) Fund	84.425D	[1]	\$ 897,871
COVID-19 Elementary and Secondary School Emergency Relief II (ESSER II) Fund	84.425D	[1]	<u>57,691</u>
Subtotal			<u>955,562</u>
Title I, Part A, Basic Grants Low-Income and Neglected	84.010	[1]	1,430,291
Title I, School Improvement Grant, District Priority School Improvement Grant (DPSIG)	84.010A	[1]	<u>354,412</u>
Subtotal			<u>1,784,703</u>
Title I, School Improvement Grant (SIG), Improving Special Education Systems	84.377	[1]	50,000
Priority School Planning Grant (PSPG)	84.377	[1]	<u>59,593</u>
Subtotal			109,593
Title II, Part A, Improving Teacher Quality	84.367	[1]	93,463
Title III, Limited English Proficiency (LEP) Student Program	84.365	[1]	5,347
Title IV, Part B, 21st Century Community Learning Centers (CCLC) - High School ASSETS	84.287	[1]	414,427
Replication & Expansion	84.282M	[1]	20,000
Safe and Supportive Schools	84.184Y	[1]	11,715
Special Education Cluster			
Basic Local Assistance Entitlement, Part B, Section 611	84.027	[1]	475,537
IDEA Local Assistance, Part B, Sec 611, Private School ISPs	84.027	[1]	<u>30,982</u>
Total Special Education Cluster			<u>506,519</u>
Total U.S. Department of Education			<u>3,901,329</u>
Total Federal Financial Assistance			<u>\$ 3,901,329</u>

[1] Pass-Through Entity Identifying Number not available

Green Dot Public Schools Tennessee  
Regional Office Statement of Financial Position  
June 30, 2021 (with comparative totals for June 30, 2020)

	2021	2020
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 4,835,576	\$ 5,981,086
Accounts receivable	11,947	114
Intra-entity receivable	834,455	1,756,502
Prepaid expenses	48,531	177,127
Total current assets	5,730,509	7,914,829
Non-current assets		
Property and equipment	629,259	-
	\$ 6,359,768	\$ 7,914,829
<b>Liabilities</b>		
Current liabilities		
Accounts payable	\$ 1,128,510	\$ 1,141,665
Accounts payable - related party	148,431	906,499
Intra-entity payable	-	482,161
Deferred revenue	-	1,500
Refundable advance - Paycheck Protection Program (PPP)	3,017,265	3,017,265
Total current liabilities	4,294,206	5,549,090
<b>Net Assets</b>		
Without donor restriction	1,963,770	2,073,641
With donor restriction	101,792	292,098
Total net assets	2,065,562	2,365,739
Total liabilities and net assets	\$ 6,359,768	\$ 7,914,829



Green Dot Public Schools Tennessee  
Regional Office Statement of Activities  
Year Ended June 30, 2021 (with comparative totals for June 30, 2020)

	2021	2020
Net Assets Without Donor Restriction		
Support and revenues		
Contributions and grants	\$ 2,878	\$ 56,638
Local revenue	3,742,164	3,870,680
Net assets released from restrictions	225,306	129,866
Total support and revenues	3,970,348	4,057,184
Expenses		
Program services		
Salaries and benefits	442,076	674,510
Student services	39,145	30,832
Materials and supplies	7,445	4,671
Other expenses	6,900	22,067
Subtotal	495,566	732,080
Management and general		
Salaries and benefits	909,255	891,572
Depreciation	46,078	-
Occupancy	20,524	100
Operating expenses	816,394	256,889
Shared services - related party	1,792,402	1,645,858
Subtotal	3,584,653	2,794,419
Total expenses	4,080,219	3,526,499
Change in Net Assets Without Donor Restriction	(109,871)	530,685
Net Assets with Donor Restriction		
Contributions and grants	35,000	321,964
Net assets released from restrictions	(225,306)	(129,866)
Change in Net Assets with Donor Restriction	(190,306)	192,098
Change in Net Assets	(300,177)	722,783
Net Assets, Beginning of Year	2,365,739	1,642,956
Net Assets, End of Year	\$ 2,065,562	\$ 2,365,739

Green Dot Public Schools Tennessee  
Regional Office Statement of Cash Flows  
Year Ended June 30, 2021 (with comparative totals for June 30, 2020)

	2021	2020
Operating Activities		
Change in net assets	\$ (300,177)	\$ 722,783
Adjustments to reconcile change in net assets to net cash from (used for) operating activities		
Depreciation expense	46,078	-
Changes in operating assets and liabilities		
Accounts receivable	(11,833)	24,139
Intra-company receivable	922,047	(107,720)
Prepaid expenses and other current assets	128,596	(177,127)
Accounts payable	(13,155)	172,950
Accounts payable - related party	(758,068)	783,795
Intra-company payable	(482,161)	482,161
Deferred revenue	(1,500)	-
Refundable advance - PPP	-	3,017,265
	(470,173)	4,918,246
Net Cash from (used for) Operating Activities		
Investing Activities		
Purchases of property and equipment	(675,337)	-
Net Change in Cash and Cash Equivalents	(1,145,510)	4,918,246
Cash and Cash Equivalents, Beginning of Year	5,981,086	1,062,840
Cash and Cash Equivalents, End of Year	\$ 4,835,576	\$ 5,981,086
Supplemental Cash Flow Disclosure		
Cash paid during the period for interest	\$ -	\$ -

Green Dot Public Schools Tennessee  
Fairley High School Statement of Financial Position  
June 30, 2021 (with comparative totals for June 30, 2020)

	<u>2021</u>	<u>2020</u>
Assets		
Current assets		
Accounts receivable	\$ 390,829	\$ 248,097
Non-current assets		
Property and equipment, net	34,438	43,436
Total assets	<u>\$ 425,267</u>	<u>\$ 291,533</u>
Liabilities		
Current liabilities		
Accounts payable	\$ 62,737	\$ 31,535
Accounts payable - related party	3,251	-
Intra-entity payable	1,010,450	629,352
Total current liabilities	<u>1,076,438</u>	<u>660,887</u>
Net Assets		
Without donor restriction	<u>(651,171)</u>	<u>(369,354)</u>
Total liabilities and net assets	<u>\$ 425,267</u>	<u>\$ 291,533</u>

Green Dot Public Schools Tennessee  
Fairley High School Statement of Activities  
Year Ended June 30, 2021 (with comparative totals for June 30, 2020)

	2021	2020
Net Assets Without Donor Restriction		
Support and revenues		
State apportionments	\$ 3,518,923	\$ 3,906,574
Federal revenue	725,749	769,051
Other state revenue	68,330	-
Contributions and grants	13,297	137,984
Local revenue	25,153	31,717
Total support and revenues	4,351,452	4,845,326
Expenses		
Program services		
Salaries and benefits	2,413,931	2,659,587
Student services	523,282	764,774
Materials and supplies	195,468	108,371
Other expenses	173,904	112,430
Depreciation	23,329	20,390
Occupancy	653,241	576,151
Subtotal	3,983,155	4,241,703
Management and general		
Operating expenses	88,927	97,456
Shared services - related party	561,187	632,945
Subtotal	650,114	730,401
Total expenses	4,633,269	4,972,104
Change in Net Assets Without Donor Restriction	(281,817)	(126,778)
Net Assets, Beginning of Year	(369,354)	(242,576)
Net Assets, End of Year	\$ (651,171)	\$ (369,354)

Green Dot Public Schools Tennessee  
Fairley High School Statement of Cash Flows  
Year Ended June 30, 2021 (with comparative totals for June 30, 2020)

	2021	2020
Operating Activities		
Change in net assets	\$ (281,817)	\$ (126,778)
Adjustments to reconcile change in net assets to net cash from (used for) operating activities		
Depreciation expense	23,329	20,390
Changes in operating assets and liabilities		
Accounts receivable	(142,732)	(32,800)
Accounts payable	31,202	(56,105)
Accounts payable - related party	3,251	-
Intra-entity payable	381,098	196,638
Refundable advance	-	(1,345)
	14,331	-
Net Cash from (used for) Operating Activities		
Investing Activities		
Purchases of property and equipment	(14,331)	-
	-	-
Net Change in Cash and Cash Equivalents		
Cash and Cash Equivalents, Beginning of Year	-	-
Cash and Cash Equivalents, End of Year	\$ -	\$ -
Supplemental Cash Flow Disclosure		
Cash paid during the period for interest	\$ -	\$ -

Green Dot Public Schools Tennessee  
Wooddale Middle School Statement of Financial Position  
June 30, 2021 (with comparative totals for June 30, 2020)

	2021	2020
Assets		
Current assets		
Accounts receivable	\$ 387,369	\$ 394,432
Intra-entity receivable	569,389	440,469
Total current assets	956,758	834,901
Non-current assets		
Property and equipment, net	155,901	214,057
Total assets	\$ 1,112,659	\$ 1,048,958
Liabilities		
Current liabilities		
Accounts payable	\$ 83,727	\$ 71,399
Accounts payable - related party	4,422	-
Total current liabilities	88,149	71,399
Long-term liabilities		
Loan payable, less current portion	585,000	585,000
Total liabilities	673,149	656,399
Net Assets		
Without donor restriction	439,510	392,559
Total liabilities and net assets	\$ 1,112,659	\$ 1,048,958

Green Dot Public Schools Tennessee  
Wooddale Middle School Statement of Activities  
Year Ended June 30, 2021 (with comparative totals for June 30, 2020)

	2021	2020
Net Assets Without Donor Restriction		
Support and revenues		
State apportionments	\$ 4,905,552	\$ 4,939,221
Federal revenue	905,048	721,287
Other state revenue	86,813	42,908
Contributions and grants	10,929	162,579
Local revenue	6,865	56,191
Total support and revenues	5,915,207	5,922,186
Expenses		
Program services		
Salaries and benefits	3,316,735	3,064,730
Student services	479,958	737,088
Materials and supplies	260,810	109,801
Other expenses	223,695	88,857
Depreciation	58,156	57,972
Occupancy	625,634	535,438
Interest	5,850	5,850
Subtotal	4,970,838	4,599,736
Management and general		
Operating expenses	123,969	122,849
Shared services - related party	773,449	780,612
Subtotal	897,418	903,461
Total expenses	5,868,256	5,503,197
Change in Net Assets Without Donor Restriction	46,951	418,989
Net Assets, Beginning of Year	392,559	(26,430)
Net Assets, End of Year	\$ 439,510	\$ 392,559

Green Dot Public Schools Tennessee  
 Wooddale Middle School Statement of Cash Flows  
 Year Ended June 30, 2021 (with comparative totals for June 30, 2020)

	2021	2020
Operating Activities		
Change in net assets	\$ 46,951	\$ 418,989
Adjustments to reconcile change in net assets to net cash from (used for) operating activities		
Depreciation expense	58,156	57,972
Changes in operating assets and liabilities		
Accounts receivable	7,063	(3,626)
Intra-company receivable	(128,920)	(440,469)
Prepaid expenses and other current assets	-	1,500
Accounts payable	12,328	(36,221)
Accounts payable - related party	4,422	-
Intra-entity payable	-	(10,645)
Net Cash from (used for) Operating Activities	-	(12,500)
Investing Activities		
Proceeds from the sale of property and equipment	-	12,500
Net Change in Cash and Cash Equivalents	-	-
Cash and Cash Equivalents, Beginning of Year	-	-
Cash and Cash Equivalents, End of Year	\$ -	\$ -
Supplemental Cash Flow Disclosure:		
Cash paid during the period for interest	\$ 5,850	\$ 5,850



Green Dot Public Schools Tennessee  
Hillcrest High School Statement of Financial Position  
June 30, 2021 (with comparative totals for June 30, 2020)

	<u>2021</u>	<u>2020</u>
<b>Assets</b>		
Current assets		
Accounts receivable	\$ 296,669	\$ 295,056
Non-current assets		
Property and equipment, net	155,571	189,637
Total assets	<u>\$ 452,240</u>	<u>\$ 484,693</u>
<b>Liabilities</b>		
Current liabilities		
Accounts payable	\$ 85,783	\$ 93,822
Accounts payable - related party	3,917	-
Intra-entity payable	822,282	647,425
Current portion of loan payable	76,317	-
Total current liabilities	<u>988,299</u>	<u>741,247</u>
Long-term liabilities		
Loan payable, less current portion	<u>228,951</u>	<u>381,585</u>
Total liabilities	<u>1,217,250</u>	<u>1,122,832</u>
<b>Net Assets</b>		
Without donor restriction	<u>(765,010)</u>	<u>(638,139)</u>
Total liabilities and net assets	<u>\$ 452,240</u>	<u>\$ 484,693</u>

Green Dot Public Schools Tennessee  
Hillcrest High School Statement of Activities  
Year Ended June 30, 2021 (with comparative totals for June 30, 2020)

	2021	2020
Net Assets Without Donor Restriction		
Support and revenues		
State apportionments	\$ 4,333,304	\$ 4,377,765
Federal revenue	834,523	695,737
Other state revenue	89,538	-
Contributions and grants	10,929	145,867
Local revenue	14,953	74,622
Total support and revenues	5,283,247	5,293,991
Expenses		
Program services		
Salaries and benefits	3,081,145	3,288,532
Student services	538,467	866,703
Materials and supplies	186,243	86,000
Other expenses	166,798	69,389
Depreciation	34,066	34,189
Occupancy	596,829	381,831
Interest	3,816	4,230
Subtotal	4,607,364	4,730,874
Management and general		
Operating expenses	109,508	108,981
Shared services - related party	693,246	704,255
Subtotal	802,754	813,236
Total expenses	5,410,118	5,544,110
Change in Net Assets Without Donor Restriction	(126,871)	(250,119)
Net Assets, Beginning of Year	(638,139)	(388,020)
Net Assets, End of Year	\$ (765,010)	\$ (638,139)

Green Dot Public Schools Tennessee  
Hillcrest High School Statement of Cash Flows  
Year Ended June 30, 2021 (with comparative totals for June 30, 2020)

	<u>2021</u>	<u>2020</u>
Operating Activities		
Change in net assets	\$ (126,871)	\$ (250,119)
Adjustments to reconcile change in net assets to net cash from (used for) operating activities		
Depreciation expense	34,066	34,189
Changes in operating assets and liabilities		
Accounts receivable	(1,613)	(998)
Accounts payable	(8,039)	(27,695)
Accounts payable - related party	3,917	-
Intra-entity payable	174,857	283,537
Refundable advance	-	(499)
Net Cash from (used for) Operating Activities	<u>76,317</u>	<u>38,415</u>
Financing Activities		
Principal payments on loan payable	<u>(76,317)</u>	<u>(38,415)</u>
Net Change in Cash and Cash Equivalents	-	-
Cash and Cash Equivalents, Beginning of Year	<u>-</u>	<u>-</u>
Cash and Cash Equivalents, End of Year	<u>\$ -</u>	<u>\$ -</u>
Supplemental Cash Flow Disclosure		
Cash paid during the period for interest	<u>\$ 3,816</u>	<u>\$ 4,230</u>

Green Dot Public Schools Tennessee  
Kirby Middle School Statement of Financial Position  
June 30, 2021 (with comparative totals for June 30, 2020)

	2021	2020
<b>Assets</b>		
Current assets		
Accounts receivable	\$ 448,099	\$ 299,455
Intra-entity receivable	564,427	163,312
Total current assets	1,012,526	462,767
Non-current assets		
Property and equipment, net	218,223	268,381
Total assets	\$ 1,230,749	\$ 731,148
<b>Liabilities</b>		
Current liabilities		
Accounts payable	\$ 53,535	\$ 99,300
Accounts payable - related party	3,761	-
Refundable advance	400	-
Current portion of loan payable	72,683	-
Total current liabilities	130,379	99,300
Long-term liabilities		
Loan payable, less current portion	218,049	363,415
Total liabilities	348,428	462,715
<b>Net Assets</b>		
Without donor restriction	882,321	268,433
Total liabilities and net assets	\$ 1,230,749	\$ 731,148

Green Dot Public Schools Tennessee  
Kirby Middle School Statement of Activities  
Year Ended June 30, 2021 (with comparative totals for June 30, 2020)

	2021	2020
Net Assets Without Donor Restriction		
Support and revenues		
State apportionments	\$ 4,601,891	\$ 4,308,598
Federal revenue	680,292	604,059
Other state revenue	107,020	1,493
Contributions and grants	14,033	158,752
Local revenue	23,248	31,938
Total support and revenues	5,426,484	5,104,840
Expenses		
Program services		
Salaries and benefits	2,710,177	2,605,100
Student services	416,013	581,480
Materials and supplies	215,446	111,343
Other expenses	236,207	60,659
Depreciation	50,158	50,310
Occupancy	354,156	323,938
Interest	3,634	4,029
Subtotal	3,985,791	3,736,859
Management and general		
Operating expenses	116,296	107,353
Shared services - related party	710,509	675,447
Subtotal	826,805	782,800
Total expenses	4,812,596	4,519,659
Change in Net Assets Without Donor Restriction	613,888	585,181
Net Assets, Beginning of Year	268,433	(316,748)
Net Assets, End of Year	\$ 882,321	\$ 268,433

Green Dot Public Schools Tennessee  
Kirby Middle School Statement of Cash Flows  
Year Ended June 30, 2021 (with comparative totals for June 30, 2020)

	2021	2020
Operating Activities		
Change in net assets	\$ 613,888	\$ 585,181
Adjustments to reconcile change in net assets to net cash from (used for) operating activities		
Depreciation expense	50,158	50,310
Changes in operating assets and liabilities		
Accounts receivable	(148,644)	85,347
Intra-company receivable	(401,115)	(163,312)
Prepaid expenses and other current assets	-	1,500
Accounts payable	(45,765)	402
Accounts payable - related party	3,761	-
Intra-entity payable	-	(522,843)
	72,683	36,585
Net Cash from (used for) Operating Activities		
Financing Activities		
Principal payments on loan payable	(72,683)	(36,585)
	-	-
Net Change in Cash and Cash Equivalents		
Cash and Cash Equivalents, Beginning of Year	-	-
Cash and Cash Equivalents, End of Year	\$ -	\$ -
Supplemental Cash Flow Disclosure		
Cash paid during the period for interest	\$ 3,634	\$ 4,029

Green Dot Public Schools Tennessee  
Bluff City High School Statement of Financial Position  
June 30, 2021 (with comparative totals for June 30, 2020)

	2021	2020
<b>Assets</b>		
Current assets		
Accounts receivable	\$ 795,524	\$ 234,980
Prepaid expenses	-	33,238
Total current assets	795,524	268,218
Non-current assets		
Security deposits	14,000	14,000
Operating lease right-of-use asset	3,465,446	3,472,095
Property and equipment, net	6,348,646	5,999,585
Total non-current assets	9,828,092	9,485,680
Total assets	\$ 10,623,616	\$ 9,753,898
<b>Liabilities</b>		
Current liabilities		
Accounts payable	\$ 76,197	\$ 23,241
Accounts payable - related party	2,052	-
Intra-entity payable	135,539	601,345
Deferred revenue	-	9,197
Current portion of operating lease liability	7,234	64,909
Current Portion of loan payable	103,318	133,129
Total current liabilities	324,340	831,821
Long-term liabilities:		
Operating lease liability, less current portion	3,574,733	3,465,447
Loan payable, less current portion	5,692,064	5,520,348
Total long-term liabilities	9,266,797	8,985,795
Total liabilities	9,591,137	9,817,616
<b>Net Assets</b>		
Without donor restriction	1,032,479	(63,718)
Total liabilities and net assets	\$ 10,623,616	\$ 9,753,898

Green Dot Public Schools Tennessee  
Bluff City High School Statement of Activities  
Year Ended June 30, 2021 (with comparative totals for June 30, 2020)

	2021	2020
Net Assets Without Donor Restriction		
Support and revenues		
State apportionments	\$ 5,460,376	\$ 4,015,717
Federal revenue	755,717	380,462
Other state revenue	457,446	-
Contributions and grants	258,054	269,552
Local revenue	7,962	9,640
Total support and revenues	6,939,555	4,675,371
Expenses		
Program services		
Salaries and benefits	2,941,089	2,304,979
Student services	543,615	593,525
Materials and supplies	274,885	115,595
Other expenses	265,017	115,958
Depreciation	105,141	98,164
Occupancy	527,128	444,782
Interest	164,555	165,429
Subtotal	4,821,430	3,838,432
Management and general		
Operating expenses	159,040	118,230
Shared services - related party	862,888	616,018
Subtotal	1,021,928	734,248
Total expenses	5,843,358	4,572,680
Change in Net Assets Without Donor Restriction	1,096,197	102,691
Net Assets, Beginning of Year	(63,718)	(166,409)
Net Assets, End of Year	\$ 1,032,479	\$ (63,718)



Green Dot Public Schools Tennessee  
Bluff City High School Statement of Cash Flows  
Year Ended June 30, 2021 (with comparative totals for June 30, 2020)

	2021	2020
Operating Activities		
Change in net assets	\$ 1,096,197	\$ 102,691
Adjustments to reconcile change in net assets to net cash used from (used for) operating activities		
Depreciation expense	105,141	98,164
Amortization expense	9,366	17,794
Changes in operating assets and liabilities		
Accounts receivable	(560,544)	(99,698)
Prepaid expenses and other current assets	33,238	(33,238)
Accounts payable	52,956	(115,286)
Accounts payable - related party	2,052	-
Intra-entity payable	(465,806)	282,653
Operating lease assets and liabilities	58,260	58,261
Deferred revenue	(9,197)	9,197
	321,663	320,538
Net Cash from (used for) Operating Activities		
Investing Activities		
Purchases of property and equipment	(463,568)	(2,156,223)
Financing Activities		
Proceeds from loan payable	420,556	1,835,685
Principal payments on loan payable	(278,651)	-
	141,905	1,835,685
Net Cash from (used for) Financing Activities		
Net Change in Cash and Cash Equivalents	-	-
Cash and Cash Equivalents, Beginning of Year	-	-
Cash and Cash Equivalents, End of Year	\$ -	\$ -
Supplemental Cash Flow Disclosure:		
Cash paid during the period for interest	\$ 164,555	\$ 165,429

Green Dot Public Schools Tennessee  
Combining Statement of Financial Position  
June 30, 2021

	Regional Office	Fairley HS	Wooddale MS	Hillcrest HS
<b>Assets</b>				
Current assets				
Cash and cash equivalents	\$ 4,835,576	\$ -	\$ -	\$ -
Accounts receivable	11,947	390,829	387,369	296,669
Intra-entity receivable	834,455	-	569,389	-
Prepaid expenses	48,531	-	-	-
Total current assets	<u>5,730,509</u>	<u>390,829</u>	<u>956,758</u>	<u>296,669</u>
Non-current assets				
Security deposits	-	-	-	-
Operating lease right-of-use asset	-	-	-	-
Property and equipment, net	629,259	34,438	155,901	155,571
Total non-current assets	<u>629,259</u>	<u>34,438</u>	<u>155,901</u>	<u>155,571</u>
	<u>\$ 6,359,768</u>	<u>\$ 425,267</u>	<u>\$ 1,112,659</u>	<u>\$ 452,240</u>
<b>Liabilities</b>				
Current liabilities				
Accounts payable	\$ 1,128,510	\$ 62,737	\$ 83,727	\$ 85,783
Accounts payable - related party	148,431	3,251	4,422	3,917
Intra-entity payable	-	1,010,450	-	822,282
Refundable Advance	-	-	-	-
Refundable advance - Paycheck Protection Program (PPP)	3,017,265	-	-	-
Current portion of operating lease liability	-	-	-	-
Current portion of loan payable	-	-	-	76,317
Total current liabilities	<u>4,294,206</u>	<u>1,076,438</u>	<u>88,149</u>	<u>988,299</u>
Long-term liabilities				
Operating lease liability, less current portion	-	-	-	-
Loan payable, less current portion	-	-	585,000	228,951
Total long-term liabilities	<u>-</u>	<u>-</u>	<u>585,000</u>	<u>228,951</u>
Total liabilities	<u>4,294,206</u>	<u>1,076,438</u>	<u>673,149</u>	<u>1,217,250</u>
<b>Net Assets</b>				
Without donor restriction	1,963,770	(651,171)	439,510	(765,010)
With donor restriction	101,792	-	-	-
Total Net Assets	<u>2,065,562</u>	<u>(651,171)</u>	<u>439,510</u>	<u>(765,010)</u>
Total liabilities and net assets	<u>\$ 6,359,768</u>	<u>\$ 425,267</u>	<u>\$ 1,112,659</u>	<u>\$ 452,240</u>

Green Dot Public Schools Tennessee  
Combining Statement of Financial Position  
June 30, 2021

	Kirby MS	Bluff City HS	Elimination	Total
<b>Assets</b>				
Current assets				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 4,835,576
Accounts receivable	448,099	795,524	-	2,330,437
Intra-entity receivable	564,427	-	(1,968,271)	-
Prepaid expenses	-	-	-	48,531
<b>Total current assets</b>	<b>1,012,526</b>	<b>795,524</b>	<b>(1,968,271)</b>	<b>7,214,544</b>
Non-current assets				
Security deposits	-	14,000	-	14,000
Operating lease right-of-use asset	-	3,465,446	-	3,465,446
Property and equipment, net	218,223	6,348,646	-	7,542,038
<b>Total non-current assets</b>	<b>218,223</b>	<b>9,828,092</b>	<b>-</b>	<b>11,021,484</b>
	<b>\$ 1,230,749</b>	<b>\$ 10,623,616</b>	<b>\$ (1,968,271)</b>	<b>\$ 18,236,028</b>
<b>Liabilities</b>				
Current liabilities				
Accounts payable	\$ 53,535	\$ 76,197	\$ -	\$ 1,490,489
Accounts payable - related party	3,761	2,052	-	165,834
Intra-entity payable	-	135,539	(1,968,271)	-
Refundable Advance	400	-	-	400
Refundable advance - Paycheck Protection Program (PPP)	-	-	-	3,017,265
Current portion of operating lease liability	-	7,234	-	7,234
Current portion of loan payable	72,683	103,318	-	252,318
<b>Total current liabilities</b>	<b>130,379</b>	<b>324,340</b>	<b>(1,968,271)</b>	<b>4,933,540</b>
Long-term liabilities				
Operating lease liability, less current portion	-	3,574,733	-	3,574,733
Loan payable, less current portion	218,049	5,692,064	-	6,724,064
<b>Total long-term liabilities</b>	<b>218,049</b>	<b>9,266,797</b>	<b>-</b>	<b>10,298,797</b>
<b>Total liabilities</b>	<b>348,428</b>	<b>9,591,137</b>	<b>(1,968,271)</b>	<b>15,232,337</b>
<b>Net Assets</b>				
Without donor restriction	882,321	1,032,479	-	2,901,899
With donor restriction	-	-	-	101,792
<b>Total Net Assets</b>	<b>882,321</b>	<b>1,032,479</b>	<b>-</b>	<b>3,003,691</b>
<b>Total liabilities and net assets</b>	<b>\$ 1,230,749</b>	<b>\$ 10,623,616</b>	<b>\$ (1,968,271)</b>	<b>\$ 18,236,028</b>

Green Dot Public Schools Tennessee

Combining Statement of Activities

Year Ended June 30, 2021

	Regional Office	Fairley HS	Wooddale MS	Hillcrest HS
<b>Net Assets Without Donor Restriction</b>				
<b>Support and revenues</b>				
State apportionments	\$ -	\$ 3,518,923	\$ 4,905,552	\$ 4,333,304
Federal revenue	-	725,749	905,048	834,523
Other state revenue	-	68,330	86,813	89,538
Contributions and grants	2,878	13,297	10,929	10,929
Local revenue	3,742,164	25,153	6,865	14,953
Net assets released from restrictions	225,306	-	-	-
<b>Total support and revenues</b>	<b>3,970,348</b>	<b>4,351,452</b>	<b>5,915,207</b>	<b>5,283,247</b>
<b>Expenses</b>				
<b>Program services</b>				
Salaries and benefits	442,076	2,413,931	3,316,735	3,081,145
Student services	39,145	523,282	479,958	538,467
Materials and supplies	7,445	195,468	260,810	186,243
Other expenses	6,900	173,904	223,695	166,798
Depreciation and amortization	-	23,329	58,156	34,066
Occupancy	-	653,241	625,634	596,829
Interest	-	-	5,850	3,816
<b>Subtotal</b>	<b>495,566</b>	<b>3,983,155</b>	<b>4,970,838</b>	<b>4,607,364</b>
<b>Management and general</b>				
Salaries and benefits	909,255	-	-	-
Occupancy	20,524	-	-	-
Operating expenses	816,394	88,927	123,969	109,508
Shared services - related party	1,792,402	561,187	773,449	693,246
<b>Subtotal</b>	<b>3,584,653</b>	<b>650,114</b>	<b>897,418</b>	<b>802,754</b>
<b>Total expenses</b>	<b>4,080,219</b>	<b>4,633,269</b>	<b>5,868,256</b>	<b>5,410,118</b>
<b>Change in Net Assets Without Donor Restriction</b>	<b>(109,871)</b>	<b>(281,817)</b>	<b>46,951</b>	<b>(126,871)</b>
<b>Net Assets with Donor Restriction</b>				
Contributions and grants	35,000	-	-	-
Net assets released from restrictions	(225,306)	-	-	-
<b>Change in Net Assets with Donor Restriction</b>	<b>(190,306)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Change in Net Assets</b>	<b>(300,177)</b>	<b>(281,817)</b>	<b>46,951</b>	<b>(126,871)</b>
<b>Net Assets, Beginning of Year</b>	<b>2,365,739</b>	<b>(369,354)</b>	<b>392,559</b>	<b>(638,139)</b>
<b>Net Assets, End of Year</b>	<b>\$ 2,065,562</b>	<b>\$ (651,171)</b>	<b>\$ 439,510</b>	<b>\$ (765,010)</b>

# Green Dot Public Schools Tennessee

Combining Statement of Activities

Year Ended June 30, 2021

	Kirby MS	Bluff City HS	Elimination	Total
<b>Net Assets Without Donor Restriction</b>				
<b>Support and revenues</b>				
State apportionments	\$ 4,601,891	\$ 5,460,376	\$ -	\$ 22,820,046
Federal revenue	680,292	755,717	-	3,901,329
Other state revenue	107,020	457,446	-	809,147
Contributions and grants	14,033	258,054	-	310,120
Local revenue	23,248	7,962	(3,601,278)	219,067
Net assets released from restrictions	-	-	-	225,306
<b>Total support and revenues</b>	<b>5,426,484</b>	<b>6,939,555</b>	<b>(3,601,278)</b>	<b>28,285,015</b>
<b>Expenses</b>				
<b>Program services</b>				
Salaries and benefits	2,710,177	2,941,089	-	14,905,153
Student services	416,013	543,615	-	2,540,480
Materials and supplies	215,446	274,885	-	1,140,297
Other expenses	236,207	265,017	-	1,072,521
Depreciation and amortization	50,158	105,141	-	270,850
Occupancy	354,156	527,128	-	2,756,988
Interest	3,634	164,555	-	177,855
<b>Subtotal</b>	<b>3,985,791</b>	<b>4,821,430</b>	<b>-</b>	<b>22,864,144</b>
<b>Management and general</b>				
Salaries and benefits	-	-	-	909,255
Occupancy	-	-	-	20,524
Operating expenses	116,296	159,040	-	1,414,134
Shared services - related party	710,509	862,888	(3,601,278)	1,792,403
<b>Subtotal</b>	<b>826,805</b>	<b>1,021,928</b>	<b>(3,601,278)</b>	<b>4,182,394</b>
<b>Total expenses</b>	<b>4,812,596</b>	<b>5,843,358</b>	<b>(3,601,278)</b>	<b>27,046,538</b>
<b>Change in Net Assets Without Donor Restriction</b>	<b>613,888</b>	<b>1,096,197</b>	<b>-</b>	<b>1,238,477</b>
<b>Net Assets with Donor Restriction</b>				
Contributions and grants	-	-	-	35,000
Net assets released from restrictions	-	-	-	(225,306)
<b>Change in Net Assets with Donor Restriction</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(190,306)</b>
<b>Change in Net Assets</b>	<b>613,888</b>	<b>1,096,197</b>	<b>-</b>	<b>1,048,171</b>
<b>Net Assets, Beginning of Year</b>	<b>268,433</b>	<b>(63,718)</b>	<b>-</b>	<b>1,955,520</b>
<b>Net Assets, End of Year</b>	<b>\$ 882,321</b>	<b>\$ 1,032,479</b>	<b>\$ -</b>	<b>\$ 3,003,691</b>

## Green Dot Public Schools Tennessee

Combining Statement of Cash Flows

Year Ended June 30, 2021

	Regional Office	Fairley HS	Wooddale MS	Hillcrest HS
Operating Activities				
Change in net assets	\$ (300,177)	\$ (281,817)	\$ 46,951	\$ (126,871)
Adjustments to reconcile change in net assets to net cash from (used for) operating activities				
Depreciation expense	46,078	23,329	58,156	34,066
Amortization expense	-	-	-	-
Changes in operating assets and liabilities				
Accounts receivable	(11,833)	(142,732)	7,063	(1,613)
Intra-entity receivable	922,047	-	(128,920)	-
Prepaid expenses	128,596	-	-	-
Accounts payable	(13,155)	31,202	12,328	(8,039)
Accounts payable - related party	(758,068)	3,251	4,422	3,917
Intra-entity payable	(482,161)	381,098	-	174,857
Operating lease assets and liabilities	-	-	-	-
Deferred revenue	(1,500)	-	-	-
Net Cash from (used for) Operating Activities	<u>(470,173)</u>	<u>14,331</u>	<u>-</u>	<u>76,317</u>
Investing Activities				
Purchases of property and equipment	<u>(675,337)</u>	<u>(14,331)</u>	<u>-</u>	<u>-</u>
Financing Activities				
Proceeds from loan payable	-	-	-	-
Principal payments on loan payable	<u>-</u>	<u>-</u>	<u>-</u>	<u>(76,317)</u>
Net Cash from (used for) Financing Activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>(76,317)</u>
Net Change in Cash and Cash Equivalents	(1,145,510)	-	-	-
Cash and Cash Equivalents, Beginning of Year	<u>5,981,086</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and Cash Equivalents, End of Year	<u>\$ 4,835,576</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Supplemental Cash Flow Disclosure:				
Cash paid during the period for interest	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,850</u>	<u>\$ 3,816</u>

## Green Dot Public Schools Tennessee

Combining Statement of Cash Flows

Year Ended June 30, 2021

	Kirby MS	Bluff City HS	Elimination	Total
<b>Operating Activities</b>				
Change in net assets	\$ 613,888	\$ 1,096,197	\$ -	\$ 1,048,171
Adjustments to reconcile change in net assets to net cash from (used for) operating activities				
Depreciation expense	50,158	105,141	-	316,928
Amortization expense	-	9,366	-	9,366
Changes in operating assets and liabilities				
Accounts receivable	(148,644)	(560,544)	-	(858,303)
Intra-entity receivable	(401,115)	-	(392,012)	-
Prepaid expenses	-	33,238	-	161,834
Accounts payable	(45,765)	52,956	-	29,527
Accounts payable - related party	3,761	2,052	-	(740,665)
Intra-entity payable	-	(465,806)	392,012	-
Operating lease assets and liabilities	-	58,260	-	58,260
Deferred revenue	400	(9,197)	-	(10,297)
<b>Net Cash from (used for) Operating Activities</b>	<b>72,683</b>	<b>321,663</b>	<b>-</b>	<b>14,821</b>
<b>Investing Activities</b>				
Purchases of property and equipment	-	(463,568)	-	(1,153,236)
<b>Financing Activities</b>				
Proceeds from loan payable	-	420,556	-	420,556
Principal payments on loan payable	(72,683)	(278,651)	-	(427,651)
<b>Net Cash from (used for) Financing Activities</b>	<b>(72,683)</b>	<b>141,905</b>	<b>-</b>	<b>(7,095)</b>
<b>Net Change in Cash and Cash Equivalents</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,145,510)</b>
Cash and Cash Equivalents, Beginning of Year	-	-	-	5,981,086
Cash and Cash Equivalents, End of Year	\$ -	\$ -	\$ -	\$ 4,835,576
<b>Supplemental Cash Flow Disclosure:</b>				
Cash paid during the period for interest	\$ 3,634	\$ 164,555	\$ -	\$ 177,855

## **Note 1 - Purpose of Supplementary Schedules**

### **Schedule of Expenditures of Federal Awards**

#### Basis of Presentation

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal award activity of GDPS TN under programs of the federal government for the year ended June 30, 2021. The information is presented 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 GDPS TN, it is not intended to and does not present the financial position, changes in net assets, or cash flows of GDPS TN.

#### Summary of Significant Accounting Policies

Expenditures reported in the schedule are reported on the accrual basis of accounting. When applicable, such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. No federal financial assistance has been provided to a subrecipient.

#### Indirect Cost Rate

GDPS TN has not elected to use the ten percent (10%) de minimis cost rate.

### **Supplementary Financial Statements by Entity**

These financial statements include an account of the regional office and each charter school operated by GDPS TN.

### **Combining Statement of Financial Position and Combining Statement of Activities**

The Combining Statement of Financial Position and Combining Statement of Activities are included to provide information regarding the individual programs of the charter schools within GDPS TN and are presented on the accrual basis of accounting. Eliminating entries in the Combining Statement of Financial Position and Combining Statement of Activities are for activities between each charter school.





Independent Auditor's Reports  
June 30, 2021

# Green Dot Public Schools Tennessee



**Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards***

Board of Directors  
Green Dot Public Schools Tennessee  
Memphis, Tennessee

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the financial statements of Green Dot Public Schools Tennessee (GDPS TN) (A Tennessee Nonprofit Public Benefit Corporation), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated January 7, 2022.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered GDPS TN's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of GDPS TN's internal control. Accordingly, we do not express an opinion on the effectiveness of GDPS TN'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 GDPS TN'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 may exist that have not been identified.

**Compliance and Other Matters**

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

**Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of GDPS TN's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering GDPS TN's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Rancho Cucamonga, California  
January 7, 2022



## **Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance Required by the Uniform Guidance**

Board of Directors  
Green Dot Public Schools Tennessee  
Memphis, Tennessee

### **Report on Compliance for the Major Federal Program**

We have audited Green Dot Public Schools Tennessee's (GDPS TN) compliance with the types of compliance requirements described in the Office of Management and Budget Compliance Supplement that could have a direct and material effect on GDPS TN's major federal program for the year ended June 30, 2021. GDPS TN's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

### **Management's Responsibility**

Management is responsible for compliance with the federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for GDPS TN's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about GDPS TN's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of GDPS TN's compliance.

### **Opinion on the Major Federal Program**

In our opinion, GDPS TN complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2021.

## Report on Internal Control Over Compliance

Management of GDPS TN is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered GDPS TN's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of GDPS TN's 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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



Rancho Cucamonga, California  
January 7, 2022



Schedule of Findings and Questioned Costs  
June 30, 2021

# Green Dot Public Schools Tennessee

**Financial Statements**

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weakness identified	No
Significant deficiency identified not considered to be material weaknesses	None reported
Noncompliance material to financial statements noted	No

**Federal Awards**

Internal control over major Federal programs:	
Material weakness identified	No
Significant deficiency identified not considered to be material weaknesses	None reported
Type of auditor's report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516(a):	No

**Identification of major Federal programs:**

Name of Federal Program or Cluster	Assistance Listing Number (ALN)
COVID-19 Educational Stabilization Funds	84.425D
Dollar threshold used to distinguish between Type A and Type B programs:	\$750,000
Auditee qualified as low-risk auditee?	Yes

None reported.



None reported.

There were no audit findings reported in the prior year.