WHISMAN GIORDANO
CERTIFIED PUBLIC ACCOUNTANTS

Building Extraordinary Relationships

Report of Independent Auditor

CAMPUS COMMUNITY SCHOOL
[A Component Unit of the State of Delaware]
Dover, Delaware

Years Ended June 30, 2021 and 2020

CAMPUS COMMUNITY SCHOOL
[A Component Unit of the State of Delaware]

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WHISMAN GIORDANO
CERTIFIED PUBLIC ACCOUNTANTS

Building Extraordinary Relationships

Report of Independent Auditor

To Members of the School Board
Campus Community School
Dover, Delaware

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Campus Community School [the "School"], Dover, Delaware [a component unit of the State of Delaware] as of and for the years ended June 30, 2021 and 2020, and the related notes to the financial statements, which collectively comprise Campus Community School's basic financial statements as listed in the table of contents.

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 financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits 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 the entity'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 the entity'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 opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Campus Community School as of June 30, 2021 and 2020, and the respective changes in financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

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Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require a schedule of budgetary comparison information, schedules of proportionate share of net pension and OPEB liabilities, and schedules of pension and OPEB contributions, reflected on pages 27 to 31, to 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. The School has omitted the management's discussion and analysis section that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Supplementary Information

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise Campus Community School's basic financial statements. The supplementary information, reflected on pages 32 and 33, 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 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 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 supplementary information reflected on pages 32 and 33 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 September 30, 2021 on our consideration of Campus Community School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and in considering Campus Community School's internal control over financial reporting and compliance.

Restriction on Use

Our report is intended solely for the information and use of management, the Finance Committee, the Members of the School Board, others within the School, Delaware Department of Education, Office of the Governor, Office of the Comptroller General, Office of the Attorney General, Office of Management and Budget, Secretary of Finance, Office of Auditor of Accounts, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than the specified parties. However, this report is a public record, and its distribution is not limited.

Whisman Giordano & Associates, LLC

Newark, Delaware
September 30, 2021

Basic Financial Statements Section

CAMPUS COMMUNITY SCHOOL
STATEMENTS OF NET POSITION
As of June 30, 2021 and 2020

	Governmental Activities	
	2021	2020
ASSETS		
Current assets:		
Cash and equivalents	$ 1,492,616	$ 1,337,993
Receivables, net of allowance:		
Students	2,627	3,253
Cash held by fiscal agent:		
Debt service for subsequent year	66,614	65,876
Due from other governments	25,529	53,657
Total current assets	1,587,386	1,460,779
Noncurrent assets:		
Cash held by fiscal agent:		
Debt service reserves	357,595	357,479
Replacement reserves	90,993	90,964
Capital assets, net of accumulated depreciation:		
Nondepreciable	150,000	150,000
Depreciable	3,798,970	3,976,731
Total noncurrent assets	4,397,558	4,575,174
TOTAL ASSETS	5,984,944	6,035,953
DEFERRED OUTFLOWS OF RESOURCES		
Deferred contributions and changes in proportion related to pension activity	165,348	242,057
Deferred contributions related to other postemployment benefits	1,749,159	752,064
Total deferred outflows of resources	1,914,507	994,121
LIABILITIES		
Current liabilities:		
Accounts payable	19,088	5,430
Accrued salaries and related costs	458,582	403,080
Compensated absences liability, current portion	-	-
Revenue bond payable, current portion	110,000	100,000
Total current liabilities	587,670	508,510
Noncurrent liabilities:		
Compensated absences liability, net of current portion	88,874	78,369
Net pension liability	1,251,515	1,453,428
Net other postemployment benefits liability	9,048,366	7,241,397
Revenue bond payable, net of current portion	3,000,000	3,110,000
Total noncurrent liabilities	13,388,755	11,883,194
TOTAL LIABILITIES	13,976,425	12,391,704
DEFERRED INFLOWS OF RESOURCES		
Deferred investment earnings related to pension activity	119,608	164,229
Deferred postemployment benefits	875,092	1,678,794
Total deferred inflows of resources	994,700	1,843,023
NET POSITION (LIABILITY)		
Net investment in capital assets	838,970	916,731
Restricted for:		
Specific programs	380	480
Educational commitment	-	28,858
Debt service for subsequent year	66,614	65,876
Debt service for reserves	357,595	357,479
Replacement reserves	90,993	90,964
Unrestricted	953,848	878,686
Pension and postemployment commitment	(9,380,074)	(9,543,727)
TOTAL NET POSITION (LIABILITY)	$(7,071,674)	$ (7,204,653)

The accompanying notes are an integral part of the basic financial statements

CAMPUS COMMUNITY SCHOOL
STATEMENT OF ACTIVITIES
Year Ended June 30, 2021

Functions	Expenses	Program Revenues: Charges for Services	Program Revenues: Grants and Contributions: Operating	Program Revenues: Grants and Contributions: Capital	Net (Expenses) Revenues and Changes in Net Position: Governmental Activities
GOVERNMENTAL ACTIVITIES					
Instructional services	$3,843,838	$ -	$ 761,542	$ -	$(3,082,296)
Supporting services:					
Operations and maintenance of facilities	117,825	-	-	-	(117,825)
Transportation	324,188	-	406,213	-	82,025
Food services	40,785	4,972	30,573	-	(5,240)
Interest on long-term debt	235,113	-	-	-	(235,113)
Depreciation-unallocated	177,761	-	-	-	(177,761)
TOTAL GOVERMENTAL ACTIVITIES	$4,739,510	$ 4,972	$1,198,328	$ -	$ (3,536,210)

GENERAL REVENUES AND TRANSFERS		
Charges to school districts	514,330	
State funding not restricted to specific purposes	3,129,871	
Earnings on cash and equivalents	23,734	
Miscellaneous revenues	1,254	
Total general revenues and transfers		3,669,189
CHANGE IN NET POSITION		132,979
NET POSITION (LIABILITY)		
Beginning of year		(7,204,653)
End of year		$ (7,071,674)

The accompanying notes are an integral part of the basic financial statements

CAMPUS COMMUNITY SCHOOL
STATEMENT OF ACTIVITIES
Year Ended June 30, 2020

Functions	Expenses	Program Revenues: Charges for Services	Program Revenues: Grants and Contributions: Operating	Program Revenues: Grants and Contributions: Capital	Net (Expenses) Revenues and Changes in Net Position: Governmental Activities
GOVERNMENTAL ACTIVITIES					
Instructional services	$3,243,480	$ 3,868	$ 667,135	$ -	$(2,572,477)
Supporting services:					
Operations and maintenance of facilities	153,331	-	-	-	(153,331)
Transportation	252,794	-	403,014	-	150,220
Food services	133,454	184	110,518	-	(22,752)
Interest on long-term debt	240,575	-	-	-	(240,575)
Depreciation-unallocated	177,760	-	-	-	(177,760)
TOTAL GOVERMENTAL ACTIVITIES	$4,201,394	$ 4,052	$1,180,667	$ -	$(3,016,675)

GENERAL REVENUES AND TRANSFERS		
Charges to school districts	607,899	
State funding not restricted to specific purposes	3,131,439	
Earnings on cash and equivalents	34,879	
Miscellaneous revenues	2,919	
Total general revenues and transfers		3,777,136
CHANGE IN NET POSITION		760,461
NET POSITION (LIABILITY)		
Beginning of year		(7,965,114)
End of year		$(7,204,653)

The accompanying notes are an integral part of the basic financial statements

CAMPUS COMMUNITY SCHOOL
BALANCE SHEETS-GOVERNMENTAL FUNDS
As of June 30, 2021 and 2020

	Governmental Funds					
	2021			2020		
	General Fund	Debt Service Fund	Totals	General Fund	Debt Service Fund	Totals
ASSETS						
Cash and equivalents	$ 1,492,616	$ -	$ 1,492,616	$ 1,337,993	$ -	$ 1,337,993
Receivables, net of allowance:						
Students	2,627	-	2,627	3,253	-	3,253
Cash held by fiscal agent:						
Debt service for subsequent year	-	66,614	66,614	-	65,876	65,876
Debt service reserves	-	357,595	357,595	-	357,479	357,479
Replacement reserves	-	90,993	90,993	-	90,964	90,964
Due from other governments	25,529	-	25,529	53,657	-	53,657
TOTAL ASSETS	$ 1,520,772	$ 515,202	$ 2,035,974	$ 1,394,903	$ 514,319	$ 1,909,222
LIABILITES						
Accounts payable	$ 19,088	$ -	$ 19,088	$ 5,430	$ -	$ 5,430
Accrued salaries and related costs	458,582	-	458,582	403,080	-	403,080
Total liabilities	477,670	-	477,670	408,510	-	408,510
FUND BALANCES						
Restricted for:						
Specific programs	380	-	380	480	-	480
Educational commitment	-	-	-	28,858	-	28,858
Debt service	-	424,209	424,209	-	423,355	423,355
Replacement reserves	-	90,993	90,993	-	90,964	90,964
Unassigned	1,042,722	-	1,042,722	957,055	-	957,055
Total fund balances	1,043,102	515,202	1,558,304	986,393	514,319	1,500,712
TOTAL LIABILTIES AND FUND BALANCES	$ 1,520,772	$ 515,202	$ 2,035,974	$ 1,394,903	$ 514,319	$ 1,909,222

The accompanying notes are an integral part of the basic financial statements

CAMPUS COMMUNITY SCHOOL
RECONCILIATION OF THE BALANCE SHEETS OF GOVERNMENTAL FUNDS
TO THE STATEMENTS OF NET POSITION
As of June 30, 2021 and 2020

	Governmental Funds	
	2021	2020
Amounts reported for governmental activities in the statements of net position are different because:		
Fund balances-Total governmental funds	$ 1,558,304	$ 1,500,712
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the fund financial statements. At June 30, 2021 and 2020, the total cost of capital assets is $7,126,717 and $7,126,717 and the related accumulated depreciation is $3,177,747 and $2,999,986, respectively.	3,948,970	4,126,731
Compensated absences are not due and payable for the period reported and, are therefore not reported in the fund financial statements.	(88,874)	(78,369)
Bond payable is not due and payable in the period reported; therefore, the bond payable is not reported in the fund financial statements.	(3,110,000)	(3,210,000)
Some liabilities, including net pension and net OPEB obligations, are not due and payable in the periods reported and, are therefore not reported in the fund financial statements:		
Net pension liability	(1,251,515)	(1,453,428)
Net other postemployment benefits [OPEB] liability	(9,048,366)	(7,241,397)
Deferred outflows and inflows of resources related to pension and OPEB activities are applicable to future periods and, are therefore not reported in the fund financial statements:		
Deferred outflows of resources related to pension activity of $165,348 and $242,057 consist of $(84,805) and $12,507 of deferred outflows of resources pension expense and $250,153 and $229,550 of deferred outflows of the 2021 and 2020 employer contributions related to the pension, respectively.	165,348	242,057
Deferred inflows of resources related to pension activity.	(119,608)	(164,229)
Deferred outflows of resources related to OPEB activity consisting of 2021 and 2020 employer OPEB contributions, respectively.	1,749,159	752,064
Deferred inflows of resources related to OPEB activity	(875,092)	(1,678,794)
Net position (liability)-Governmental activities	$ (7,071,674)	$ (7,204,653)

The accompanying notes are an integral part of the basic financial statements

CAMPUS COMMUNITY SCHOOL
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES-GOVERNMENTAL FUNDS
Years Ended June 30, 2021 and 2020

	Governmental Funds					
	2021			2020		
	General Fund	Debt Service Fund	Totals	General Fund	Debt Service Fund	Totals
REVENUES						
Charges to school districts	$ 514,330	$ –	$ 514,330	$ 607,899	$ –	$ 607,899
State funding	3,743,190	–	3,743,190	3,752,379	–	3,752,379
Federal funding	585,009	–	585,009	559,727	–	559,727
Earnings on cash and equivalents	23,559	175	23,734	26,969	7,910	34,879
Food services fees	4,972	–	4,972	184	–	184
Program services fees	–	–	–	3,868	–	3,868
Contributions	–	–	–	–	–	–
Miscellaneous revenues	1,254	–	1,254	2,919	–	2,919
Total revenues	4,872,314	175	4,872,489	4,953,945	7,910	4,961,855
EXPENDITURES						
Current:						
Instructional services	3,821,107	–	3,821,107	3,526,950	–	3,526,950
Supporting services:						
Operation and maintenance of facilities	117,825	–	117,825	153,331	–	153,331
Transportation	324,188	–	324,188	252,794	–	252,794
Food services	40,785	–	40,785	133,454	–	133,454
Capital outlay	175,879	–	175,879	60,065	–	60,065
Debt service:						
Principal	–	100,000	100,000	–	95,000	95,000
Interest	–	235,113	235,113	–	240,575	240,575
Total expenditures	4,479,784	335,113	4,814,897	4,126,594	335,575	4,462,169
EXCESS (DEFICIT) REVENUES OVER EXPENDITURES	392,530	(334,938)	57,592	827,351	(327,665)	499,686
OTHER FINANCING SOURCES (USES)						
Operating transfers	(335,821)	335,821	–	(335,498)	335,498	–
Replacement reserves transfers	–	–	–	–	–	–
Total other financing sources (uses)	(335,821)	335,821	–	(335,498)	335,498	–
NET CHANGE IN FUND BALANCES	56,709	883	57,592	491,853	7,833	499,686
FUND BALANCES						
Beginning of year	986,393	514,319	1,500,712	494,540	506,486	1,001,026
End of year	$ 1,043,102	$ 515,202	$ 1,558,304	$ 986,393	$ 514,319	$ 1,500,712

The accompanying notes are an integral part of the basic financial statements

CAMPUS COMMUNITY SCHOOL
RECONCILIATION OF THE STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGE IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENTS OF ACTIVITIES
Years Ended June 30, 2021 and 2020

	Governmental Funds	
	2021	2020
Amounts reported for governmental activities in the statements of activities are different because:		
Net change in fund balances-Total governmental funds	$ 57,592	$ 499,686
In the financial statements of the governmental funds, capital outlay is reported as an expenditure. However, in the government-wide statement of activities, assets with an initial, individual cost of $5,000 [land improvement $10,000] or more are capitalized and the cost is allocated over the estimated useful lives of the capital assets and reported as depreciation expense. The following table reflects the amount by which depreciation expense either exceeds or is less than capital outlay capitalized as capital assets for the period presented.		
Capital assets additions	$ -	$ 10,710
Depreciation expense	(177,761)	(177,760)
	(177,761)	(167,050)
In the government-wide statement of activities, certain operating expenses such as compensated absences [vacation] are measured by the amounts earned during the period. In the governmental funds, however, expenditures for these items are measured by the amount of the financial resources used [essentially, amounts actually paid]. The compensated absences liability (increased) or decreased for the periods presented.	(10,505)	(10,896)
Governmental funds report bond proceeds as an other financing source, while repayment of bond principal is reported as an expenditure. Also, the governmental funds report the effect of issuance costs when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. Interest is recognized as an expenditure in the governmental funds when it is due; and in the statement of activities, interest is recognized as an expense as it accrues, regardless of when due.	100,000	95,000
Governmental funds report the School's pension and OPEB contributions as expenditures. However, in the statement of activities, the cost of pension and OPEB benefits earned net of contributions is reported as an expense.		
School contributions	$ 489,614	$ 469,694
Cost of benefits earned net of contributions (expense)	(325,961)	(125,973)
	163,653	343,721
Change in net position-Governmental activities	$ 132,979	$ 760,461

The accompanying notes are an integral part of the basic financial statements

CAMPUS COMMUNITY SCHOOL
STATEMENTS OF FIDUCIARY NET POSITION-AGENCY FUND
As of June 30, 2021 and 2020

	Student Activities Fund	
	2021	2020
ASSETS		
Cash and equivalents	$ 25,668	$ 27,556
LIABILITIES		
Due to student and other groups	$ 25,668	$ 27,556

The accompanying notes are an integral
part of the basic financial statements

NOTE 1 - NATURE OF THE GOVERNMENT

Campus Community School, located within the limits of the city of Dover, Delaware, is organized under Title 14, Chapter 5 of the State of Delaware Code. The Charter School Law grants authority for independent public schools to be created for the purpose of increasing choices for parents of public-school students and academic performance. A charter school operates as an independent public school governed by a School Board of Directors. In Delaware, charter schools have the same basic standing as a school district with some exceptions - most notably, they cannot levy taxes. To encourage innovation, charter schools operate free from many State laws and regulations. Charter schools are funded similarly to other public schools in that state and local funds are allocated for each enrolled student. State funds are not provided for charter school facilities. Charter schools may charge for selected additional services consistent with those permitted by the school districts. Because charter schools receive local, state, and federal funding, they may not charge tuition.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Campus Community School [the School] have been prepared in conformity with U.S. generally accepted accounting principles as applied to local governmental units. The Governmental Accounting Standards Board [GASB] is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting policies of the School are as follows:

Reporting Entity

The School is the primary government and is considered a component unit of the State of Delaware. A component unit, although a legally separate entity, is, in substance, part of the operations of the State of Delaware. The School has no component units for which it is considered responsible or financially accountable.

Government-Wide and Fund Financial Statements

The government-wide financial statements [statement of net position and statement of activities] report financial information on all of the nonfiduciary activities of the School. For the most part, the effects of interfund activity have been removed from the financial statements.

The statement of activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct *expenses* are those that are clearly identifiable with a specific program. *Program revenues* include charges to students or other third parties who purchase or directly benefit from the goods and services provided, and grants and contributions that are restricted to meeting the operating or capital requirements of a function.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the fiduciary fund is excluded from the government-wide financial statements. Major governmental funds are reported as separate columns in fund financial statements.

Measurement Focus, Accounting Basis, and Financial Statement Presentation

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

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES [continued]

Measurement Focus, Accounting Basis, and Financial Statement Presentation [continued]

Charges to school districts, grants, contributions, and interest earned associated with the fiscal year are all considered to be susceptible to accrual and so have been recognized as revenues of the fiscal year. Generally, all other revenue items are considered to be measurable and available only when the School receives cash.

The School reports the following major governmental funds:

- The ***general fund*** is the School's primary operating fund. It accounts for all financial resources of the School, except those required to be accounted for in another fund.
- The ***debt service fund*** is maintained to accumulate resources for the payment of interest and principal on long-term general obligation debt and the accumulation of replacement reserves for building maintenance.

Additionally, the School reports the following fund type:

- The ***student activities agency fund*** [a fiduciary fund] accounts for assets held on behalf of student groups and other organizations. Since the agency fund is custodial in nature, the fund does not present results of operations.

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

Cash and Equivalents

The School considers cash and equivalents as cash held on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Cash Held by Fiscal Agent

Cash held by fiscal agent represents funds set aside by the School to honor the trust indenture and bond agreement.

Receivables

At June 30, 2021 and 2020, receivables are reflected net of the estimated uncollectible allowance of $0 and $0, respectively. The allowance is based on historical data established according to experience and other factors which in the judgment of School officials deserve recognition in estimating future possible losses. Management believes it has adequately provided for such losses.

Interfund Balances

Activities between funds that are representative of lending arrangements outstanding at the end of the fiscal year are referred to as either "interfund balances" [current portion] or "interfund advances" [noncurrent]. The School has no such activities for the years presented.

Advances between the funds reported in the fund financial statements, when present, are offset by assigned fund balances in the governmental funds to indicate that the advances are not available for appropriation and are not expendable available financial resources.

Prepayments and Other Assets

Payments made to vendors for services [e.g., insurance, rents, etc.] that will benefit periods beyond the current period are recorded as prepayments and other assets using the consumption method by recording an asset for the prepaid amount and reflecting the expenditure/expense in the period in which services are consumed. At the fund reporting level, an equal amount of fund balance is classified as non-spendable, as the amount is not available for appropriation.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES [continued]

Capital Assets

Capital assets, which include a building and improvements, and furniture and equipment, are reported in the government-wide financial statements. The School defines a capital asset as an asset with an initial, individual cost of $5,000 [land improvement $10,000] or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated cost if purchased or constructed. Donated capital assets are recorded at estimated fair value as of the date of donation. The cost of normal maintenance and repairs that do not add to the value or materially extend the life of an asset is not capitalized. Major outlays for capital assets are capitalized as projects are constructed; however, interest cost incurred during construction is not capitalized.

Building and improvements, and furniture and equipment are depreciated using the straight-line method over their estimated useful lives ranging between 5 to 40 years.

Compensated Absences Liability Policy

Vacation pay, plus related payroll taxes, are accrued when incurred in the government-wide financial statements. However, in the governmental funds, a liability is reported when the amount has matured, for example, an employee's resignation or retirement.

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

Sick Leave-Sick leave is earned as follows: 10 days for ten-month employees, 11 days for eleven-month employees, and 12 days for twelve-month employees. Unused sick days shall be accumulated to the employee's credit without limit. The compensation for accumulated sick days is paid when an employee [a] qualifies and applies for State pension and is paid at a rate of 50% of the per diem rate of pay not to exceed 90 days or [b] at death, payment is made to the employee's estate at a rate of one day's pay for each day of unused sick leave not to exceed 90 days.

Long-Term Obligations

In the government-wide financial statements, long-term debt is reported as a liability. When present, the bond premiums and discounts are deferred and amortized over the life of the bond using the effective interest rate method.

In the fund financial statements, the governmental fund types recognize bond premiums and discounts during the current period. The face amount of the debt issued is reported as other financing sources, and premiums received, or discounts paid on the debt issuance are reported as other financing sources and uses. Issuance costs, whether withheld or not from the actual debt proceeds received, are reported as debt service expenditures, except for refunding paid from the issuance proceeds which are reported as other financing sources.

Deferred Outflows and Inflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources [expense/expenditure] until that period. The School has two items that qualify for reporting in this category. The first item is deferred contributions and changes in proportion related to the School's pension activity, and the second item refers to its OPEB activity. The amounts are reported in the statement of net position and deferred and amortized over periods of five to six years.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources [revenue] until that time. The School has two items that qualify for reporting in this category. The first item is deferred investment earnings related to pension activity, and the second item relates to OPEB activity. These items are reported only in the statement of net position. These amounts are deferred and recognized as inflows from resources in the period that the amounts become available.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES [continued]

Encumbrance Accounting

Encumbrance accounting is employed by the governmental funds of the School. Encumbrances [e.g., purchase orders and contracts] outstanding at the year-end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments are re-appropriated and honored during the subsequent year. At June 30, 2021 and 2020, the School has no encumbrances outstanding.

Net Position and Fund Equity

The net position, in the government-wide financial statements, is reported in three categories: net position invested in capital assets, net of related debt; restricted net position; and unrestricted net position. Net position invested in capital assets represents the capital assets less accumulated depreciation less outstanding principal of the related debt. Net position invested in capital assets does not include any unspent proceeds of capital debt. The restricted net position represents net assets restricted by parties outside of the School [such as creditors, grantors, contributors, laws, and regulations of other governments] and includes unspent awards not considered refundable advances. All other net position is considered unrestricted.

The School follows the requirements of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* for its governmental funds. Under the GASB Statement, fund balances are required to be reported according to the following classifications:

- **Non-spendable fund balance-**Includes amounts that cannot be spent because they are either not in spendable form, or, for legal or contractual reasons, must be kept intact. This classification generally includes prepaid amounts, inventories, assets held for sale, and long-term receivables.

- **Restricted fund balance-**Constraints placed on the use of these amounts are either externally imposed by creditors [such as debt covenants], grantors, contributors, or other governments; or imposed by law through constitutional provisions or enabling legislation.

- **Committed fund balance-**Amounts that can only be used for specific purposes because of a formal action [resolution] by the School's highest level of decision-making authority: The School Board.

- **Assigned fund balance-**Amounts that are constrained by the School's intent to be used for specific purposes, but that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the School Board, or by an official to whom that authority has been given. With the exception of the general fund, this is the residual fund balance classification for all the governmental funds with positive balances.

- **Unassigned fund balance-**This is the residual classification of the general fund. Only the general fund reports a positive unassigned fund balance. Other governmental funds might report a negative balance in this classification, as the result of overspending for specific purposes for which amounts had been restricted, committed, or assigned.

When both restricted and unrestricted resources are available for use, it is the policy of the School to use restricted resources first, then unrestricted resources as needed.

Use of Estimates

Preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements and reported amounts of revenues and expenses or expenditures during the reporting period. Accordingly, the actual results may differ from those estimates.

Accounting System

In accordance with the State of Delaware Charter Law, the School is required to maintain its accounting system with the Delaware Division of Accounting and as such the School uses the State codes and code structure identified in the State's *Budget and Accounting Policy Manual*.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES [continued]

Income Tax Status

The School is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Service [IRS] Code. However, income from certain activities not directly related to the School's tax-exempt purpose is subject to taxation as unrelated business income. In addition, the School qualifies for the charitable contribution deduction under IRS Section 170(b)(1)(A) and as such has been classified as an organization that is not a private foundation.

The Financial Accounting Standards Board on statements pertaining to the *Accounting for Uncertainty in Income Taxes* recognized in the financial statements prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of tax positions taken or expected to be taken on a tax return. The federal returns of the School for the prior three fiscal years are subject to examination by the IRS, generally for three years after they are filed. The tax positions taken by management for these years are based on clear and unambiguous tax law; and management has a high level of confidence in the technical merits of the positions taken. The School has no uncertain tax positions that qualify for recognition in the financial statements.

Reclassifications

Certain amounts in the government-wide and the fund financial statements, including the supplementary financial statements, have been reclassified for comparative purposes to conform to the current year presentation. The reclassifications did not have any impact on the change in net position or the change in fund balances.

NOTE 3 - CASH AND EQUIVALENTS

The School's deposits [cash and equivalents] consist of the following:

Deposits Held by the State of Delaware

At June 30, 2021 and 2020, the School has cash and equivalents of $1,478,905 and $1,330,065, respectively. These deposits are part of the State investment pool that is controlled and administered by the State Treasurer's Office in Dover, Delaware, and all investment decisions are made by the same State office. The deposits are considered highly liquid and available for immediate use and, thus, are reflected as cash equivalents in the financial statements. Deposits held by the State's investment pool, an internal investment pool, are specifically identified for the School; however, the credit risk cannot be categorized for these deposits. Credit risk for such deposits depends on the financial stability of the State of Delaware. The State reports that its investment securities are stated at quoted market prices, except that investment securities with remaining maturity at the time of purchase [one year or less] are stated at cost or amortized cost.

Deposits Held by Financial Institutions

At June 30, 2021 and 2020, the reported amount of deposits maintained by the School outside of the State Treasurer's Office is $39,439 [book value] and $35,484 [book value], respectively. The deposits of $39,476 and $35,734 at June 30, 2021 and 2020, respectively, are held by one financial institution and are insured by the Federal Deposit Insurance Corporation [FDIC]. Deposits in excess [or non-coverage] of FDIC insurance are exposed to custodial credit risk. Custodial credit risk is the risk that in the event of a financial institution failure, the deposits may not be returned to the School.

Deposits Held by Fiscal Agent

According to the trust indenture and bond agreement with BNY Mellon Bank, the School sets aside money for payments required by the Bond Issue, Series 2011. As of June 30, 2021 and 2020, the balance of the fund and the bank balance are $515,202 and $514,319, respectively, all of which was restricted for debt service, debt service reserves, and replacement reserves. The financial instruments which potentially subject the School to concentrations of credit risk are principally cash and equivalents. These financial instruments consist of investments held by financial institutions in FDIC insured Money Market accounts or U.S. Treasury instruments backed by the U.S. Government.

NOTE 4 – INTERGOVERNMENTAL RECEIVABLES

Amounts due from other governments represent receivables for revenues earned by the School. At June 30, the intergovernmental receivables are:

Description	2021	2020
Passed through the State of Delaware:		
Local school districts	$ -	$ -
Federal government-Department of Agriculture	-	-
Federal government-Department of Education	25,529	53,657
Total intergovernmental receivables	25,529	53,657
Less: Allowance for uncollectible amounts	-	-
Total amount due from other governments	$ 25,529	$ 53,657

NOTE 5 – CAPITAL ASSETS

The following tables summarize the annual changes to the capital assets:

	As of and Year Ended June 30, 2021			
Description	Beginning Balances	Increases	Decreases	Ending Balances
Capital assets, not depreciated:				
Land	$ 150,000	$ -	$ -	$ 150,000
Construction in progress	-	-	-	-
Total capital assets, not depreciated	150,000	-	-	150,000
Capital assets, being depreciated:				
Building and improvements	6,891,639	-	-	6,891,639
Furniture and equipment	85,078	-	-	85,078
Totals	6,976,717	-	-	6,976,717
Less accumulated depreciation:				
Building and improvements	2,937,899	171,891	-	3,109,790
Furniture and equipment	62,087	5,870	-	67,957
Totals	2,999,986	177,761	-	3,177,747
Total capital assets, being depreciated	$3,976,731	$ (177,761)	$ -	$3,798,970

	As of and Year Ended June 30, 2020			
Description	Beginning Balances	Increases	Decreases	Ending Balances
Capital assets, not depreciated:				
Land	$ 150,000	$ -	$ -	$ 150,000
Construction in progress	8,000	-	8,000	-
Total capital assets, not depreciated	158,000	-	8,000	150,000
Capital assets, being depreciated:				
Building and improvements	6,872,929	18,710	-	6,891,639
Furniture and equipment	85,078	-	-	85,078
Totals	6,958,007	18,710	-	6,976,717
Less accumulated depreciation:				
Building and improvements	2,766,009	171,890	-	2,937,899
Furniture and equipment	56,217	5,870	-	62,087
Totals	2,822,226	177,760	-	2,999,986
Total capital assets, being depreciated	$4,135,781	$ (159,050)	$ -	$3,976,731

NOTE 6 - LONG-TERM DEBT OBLIGATIONS

The following table summarizes the annual changes to long-term debt obligations:

	As of and Year Ended June 30, 2021				
	Long-Term Obligations				Due
Description	Beginning Balances	Additions	Deletions	Ending Balances	Within One Year
General obligation:					
Revenue Bonds-Series 2011	$3,210,000	$ -	$ 100,000	$3,110,000	$ 110,000
Other long-term debt:					
Compensated absences	78,369	10,505	-	88,874	-
Total governmental activity	$3,288,369	$ 10,505	$ 100,000	$3,198,874	$ 110,000

The compensated absences liability for governmental activities is generally liquidated with general fund resources.

Revenue Bonds, Series 2011

On May 1, 2011, Kent County, Delaware issued Variable Rate Demand/Fixed Rate Refunding Revenue Bonds, Series 2011 in the amount of $3,930,000. The School used the proceeds of the revenue bonds to [1] pay off the bonds, Series 2002; [2] renovate existing buildings located at 310-334 and 346-350 Pear Street, Dover, Delaware, into classrooms, other academic areas, a gymnasium, a lunchroom, and other accessory school uses; and [3] pay for costs related to the issuance of the revenue bonds. The revenue bonds were issued pursuant to a Trust Indenture dated May 1, 2011, between Kent County and BNY Mellon, as trustee. Kent County loaned the proceeds of the revenue bonds to Campus Community School.

The revenue bonds are to be repaid over 27 years with final payment due and redemption of the bonds through 2037. The interest rate is 5.75 percent starting with fiscal year 2012, and 7.375 percent starting with fiscal year 2022. The revenue bonds are secured with the land, building and improvements located at Pear Street, Dover, Delaware.

Maturities of the revenue bond payable, including interest, are as follows:

Years Ending June 30	Principal	Interest	Total
2022	$ 110,000	$ 229,363	$ 339,363
2023	115,000	221,250	336,250
2024	125,000	212,769	337,769
2025	135,000	203,550	338,550
2026	145,000	193,594	338,594
2027-2031	895,000	791,706	1,686,706
2032-2036	1,270,000	410,051	1,680,051
2037	315,000	23,231	338,231
Total bonds	3,110,000	2,285,514	5,395,514
Less: Current portion	110,000	229,363	339,363
Long-term portion	$3,000,000	$2,056,151	$5,056,151

On July 1, 2021 Revenue Bonds, Series 2011 were refunded by the School with Kent County, Delaware [the Issuer] with Refunding Revenue Bonds [Charter School, Inc.], Series 2021 in the amount of $2,945,000.

NOTE 7 - PENSION PLAN

The School's pension plan is part of the State Employees' Pension Plan [the Plan] which is a cost-sharing multiple-employer defined benefit pension plan established in the Delaware Code. The General Assembly of the State of Delaware is responsible for setting benefits and contributions and amending the Plan's provisions; administrative rules and regulations are adopted and maintained by the Board of Pension Trustees [the Board]. The management of the Plan is the responsibility of the Board, which is comprised of five members appointed by the Governor and confirmed by the State Senate, plus two ex-officio members. The daily operation is the responsibility of the Delaware Office of Pensions.

Although most of the assets of the Plan are commingled with other plans for investment purposes, the Plan's assets may be used only for the payment of benefits to the members of the Plan in accordance with the terms of the Plan. The following is a brief description of the Plan in effect at June 30, 2020 and 2019. For a complete description, refer to the Delaware Public Employee's Retirement System [DPERS] CAFR.

Separately issued financial statements for DPERS are available from the State of Delaware pension office: McArdle Building, Suite 1; 860 Silver Lake Blvd; Dover, Delaware 19904.

General Information About the Plan

Plan Description and Eligibility: The State Employees' Pension Plan covers virtually all full-time or regular part-time employees of the State, including employees of other affiliated entities such as the School.

There are two tiers within the Plan: 1) Employees hired prior to January 1, 2012 [Pre-2012], and 2) Employees hired on or after January 1, 2012 [Post-2011].

Service Benefits: Final average monthly compensation [employee hired post-2011 may not include overtime in pension compensation] multiplied by 2.0% and multiplied by years of credited service prior to January 1, 1997, plus final average monthly compensation multiplied by 1.85% and multiplied by years of credited service after December 31, 1996, subject to minimum limitations. For the Plan, final average monthly compensation is the monthly average of the highest three periods of 12 consecutive months of compensation.

Vesting: Pre-2012 date of hire: 5 years of credited service. Post-2011 date of hire: 10 years of credited service.

Retirement: Pre-2012 date of hire: age 62 with 5 years of credited service; age 60 with 15 years of credited service; or after 30 years of credited service at any age. Post-2011 date of hire: age 65 with at least 10 years of credited service; age 60 with 20 years of credited service; and 30 years of credited service at any age.

Disability Benefits: Pre-2012 date of hire: same as Service Benefits. The employee must have 5 years of credited service. In lieu of disability pension benefits, over 90% of the Plan members opted into a Disability Insurance Program offered by the State effective January 1, 2006. Post-2011 date of hire - in the Disability Insurance Program.

Survivor Benefits: If the employee is receiving a pension, the eligible survivor receives 50% of pension [or 67.70% with 2% reduction, 75% with 3% reduction, or 100% with 6% reduction of benefit]; if employee is active with at least 5 years of credited service, eligible survivor receives 75% of the pension the employee would have received at age 62.

Burial Benefit: $7,000 per member.

Contributions:
- Employer: Determined by the Board of Pension Trustees, actuarially determined.
- Pre-2012 date of hire Member: 3% of earnings in excess of $6,000.
- Post-2011 date of hire Member: 5% of earnings in excess of $6,000.

NOTE 7 - PENSION PLAN [continued]

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

At June 30, 2021 and 2020, the School reported a pension liability of $1,251,515 and $1,453,428, respectively, for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020 and 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of those dates. The School's proportion of the net pension liability was based on a projection of the School's long-term share of contributions to the pension plan relative to the total projected contributions of the State and all participating schools, actuarially determined. At June 30, 2020 and 2019, the School's proportion was 0.0890 and 0.0933 percent, which was a decrease of 0.0043 and a decrease of 0.0100 percent from its proportion measured as of June 30, 2019 and 2018.

As a result of its requirement to contribute to DPERS, the School recognized pension expense of $52,080 and $297,544 for the years ended June 30, 2021 and 2020, respectively. At June 30, 2021 and 2020, the School reported deferred outflows of resources and deferred inflows of resources from the following sources as a result of its requirement to contribute to DPERS:

	Deferred Resources			
	2021		2020	
Description	Outflows	Inflows	Outflows	Inflows
Difference between expected and actual experience	$ 101,238	$ (14,378)	$ 87,524	$ (6,843)
Changes of assumptions	(61,586)	-	16,233	-
Net difference between projected and actual earnings on pension plan investments	(135,104)	136,349	(118,058)	(155,882)
Contributions subsequent to the measurement date	250,153	-	229,550	-
Change in proportion and differences between School contributions and proportionate share of contributions	10,647	(2,363)	26,808	(1,504)
Totals	$ 165,348	$ 119,608	$ 242,057	$ (164,229)

$250,163 and $229,550 reported as deferred outflows of resources related to the pension resulting from School contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the years ended June 30, 2022 and 2021, respectively. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the pension will be recognized in pension expense as follows:

2022	$ (42,856)
2023	(41,130)
2024	(31,678)
2025	(39,217)
2026	(49,532)
Total	$ (204,413)

NOTE 7 - PENSION PLAN [continued]

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions [continued]

Actuarial Assumptions: The total pension liability in the June 30, 2020 and 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Description	Percentages	
	2020	2019
Inflation	2.50%	2.50%
Projected salary increase	2.50% plus merit	2.50% plus merit
Investment rate of return/discount rate	7.00%, net of pension investment expense	7.00%, net of pension investment expense
Cost-of-living adjustments	0.00%	0.00%

The total pension liabilities are measured based on assumptions pertaining to the interest rates, inflation rates, and employee demographic behavior in future years. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates the larger the impact on future financial statements.

Mortality assumptions are based on the RP-2014 tables with gender adjustments for healthy annuitants and disabled retirees and an adjusted version on MP-2015 mortality improvement scale on a fully generational basis.

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

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

Asset Class	Real Rate of Return		Asset Allocation	
	2020	2019	2020	2019
Domestic equity	5.70%	5.70%	28.50%	29.50%
International equity	5.70%	5.70%	15.20%	13.50%
Fixed income	2.00%	2.00%	28.80%	27.10%
Alternative investments	7.80%	7.80%	23.00%	22.40%
Cash and equivalents	0.00%	0.00%	4.50%	7.50%

NOTE 7 - PENSION PLAN [continued]

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions [continued]

Discount rate: The discount rate for the Plan used to measure the total pension liability was 7.00% for both periods presented. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at rates determined by the Board of Pension Trustees, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the School's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate: The following presents the School's proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the School's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

Plan	1% Decrease	Discount Rate	1% Increase
Proportionate share of net pension liability of Campus Community School:			
Fiscal Year 2021 [Discount Rate at 7.00%]	$ 2,402,937	$ 1,251,515	$ 281,235
Fiscal Year 2020 [Discount Rate At 7.00%]	$ 2,624,701	$ 1,453,428	$ 469,168

NOTE 8 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS [OPEB]

Plan Description: The School's OPEB Plan is part of the State of Delaware's Other Postemployment Benefit [OPEB] Fund Trust [the Plan] which is a cost-sharing multiple-employer defined benefit plan established in the Delaware Code. The Plan is administered by the Delaware Public Employees' Retirement System [DPERS]. The State of Delaware [the State] is responsible for the policy and management of the OPEB benefits provided to retirees. The Plan's assets may be used only for the payment of benefits to the members of the Plan in accordance with the terms of the Plan.

Additional financial and actuarial information with respect to the Plan may be found in the *State of Delaware Other Postemployment Benefits [OPEB] Fund Trust* Financial Statements available online at https://open.omb.delaware.gov/Financials.shtml.

Benefits: The Plan provides medical coverage to pensioners and their eligible dependents. The participant's cost of Plan benefits varies based on years of service within those pension plan categories defined by the Plan. Pensioners retiring after July 1, 2012 and who become eligible for Medicare will pay an additional 5% of the Medicare Supplement offered by the State. Surviving spouses are eligible for coverage after a retiree's death.

Contributions: Participating employers, such as the School, fund the Plan for current retirees on a pay-as-you-go basis along with funding for future benefits at a rate that is approved in the annual budget, but not actuarially determined. By State Statute Chapter 52, Title 29 of the Delaware Code, contribution requirements of plan members and the government are established and may not be amended by the State Legislature. Funds are recorded in the Plan for the payment of retiree healthcare claims, administrative and investment expenses. Administrative costs are financed through investment earnings. State appropriations, other employer contributions, and retiree contributions for healthcare are recorded in the Plan. The funds available are invested under the management of the DPERS Board of Pension Trustees, which acts as the Board of Trustees for the Plan and is responsible for the financial management of the Plan. The School's contractually required contribution rate for the years ended June 30, 2020 and 2019, was 0.0869% and 0.0909% of covered-employee payroll, respectively. Total contributions for the years ended June 30, 2020 and 2019 were $240,144 and $228,363, respectively.

NOTE 8 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS [OPEB] [continued]

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

At June 30, 2021 and 2020, the School reported a liability of $9,048,366 and $7,241,397, respectively, for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2020 and 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of those dates. The School's proportion of the net OPEB liability was based on a projection of the School's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating entities and affiliates, actuarially determined. At June 30, 2020 and 2019, the School's proportion was 0.0869 and 0.0909 percent, respectively, which was a decrease of 0.0040 and a decrease of 0.0097 percent from its proportion measured as of June 30, 2019 and 2018, respectively.

For the years ended June 30, 2021 and 2020, the School recognized OPEB expense (benefit) of $273,881 and ($171,571, respectively. At June 30, 2021 and 2020, the School reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Resources			
	2021		2020	
Description	Outflows	Inflows	Outflows	Inflows
Differences between expected and actual experience	$ 218,938	$ 328,637	$ -	$ 650,326
Changes of assumptions	1,192,826	(16,559)	282,036	318,844
Net difference between projected and actual earnings on OPEB plan investments	-	2,190	-	(101)
Contributions subsequent to the measurement date	239,461	-	240,144	-
Change in proportion and differences between School contributions and proportionate share of contributions	97,934	560,824	229,884	709,725
Totals	$ 1,749,159	$ 875,092	$ 752,064	$ 1,678,794

$239,461 and $240,144 is reported as deferred outflows of resources related to OPEB resulting from School contributions subsequent to the measurement date and will be recognized as a reduction of the net OPEB liability in the years ended June 30, 2022 and 2021, respectively. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years Ending June 30	Amount
2022	$ (60,509)
2023	(60,509)
2024	175,300
2025	290,162
2026	290,162
Total	$ 634,606

NOTE 8 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS [OPEB] [continued]

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

Actuarial Assumptions: The total OPEB liability in the June 30, 2020 and 2019 actuarial valuation were determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Description	Percentages	
	2020	2019
Discount rate	2.21%	3.50%
Salary increases	3.25% plus merit	3.25% plus merit
Investment rate of return	n/a	n/a
Healthcare cost trend rates	5.60%	6.60%

Mortality rates are based on the sex-distinct employee, healthy annuitant, and disabled annuitant mortality tables derived from RP-2014 Total Dataset Employee Mortality Table, including adjustment factors. Future mortality improvements are reflected by applying a custom projection scale on a generational basis to adjusted base tables from the base year.

The total OPEB liabilities are measured based on assumptions pertaining to the interest rates, inflation rates, health costs, and employee demographic behavior in future years. The assumptions used were based on the results on an actuarial experience study conducted in 2016. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

Discount Rate: The discount rate used to measure the total OPEB liability was 3.50% at the beginning of the current measurement period and 2.21% at the end, based on the Bond Buyer GO 20-Bond Municipal Bond Index. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that employer contributions to the Plan will continue to follow the pay-as-you-go contribution policy. Based on the assumptions of a pay-as-you-go plan, the discount rate used at the June 30, 2020 and 2019 measurement dates is equal to the applicable rate of the 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

Sensitivity of the School's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate: The following presents the School's proportionate share of the net OPEB liability, as well as what the School's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

Plan	1% Decrease	Discount Rate	1% Increase
Proportionate share of net OPEB liability of Campus Community School:			
Fiscal Year 2021 [Discount Rate at 2.21%]	$ 10,846,432	$ 9,048,366	$ 7,643,510
Fiscal Year 2020 [Discount Rate at 3.50%]	$ 8,589,892	$ 7,241,397	$ 6,176,689

NOTE 8 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS [OPEB] [continued]

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

Sensitivity of the School's Proportionate Share of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates: The healthcare cost trend rates used to measure the total OPEB liability was 6.60% at the beginning of the current measurement period and 5.60% at the end. The following presents the School's proportionate share of the net OPEB liability as well as what the School's proportionate share of the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percantage-point higher than the current healthcare cost trend rates:

Plan	1% Decrease	Healthcare Trend	1% Increase
Proportionate share of Healthcare Cost Trend Liability of Campus Community School:			
Fiscal Year 2021 [Healthcare Cost Trend Rate at 5.60%]	$ 8,490,580	$ 9,048,366	$ 9,899,122
Fiscal Year 2020 [Healthcare Cost Trend Rate at 6.60%]	$ 6,190,713	$ 7,241,397	$ 8,502,023

NOTE 9 - COMMITMENTS AND CONTINGENCIES

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

Educational Commitment

At June 30, 2020, the School was committed to provide educational cost reimbursements to a maximum of $28,858. The commitment expired April 14, 2021.

Government Awards

The School receives certain federal and state grant awards. The disbursement of funds received under these awards generally require compliance with terms and conditions specified in grant agreements and are generally subject to audit by the grantors or their representatives. No audits were conducted for the years presented. Disallowed claims resulting from such audits could become a liability of the School. Management believes that such disallowed costs would not be significant to the financial statements.

Leasing Arrangements

The School leases certain copier equipment requiring a monthly payment of $526 [$400 and $126] for the lease period of 36 months. The leasing arrangements expire June 2024.

Education Trust Funds

The court-ordered School Education Fund Trust accounts for certain students. At June 30, 2021, the balances of the Education Fund Trust accounts are as follows:

Description	Account Identifier	Significant Dates			Balances
		Commenced	Expiration	Trigger	
Education Trust Fund #1	395731	07/12/02	Unknown	Unknown	$ 79,218
Education Trust Fund #2	191029	03/28/04	03/28/25	21st Birthday	16,609
Education Trust Fund #3	197875	06/30/05	06/30/27	22nd Birthday	99,019
Total all accounts					$ 194,846

The School believes that once the trigger date is met that any balance remaining within an Education Fund Trust account reverts back to the School.

NOTE 10 - GASB STATEMENT IMPLEMENTATION

In August of 2018, GASB issued Statement No. 90, *Majority Equity Interests-An Amendment of GASB Statements No. 14 and 61.* Implementation was required for periods beginning December 15, 2018, with earlier application encouraged. The primary objective of the Statement is to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. The Statement defines equity interest and specifies that equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. Implementation of the Statement had no significant impact on the financial statements.

NOTE 11 - PENDING GASB STATEMENTS

The School has not completed the various analyses required to estimate the future impact of the following new pronouncements on its financial statements. Generally, the School does not early implement GASB statements or pronouncements. As a result of the COVID-19 pandemic, the GASB has postponed the implementation dates for statements issued prior to GASB Statement No. 95 for one year to provide relief to governments.

In June of 2017, GASB issued Statement No. 87, *Leases.* Implementation is required for periods beginning after June 15, 2020, with earlier application encouraged. The objective of the Statement is to better meet the information needs of the financial statement users by improving the accounting and financial reporting for leases by governments. The Statement establishes a single model for lease accounting based on the principle that leases are financing of the right to use an underlying asset.

In June of 2018, GASB issued Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period.* Implementation is required for periods beginning after December 15, 2019; however, the Statement should be applied prospectively. The Statement requires that interest cost incurred before the end of the construction period be recognized as an expense in the period in which the cost is incurred for the financial statements prepared using the economic resources measurement focus. As a result, the interest cost incurred before the end of a construction period will not be included in the historical cost of the capital asset reported in the business-type activity or enterprise fund. The Statement also reiterates that in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles. Such interest includes all interest that was previously accounted for in accordance with the requirements of paragraphs 5-22 of Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, which are superseded by this Statement. Implementation of the statement had no significant impact on the financial statements.

In May of 2019, GASB issued Statement No. 91, *Conduit Debt Obligations*. Implementation is required for periods beginning after December 15, 2020, with earlier application encouraged. The primary objectives of the Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with [1] commitments extended by issuers, [2] arrangements associated with conduit debt obligations, and [3] related note disclosures. The Statement achieves the objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures.

In January of 2020, GASB issued Statement No. 92, *Omnibus 2020*. Implementation for requirements related to Statement No. 87 was originally effective for fiscal years beginning after December 15, 2019. Implementation for requirements related to Statements No. 73, 74, and 84 was originally effective for fiscal years beginning after June 15, 2020. GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, postponed the effective date of required implementation by one year. The primary objective of the Statement is to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB statements.

NOTE 11 - PENDING GASB STATEMENTS [continued]

In March of 2020, GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. Implementation was originally required for periods ending after December 31, 2021, with earlier application encouraged. GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance,* postponed the effective date of required implementation by one year to periods ending after December 31, 2022. The primary objective of the Statement is to address those and other accounting and financial reporting implications that result from the replacement of an IBOR.

In March of 2020, GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. Implementation was required for periods ending after June 15, 2022, with earlier application encouraged. GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, postponed the effective date of required implementation by one year to periods ending after June 15, 2023. The objective of the Statement is to better meet the informational needs of the financial statement users by improving the comparability of financial statements among governments that enter into PPPs and APAs and by enhancing the understandability, reliability, relevance, and consistency of information about PPPs and APAs.

In March of 2020, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. Implementation is required for periods ending after June 15, 2022, with earlier application encouraged. The primary objective of the Statement is to better meet the information needs of financial statement users by [1] establishing uniform accounting and financial reporting requirements for SBITAS; [2] improving the comparability of financial statements among governments that have entered into SBITAs; and [3] enhancing understandability, reliability, relevance, and consistency of information about SBITAs.

In June of 2020, GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans.* Implementation is required for periods ending after June 15, 2021, with earlier application encouraged. The objectives of the Statement are to [1] increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; [2] mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit [OPEB] plans, and employee benefit plans other than pension plans or OPEB plans [other employee benefit plans] as fiduciary component units in fiduciary fund financial statements; and [3] enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code [IRC] Section 457 deferred compensation plans that meet the definition of a pension plan and for benefits provided through those plans.

NOTE 12 - RISK MANAGEMENT

The School purchases commercial insurance policies in response to risks of loss related to torts; theft, damage, or destruction of assets; errors or omissions; injuries to employees; or acts of God. The premium payments for the insurance policies are recorded as expenditures/expenses of the School; and the insurance settlements did not exceed insurance coverage for the years presented.

NOTE 13 - EVALUATION OF SUBSEQUENT EVENTS

The coronavirus (COVID-19) pandemic has spread throughout the United States. Multiple jurisdictions in the U.S. declared various levels of States of Emergency. In March 2020, the School was ordered by the governor of the State of Delaware to suspend in-person classes until further notice. The School has since reopened and is conducting classes both in-person and remotely. However, since the pandemic is on-going further impact cannot be reasonably predicted as of the date of the auditor’s report.

The Revenue Bonds, Series 2011 were refunded on July 1, 2021 with Kent County. Delaware (the Issuer) with Refunding Revenue Bonds, Series 2021 in the amount of $2,945,000.

Management has evaluated subsequent events through the date of the auditor’s report, the date on which the financial statements were available to be issued. Management has determined that no additional disclosures or adjustments are necessary to the financial statements.

Required Supplementary Information [RSI] Section

CAMPUS COMMUNITY SCHOOL
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE-BUDGET & ACTUAL-GENERAL FUND
Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Favorable
	Original	Final	Amounts	(Unfavorable)
REVENUES				
Charges to school districts	$ 647,381	$ 562,381	$ 514,330	$ (48,051)
State funding	3,779,100	3,812,167	3,743,190	(68,977)
Federal funding-education	-	997,444	554,436	(443,008)
Federal funding-food service	167,098	41,000	30,573	(10,427)
Earnings on cash and equivalents	-	-	23,559	23,559
Food service fees	-	-	4,972	4,972
Program services fees	-	-	-	-
Miscellaneous revenue	-	-	1,254	1,254
Total revenues	4,593,579	5,412,992	4,872,314	(540,678)
EXPENDITURES				
Current:				
Salaries	1,982,547	2,073,117	2,107,722	(34,605)
Employment costs	1,013,305	1,025,473	1,054,748	(29,275)
Travel	1,500	1,500	-	1,500
Contracted services	193,650	193,650	170,579	23,071
Communications	12,801	12,801	7,053	5,748
Public utility services	85,000	85,000	73,304	11,696
Insurance	35,000	35,000	35,759	(759)
Transportation	345,775	345,775	324,188	21,587
Land/Building/Facilities	35,000	35,000	6,837	28,163
Repairs and maintenance	-	-	1,925	(1,925)
Supplies and materials	134,000	134,000	69,982	64,018
Food services	167,098	41,000	40,785	215
Contingency	91,872	-	-	-
Capital outlay	20,000	20,000	32,466	(12,466)
Debt service	335,112	335,112	335,821	(709)
Federal expenditures-education	-	997,444	554,436	443,008
Total expenditures	4,452,660	5,334,872	4,815,605	519,267
EXCESS (DEFICIT) REVENUES OVER EXPENDITURES	140,919	78,120	56,709	(21,411)
OTHER FINANCING SOURCES (USES)				
Operating transfers	-	-	-	-
Replacement reserves transfers	-	-	-	-
Total other financing sources (uses)	-	-	-	-
NET CHANGE IN FUND BALANCES	140,919	78,120	56,709	(21,411)
FUND BALANCES				
Beginning of year	-	-	986,393	986,393
End of year	$ 140,919	$ 78,120	$ 1,043,102	$ 964,982

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The annually adopted budget for the general fund, which excludes federal funding, is integrated into the accounting system, and the budgetary data as presented in the financial statements for all the funds with an annual budget is compared with the amended budgets. Budgets for the governmental funds are presented on the modified accrual basis of accounting. Accordingly, the accompanying budgetary comparison schedule for the general fund presents actual expenditures in accordance with the accounting principles generally accepted in the United States of America on a basis consistent with the legally adopted budget as amended. Generally, the unexpended appropriations of the annual budget lapse at the end of each year.

Material Violations
There were no material violations of the annual appropriated budget for the general fund for the current fiscal year. However, certain budget line items were either over or under budget mainly due to the unforeseen impact on operations by the COVID-19 pandemic.

See Report of Independent Auditor

CAMPUS COMMUNITY SCHOOL
SCHEDULES OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
As of and Years Ended June 30,

	2021	2020	2019	2018	2017
School's proportion of net pension liability (asset)	0.0890%	0.0933%	0.1033%	0.0969%	0.1044%
School's proportionate share of net pension liability (asset)	$ 1,251,515	$ 1,453,428	$ 1,333,515	$ 1,420,856	$ 1,572,687
School's covered-employee payroll	$ 2,180,808	$ 2,052,831	$ 2,146,942	$ 2,059,048	$ 2,108,160
School's proportionate share of net pension liability (asset) as a percentage of its covered-employee payroll	57.39%	70.80%	62.11%	69.01%	74.60%
Plan's fiduciary net position as percentage of total pension liability	87.27%	85.41%	87.49%	85.31%	84.11%

	2016	2015
School's proportion of net pension liability (asset)	0.1046%	0.1138%
School's proportionate share of net pension liability (asset)	$ 695,710	$ 419,116
School's covered-employee payroll	$ 2,100,965	$ 2,194,312
School's proportionate share of net pension liability (asset) as a percentage of its covered-employee payroll	33.11%	19.10%
Plan's fiduciary net position as percentage of total pension liability	92.67%	95.80%

Note to Schedule:

The amounts presented above are determined as of June 30th of each preceding year.

See Report of Independent Auditor

CAMPUS COMMUNITY SCHOOL
SCHEDULES OF PENSION CONTRIBUTIONS
Years Ended June 30,

	2021	2020	2019	2018	2017
Contractually required contribution	$ 250,163	$ 229,550	$ 229,165	$ 213,620	$ 180,877
Contributions in relation to contractually required contribution	250,163	229,550	229,165	213,620	180,877
Annual contribution (deficiency) excess	$ -	$ -	$ -	$ -	$ -
School's covered-employee payroll	$ 2,269,917	$ 2,180,808	$ 2,052,831	$ 2,146,942	$ 2,059,048
Contributions as percentage of covered-employee payroll	11.02%	10.53%	11.16%	9.95%	8.78%

	2016	2015
Contractually required contribution	$ 190,678	$ 186,452
Contributions in relation to contractually required contribution	190,678	186,452
Annual contribution (deficiency) excess	$ -	$ -
School's covered-employee payroll	$ 2,108,160	$ 2,100,965
Contributions as percentage of covered-employee payroll	9.05%	8.87%

See Report of Independent Auditor

CAMPUS COMMUNITY SCHOOL
SCHEDULES OF PROPORTIONATE SHARE OF NET OPEB LIABILITY
As of and Years Ended June 30,

	2021	2020	2019	2018	2017
School's proportion of the net OPEB liability	0.0869%	0.0909%	0.1006%	0.0947%	0.1010%
School's proportionate share of net OPEB liability (asset)	$ 9,048,366	$ 7,241,397	$ 8,262,682	$ 7,818,419	$ 9,186,958
School's covered-employee payroll	$ 2,180,808	$ 2,052,831	$ 2,146,942	$ 2,059,048	$ 2,108,160
School's proportionate share of net OPEB liability (asset) as a percentage of its covered-employee payroll	414.91%	352.75%	384.86%	379.71%	435.78%
Plan's fiduciary net position as percentage of total OPEB liability	0.04%	0.05%	0.05%	0.04%	0.03%

Note to Schedule:

The amounts presented above are determined as of June 30th of each preceding year.

See Report of Independent Auditor

CAMPUS COMMUNITY SCHOOL
SCHEDULES OF OPEB CONTRIBUTIONS
Years Ended June 30,

	2021	2020	2019	2018	2017
Contractually required contribution	$ 239,461	$ 240,144	$ 228,363	$ 226,062	$ 224,658
Contributions in relation to contractually required contribution	239,461	240,144	228,363	226,062	224,658
Annual contribution (deficiency) excess	$ -	$ -	$ -	$ -	$ -
School's covered-employee payroll	$ 2,269,917	$ 2,180,808	$ 2,052,831	$ 2,146,942	$ 2,059,048
Contributions as percentage of covered-employee payroll	10.55%	11.01%	11.12%	10.53%	10.91%

See Report of Independent Auditor

Supplementary Information Section

CAMPUS COMMUNITY SCHOOL
BALANCE SHEETS-GENERAL FUNDS
As of June 30, 2021 and 2020

	2021				2020			
	State Fund	Local Fund	Federal Fund	Total General Fund	State Fund	Local Fund	Federal Fund	Total General Fund
ASSETS								
Cash and equivalents	$ 20,016	$ 1,472,600	$ -	$ 1,492,616	$ 5,141	$ 1,332,852	$ -	$ 1,337,993
Receivables, net of allowance:								
Students	-	2,627	-	2,627	-	3,253	-	3,253
Due from other governments	-	-	25,529	25,529	-	-	53,657	53,657
TOTAL ASSETS	$ 20,016	$ 1,475,227	$ 25,529	$ 1,520,772	$ 5,141	$ 1,336,105	$ 53,657	$ 1,394,903
LIABILITIES								
Accounts payable	$ 19,088	$ -	$ -	$ 19,088	$ 5,028	$ 402	$ -	$ 5,430
Accrued salaries and related costs	-	433,053	25,529	458,582	-	349,423	53,657	403,080
Total liabilities	19,088	433,053	25,529	477,670	5,028	349,825	53,657	408,510
FUND BALANCES								
Restricted for:								
Specific programs	-	380	-	380	-	480	-	480
Educational commitment	-	-	-	-	-	28,858	-	28,858
Unassigned	928	1,041,794	-	1,042,722	113	956,942	-	957,055
Total fund balances	928	1,042,174	-	1,043,102	113	986,280	-	986,393
TOTAL LIABILITIES AND FUND BALANCES	$ 20,016	$ 1,475,227	$ 25,529	$ 1,520,772	$ 5,141	$ 1,336,105	$ 53,657	$ 1,394,903

See Report of Independent Auditor

CAMPUS COMMUNITY SCHOOL
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES-GENERAL FUND
Years Ended June 30, 2021 and 2020

	2021				2020			
	State Fund	Local Fund	Federal Fund	Total General Fund	State Fund	Local Fund	Federal Fund	Total General Fund
REVENUES								
Charges to school districts	$ –	$ 514,330	$ –	$ 514,330	$ –	$ 607,899	$ –	$ 607,899
State funding	3,683,100	60,090	–	3,743,190	3,674,355	78,024	–	3,752,379
Federal funding	–	30,573	554,436	585,009	–	110,518	449,209	559,727
Earnings on cash and equivalents	–	23,559	–	23,559	–	26,969	–	26,969
Food services fees	–	4,972	–	4,972	–	184	–	184
Program services fees	–	–	–	–	–	3,868	–	3,868
Contributions	–	–	–	–	–	–	–	–
Miscellaneous revenue	–	1,254	–	1,254	–	2,919	–	2,919
Total revenues	3,683,100	634,778	554,436	4,872,314	3,674,355	830,381	449,209	4,953,945
EXPENDITURES								
Current:								
Salaries	1,865,493	242,229	204,861	2,312,583	1,880,933	(39,315)	298,712	2,140,330
Employment costs	914,588	140,160	101,988	1,156,736	904,908	27,597	134,350	1,066,855
Travel	–	–	–	–	241	–	500	741
Contracted services	149,130	21,449	34,144	204,723	174,166	4,159	10,538	188,863
Communications	6,518	535	–	7,053	6,784	–	–	6,784
Public utility services	68,380	4,924	–	73,304	88,770	–	–	88,770
Insurance	–	35,759	–	35,759	4,329	29,763	–	34,092
Transportation	324,188	–	–	324,188	252,794	–	–	252,794
Land/Building/Facilities	6,420	417	–	6,837	6,624	–	–	6,624
Repairs and maintenance	(1,553)	3,478	–	1,925	20,393	3,452	–	23,845
Supplies and materials	62,552	7,430	70,030	140,012	97,552	20,716	5,109	123,377
Food services	–	40,785	–	40,785	–	133,454	–	133,454
Capital outlay	6,600	25,866	143,413	175,879	4,971	55,094	–	60,065
Total expenditures	3,402,316	523,032	554,436	4,479,784	3,442,465	234,920	449,209	4,126,594
EXCESS REVENUES OVER EXPENDITURES	280,784	111,746	–	392,530	231,890	595,461	–	827,351
OTHER FINANCING SOURCES (USES)								
Operating transfers	(279,969)	(55,852)	–	(335,821)	(279,568)	(55,930)	–	(335,498)
Replacement reserves transfers	–	–	–	–	52,802	(52,802)	–	–
Total other financing sources (uses)	(279,969)	(55,852)	–	(335,821)	(226,766)	(108,732)	–	(335,498)
NET CHANGE IN FUND BALANCES	815	55,894	–	56,709	5,124	486,729	–	491,853
FUND BALANCES								
Beginning of year	113	986,280	–	986,393	(5,011)	499,551	–	494,540
End of year	$ 928	$1,042,174	$ –	$ 1,043,102	$ 113	$ 986,280	$ –	$ 986,393

See Report of Independent Auditor

Reports Required by

Government Auditing Standards

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Building Extraordinary Relationships

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

To Members of the School Board
Campus Community School
Dover, Delaware

We have audited, 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Campus Community School [a component unit of the State of Delaware], as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Campus Community School's basic financial statements, and have issued our report thereon dated September 30, 2021.

Internal Control Over Financial Reporting

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

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

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

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To Members of the School Board
Campus Community School

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 result of that testing, and not to provide an opinion on the effectiveness of Campus Community School's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Campus Community School's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Whisman Giordano & Associates, LLC

Newark, Delaware
September 30, 2021