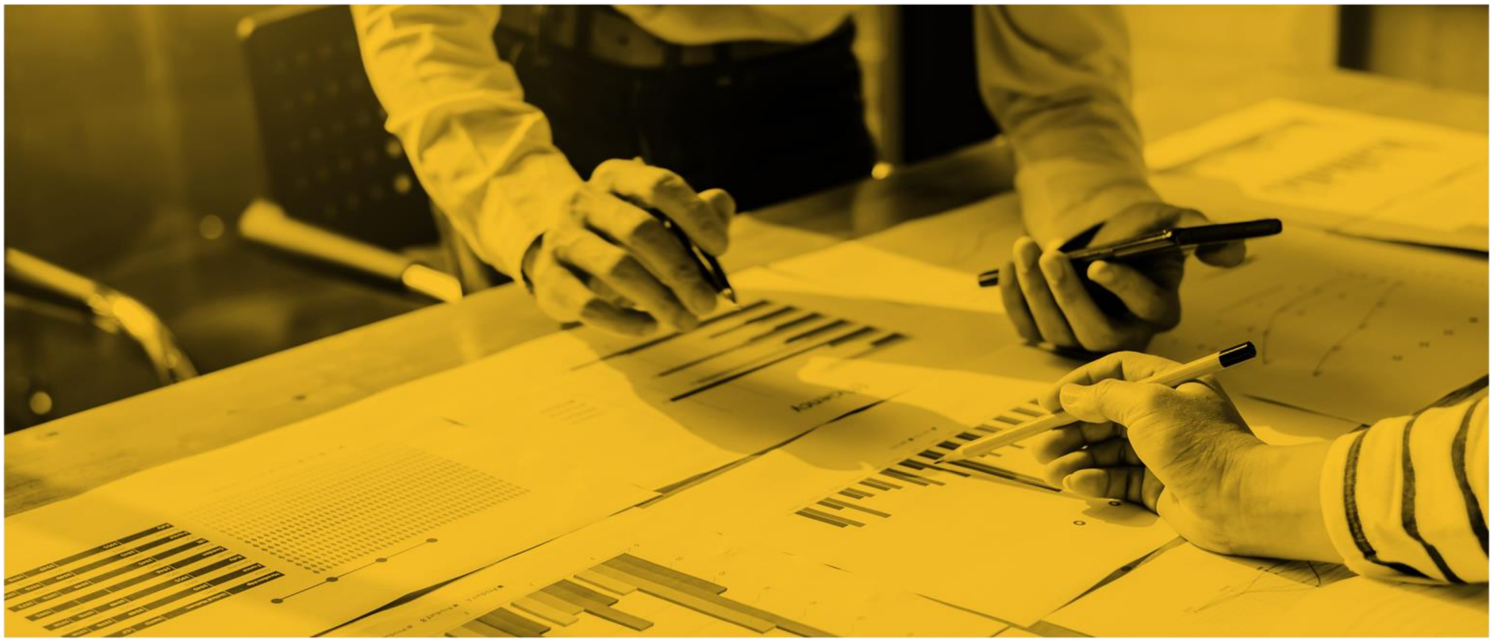


Annual Financial Report

Upper Mississippi Academy Charter School No. 4210

St. Paul, Minnesota

For the year ended June 30, 2021

Lighting the path forward

Edina Office

5201 Eden Avenue, Ste 250
Edina, MN 55436
P 952.835.9090
F 952.835.3261

Mankato Office

100 Warren Street, Ste 600
Mankato, MN 56001
P 507.625.2727
F 507.388.9139

THIS PAGE IS LEFT

BLANK INTENTIONALLY

Upper Mississippi Academy
Charter School No. 4210
St. Paul, Minnesota
Annual Financial Report
Table of Contents
For the Year Ended June 30, 2021

THIS PAGE IS LEFT

BLANK INTENTIONALLY

INTRODUCTORY SECTION

UPPER MISSISSIPPI ACADEMY
CHARTER SCHOOL NO. 4210
ST. PAUL, MINNESOTA

FOR THE YEAR ENDED
JUNE 30, 2021

THIS PAGE IS LEFT

BLANK INTENTIONALLY

Upper Mississippi Academy
Charter School No. 4210
St. Paul, Minnesota
Board of Directors and Administration
For the Year Ended June 30, 2021

BOARD OF DIRECTORS

Name	Position
Chad Lauber	Chairperson
Zoe Breimhorst	Vice Chairperson
David Born	Secretary
Dina Berray	Member
Mickey Jurewicz	Member
Anna Walters	Member
Pat Maxwell	Member
Tisa Mitchell	Member
Pao Moua	Member

ADMINISTRATION

Name	Position
Amy Erickson	Executive Director
Amy Elverum	Associate Director
Sally Spreeman	Business Manager
Brenda Kes	Contracted Finance

THIS PAGE IS LEFT

BLANK INTENTIONALLY

FINANCIAL SECTION

UPPER MISSISSIPPI ACADEMY
CHARTER SCHOOL NO. 4210
ST. PAUL, MINNESOTA

FOR THE YEAR ENDED
JUNE 30, 2021

THIS PAGE IS LEFT

BLANK INTENTIONALLY

INDEPENDENT AUDITOR'S REPORT

Members of the Board of Directors
Upper Mississippi Academy, Charter School No. 4210
St. Paul, Minnesota

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the major fund and the aggregate remaining fund information of the Upper Mississippi Academy, Charter School No. 4210 (the Charter School), St. Paul, Minnesota as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Charter 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 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 of 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 Charter School'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 Charter School'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 financial statement presentation.

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, the major fund, and the aggregate remaining fund information of the Charter School as of June 30, 2021, and the respective changes in financial position thereof and the budgetary comparison for the General fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

THIS PAGE IS LEFT

BLANK INTENTIONALLY

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis starting on page 15 and the Schedules of Employer's Shares of the Net Pension Liability and the Schedules of Employer's Contributions starting on page 56 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Government 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Charter School's basic financial statements. The introductory section and the combining and individual fund financial statements, schedules and table are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 16, 2021 on our consideration of the Charter 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of the Charter School's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Charter School's internal control over financial reporting and compliance.

Abdo

Abdo
Minneapolis, Minnesota
December 16, 2021

THIS PAGE IS LEFT

BLANK INTENTIONALLY

Management's Discussion and Analysis

As management of the Upper Mississippi Academy, Charter School No. 4210 (the Charter School), St. Paul, Minnesota, we offer readers of the Charter School's financial statements this narrative overview and analysis of the financial activities of the Charter School for the fiscal year ended June 30, 2021.

Financial Highlights

- The liabilities and deferred inflows of resources of the Charter School exceeded assets and deferred outflows of resources at the close of the most recent fiscal year by $1,387,699.

- A deficit of $1,496,460 (unrestricted net position) now exists due to recognition of long-term pension liabilities related deferred inflows and outflows of resources.

- The Charter School's total net position increased $50,837 during the year as a result of forgiveness of the paycheck protection program loan.

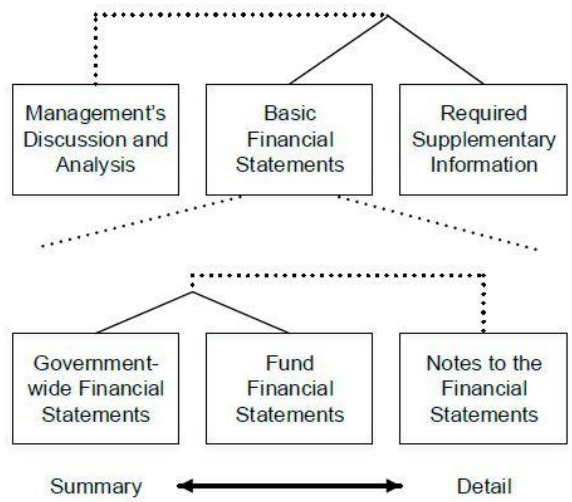
- The Charter School's total General fund revenues were $4,914,948 as compared to $4,973,448 of expenditures.

- As of the close of the current fiscal year, the Charter School's governmental funds reported a total ending fund balance of $1,404,278, an increase of $431,430 in comparison with the prior year ending fund balance of $972,848.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the Charter School's basic financial statements. The Charter School's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplemental information in addition to the basic financial statements themselves. The following chart shows how the various parts of this annual report are arranged and related to one another:

Required Components of the Charter School's Annual Financial Report



The following chart summarizes the major features of the Charter School's financial statements, including the portion of the Charter School's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements:

Major Features of the Government-wide and Fund Financial Statements

		Fund Financial Statements
	Government-wide Statements	**Governmental Funds**
Scope	Entire Charter School (except fiduciary funds)	The activities of the Charter School that are not fiduciary, such as special education and building maintenance
Required financial statements	• Statement of Net Position • Statement of Activities	• Balance Sheet • Statement of Revenues, Expenditures, and Changes in Fund Balances
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included
Type of deferred outflows/inflows of resources information	All deferred outflows/inflows of resources, regardless of when cash is received or paid	Only deferred outflows of resources expected to be used up and deferred inflows of resources that come due during the year or soon thereafter; no capital assets included
Type of inflow/out flow information	All revenues and expenditures during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable

Government-wide Financial Statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the Charter School's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the Charter School's assets and deferred inflows and liabilities and deferred outflows, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Charter School is improving or deteriorating.

The *statement of activities* presents information showing how the Charter School's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused vacation leave).

The government-wide financial statements display functions of the Charter School that are principally supported by taxes and intergovernmental revenues (*governmental activities*). The governmental activities of the Charter School include administration, district support services, elementary and secondary regular instruction, special education instruction, instructional support services, pupil support services, sites and buildings, fiscal and other fixed cost programs, and interest on long-term debt.

The government-wide financial statements start on page 24 of this report.

Fund Financial Statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Charter School, like other state and local government, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Charter School's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Charter School maintains three individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General fund, Food Service special revenue fund and Community Service special revenue fund, which are the three governmental funds.

The Charter School adopts an annual appropriated budget for its General fund, Food Service special revenue fund and Community Service special revenue fund. A budgetary comparison schedule has been provided for these funds to demonstrate compliance with their respective budgets.

The basic governmental fund financial statements start on page 28 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements start on page 33 of this report.

Required Supplementary Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Charter School's share of net pension liabilities (assets) for defined benefits plans, schedule of contribution, and progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found starting on page 56 of this report.

Other Information. The individual fund financial schedule that starts on page 62 presents budget and prior year comparative data for the General fund.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Charter School, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by $1,387,699 at the close of the most recent fiscal year.

A portion of the Charter School's net position ($108,180) reflects its investment in capital assets (e.g., land, buildings, machinery and equipment). The Charter School uses these capital assets to provide services to students; consequently, these assets are *not* available for future spending.

Upper Mississippi Academy, Charter School No. 4210's Net Position

	Governmental Activities		
	2021	2020	Increase (Decrease)
Assets			
Current and other assets	$ 1,876,112	$ 1,320,093	$ 556,019
Capital assets, net of depreciation	198,180	213,371	(15,191)
Total Assets	2,074,292	1,533,464	540,828
Deferred Outflows of Resources			
Deferred pension resources	1,489,031	2,008,096	(519,065)
Liabilities			
Current and other liabilities	471,834	347,245	124,589
Noncurrent liabilities	2,921,423	2,330,164	591,259
Total Liabilities	3,393,257	2,677,409	715,848
Deferred Inflows of Resources			
Deferred pension resources	1,557,765	2,302,687	(744,922)
Net Position			
Investment in capital assets	108,180	123,371	(15,191)
Restricted for			
Food service	474	-	474
Community service	107	27	80
Unrestricted	(1,496,460)	(1,561,934)	65,474
Total Net Position	$ (1,387,699)	$ (1,438,536)	$ 50,837

At the end of the current fiscal year, the Charter School was able to report a positive balance in net investment in capital assets and restricted net position, but unrestricted net position was negative mainly due to the outstanding long-term pension liability related to the TRA and PERA defined contribution benefit plans.

The Charter School's net position increased $50,837 during the current fiscal year. The following table summarizes the changes in net position.

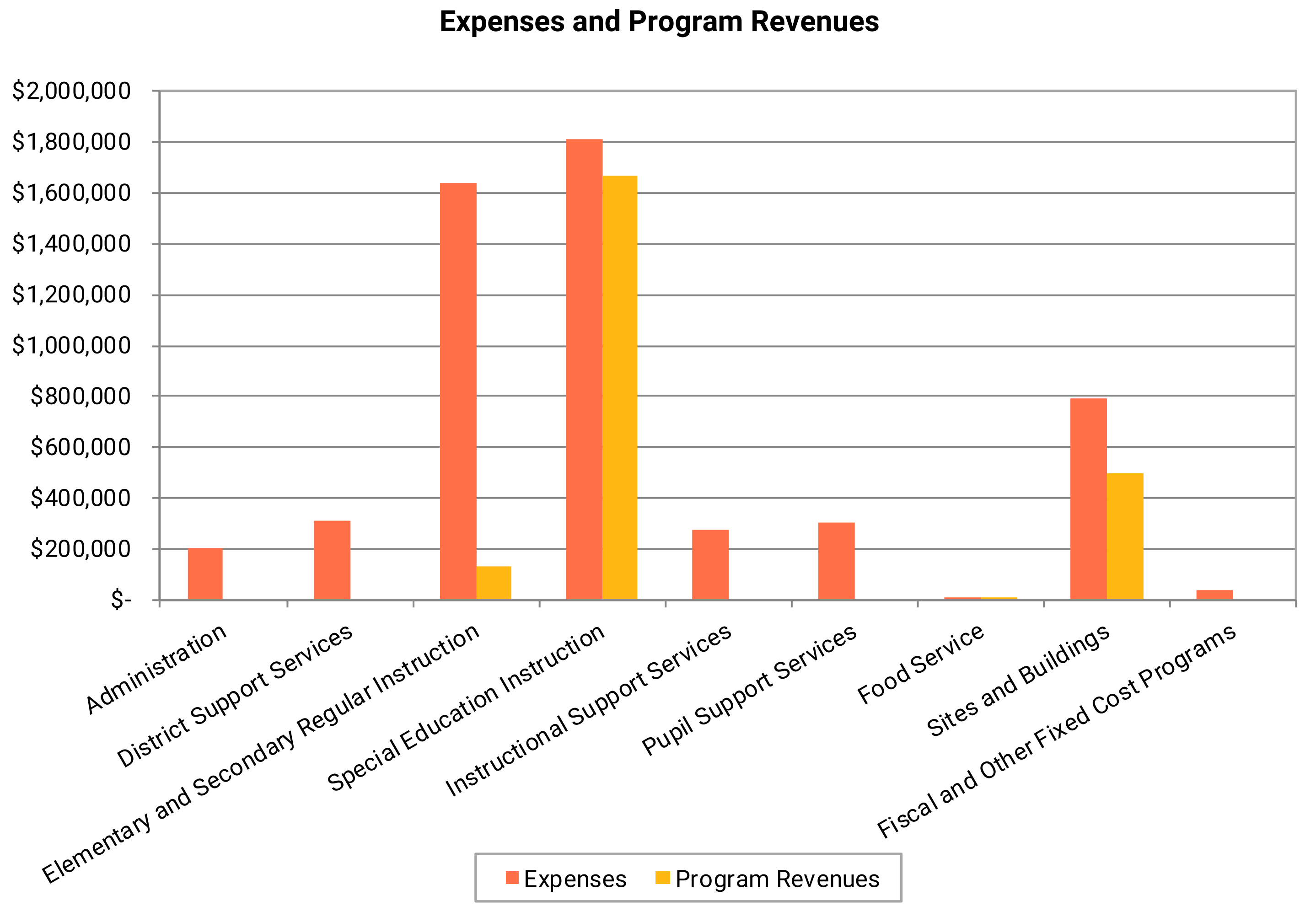
Upper Mississippi Academy, Charter School No. 4210's Changes in Net Position

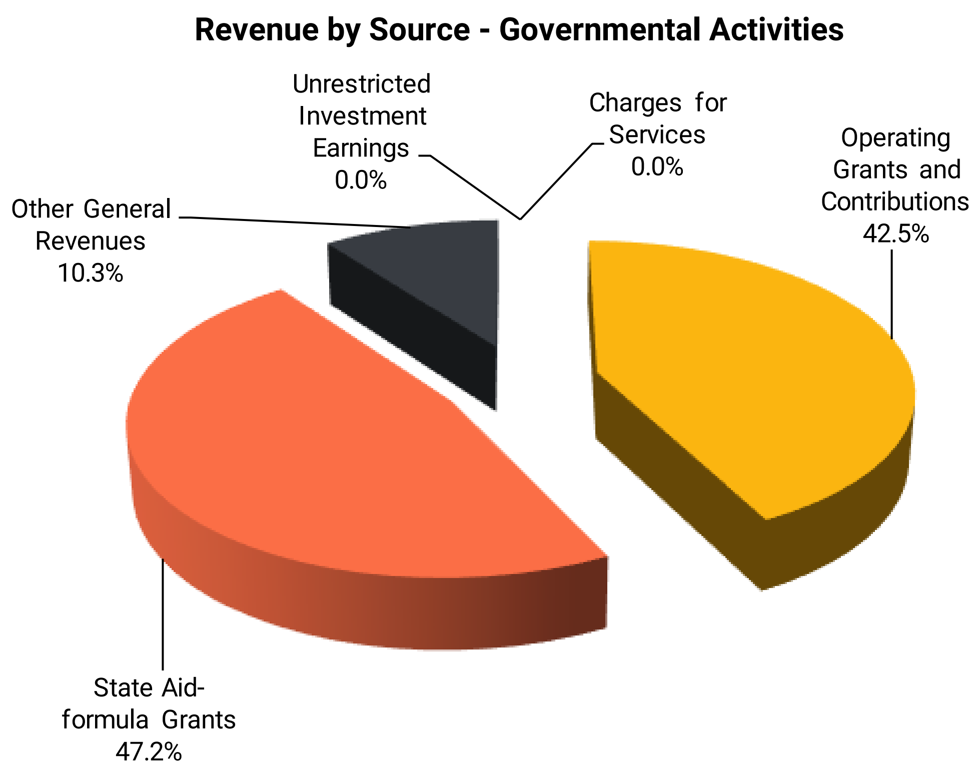
	Governmental Activities		
	2021	2020	Increase (Decrease)
Revenues			
Program revenues			
Charges for services	$ 2,233	$ 29,231	$ (26,998)
Operating grants and contributions	2,299,528	2,041,123	258,405
General revenues			
State aid-formula grants	2,564,809	2,663,634	(98,825)
Other general revenues	561,603	96,443	465,160
Unrestricted investment earnings	82	458	(376)
Total Revenues	5,428,255	4,830,889	597,366
Expenses			
Administration	201,578	182,221	19,357
District support services	312,402	331,348	(18,946)
Elementary and secondary regular instruction	1,640,552	1,631,030	9,522
Special education instruction	1,813,074	1,669,920	143,154
Instructional support services	276,566	153,289	123,277
Pupil support services	302,098	377,437	(75,339)
Food service	3,837	18,374	(14,537)
Sites and buildings	793,393	770,930	22,463
Fiscal and other fixed cost programs	33,918	19,953	13,965
Community Service	-	4,323	(4,323)
Total Expenses	5,377,418	5,158,825	222,916
Change in Net Position	50,837	(327,936)	378,773
Net Position, July 1	(1,438,536)	(1,110,600)	(327,936)
Net Position, June 30	$ (1,387,699)	$ (1,438,536)	$ 50,837

- Total revenue increased a total of $597,366 due to the PPP loan proceeds and then subsequent forgiveness.

- Total expense increased a total of $222,916. The large increase is mainly due to pension expense and increased expenses related to the COVID-19 pandemic.

The following graph depicts various governmental activities and shows the expenses and program revenues directly related to those activities.





Financial Analysis of the Government's Funds

As noted earlier, the Charter School uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the Charter School's *governmental funds* is to provide information on near-term inflows, outflows and balances of *spendable* resources. Such information is useful in assessing the Charter School's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Charter School's General fund reported an ending fund balance of $1,403,697 an increase of $430,876 in comparison with the prior year. The increase is due to the PPP loan proceeds.

As of the end of the current fiscal year, the Charter School's Food Service special revenue reported an ending fund balance of $474.

As of the end of the current fiscal year, the Charter School's Community Service special revenue reported an ending fund balance of $107.

General Fund Budgetary Highlights

The Charter School's original General fund budget called for an increase in fund balance of $2,900, and the revised budget called for an increase in fund balance of $207,037. Actual fund balance increased $430,876. Revenues had a positive budget variance of $22,072, mainly due to excess donations received over budget. Expenditures had a positive budget variance of $198,867 mainly due to positive budget variances in the elementary and secondary regular instruction program and pupil support services.

Capital Asset and Debt Administration

Capital Assets. The Charter School's investment in capital assets for its governmental activities as of June 30, 2021, amounts to $108,180 (net of accumulated depreciation). This investment in capital assets includes equipment. The total depreciation for the year was $24,301. The following is a schedule of capital assets as of June 30, 2021.

Upper Mississippi Academy, Charter School No. 4210's Capital Assets
(Net of Depreciation)

	2021	2020	Increase (Decrease)
Leasehold Improvements	$ 107,528	$ 113,982	$ (6,454)
Equipment	90,652	99,389	(8,737)
Total	$ 198,180	$ 213,371	$ (15,191)

Additional information on the Charter School's capital assets can be found in Note 3B on page 40 of this report.

Upper Mississippi Academy, Charter School No. 4210's Noncurrent Liabilities

	2021	2020	Increase (Decrease)
Loans Payable	$ 90,000	$ 90,000	$ -

The Charter School's total long-term increased from the prior year due to receiving a loan to assist in leasehold improvements.

Additional information on the Charter School's long-term liabilities can be found in Note 3F on page 41 of this report.

Factors Bearing on the Charter School's Future

- The school is offering all grades, 6 - 12, that are within its charter with new enrollments accepted at all grade levels. Expansion of the High School offerings and number of sections will continue as planned.
- The school intended to expand both enrollment and building space, with the onset of COVID-19, the growth has plateaued. However, the student count has had a reasonable balance of enrollments/transfers.
- The expansion of space was modified in both square footage and timing to meet the needs of physical distancing during the hybrid model for COVID-19 and the budget constraints expected.
- Federal and state grants available to the school during the pandemic have been accessed in order to provide short and long range support for student achievement.
- The school restructured the leadership to a model utilizing an overall Executive Director that is supported by a Director of Special Education/Associate Director. This will streamline and focus administrative roles.
- School Staffing continues to be complete, no vacancies exist for the 2021 - 2022 school year.

Requests for Information

This financial report is designed to provide a general overview of the Charter School's finances for all those with an interest in the School's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Amy Erickson, Executive Director, Upper Mississippi Academy, Charter School No. 4210, 19 E. Exchange St., St. Paul, Minnesota 55101.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

UPPER MISSISSIPPI ACADEMY
CHARTER SCHOOL NO. 4210
ST. PAUL, MINNESOTA

FOR THE YEAR ENDED
JUNE 30, 2021

Upper Mississippi Academy
Charter School No. 4210
St. Paul, Minnesota
Statement of Net Position
June 30, 2021

	Governmental Activities
Assets	
Cash and temporary investments	$ 1,363,659
Accounts receivable	27,387
Due from the Minnesota Department of Education	432,973
Due from the Federal Government	30,954
Prepaid items	21,139
Capital assets	
Depreciable assets, net of accumulated depreciation	198,180
Total Assets	2,074,292
Deferred Outflows of Resources	
Deferred pension resources	1,489,031
Liabilities	
Accounts and other payables	77,187
Accrued salaries payable	394,647
Noncurrent liabilities	
Due within one year	
Loan payable	45,935
Due in more than one year	
Loan payable	44,065
Net pension liability	2,831,423
Total Liabilities	3,393,257
Deferred Inflows of Resources	
Deferred pension resources	1,557,765
Net Position	
Net investment in capital assets	108,180
Restricted for	
Food service	474
Community service	107
Unrestricted	(1,496,460)
Total Net Position	$ (1,387,699)

The notes to the financial statements are an integral part of this statement.

Upper Mississippi Academy
Charter School No. 4210
St. Paul, Minnesota
Statement of Activities
For the Year Ended June 30, 2021

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position: Governmental Activities
Governmental Activities					
Administration	$ 201,578	$ -	$ -	$ -	$ (201,578)
District support services	312,402	-	-	-	(312,402)
Elementary and secondary regular instruction	1,640,552	1,096	126,659	-	(1,512,797)
Special education instruction	1,813,074	-	1,670,403	-	(142,671)
Instructional support services	276,566	-	-	-	(276,566)
Pupil support services	302,098	-	-	-	(302,098)
Food service	3,837	1,057	3,254	-	474
Sites and buildings	793,393	-	499,212	-	(294,181)
Fiscal and other fixed cost programs	33,918	-	-	-	(33,918)
Community service	-	80	-	-	80
Total Governmental Activities	$ 5,377,418	$ 2,233	$ 2,299,528	$ -	(3,075,657)
General Revenues					
State aid formula grants					2,564,809
Other general revenues					561,603
Unrestricted investment earnings					82
Total General Revenues					3,126,494
Change in Net Position					50,837
Net Position, July 1					(1,438,536)
Net Position, June 30					$ (1,387,699)

The notes to the financial statements are an integral part of this statement.

THIS PAGE IS LEFT

BLANK INTENTIONALLY

FUND FINANCIAL STATEMENTS

UPPER MISSISSIPPI ACADEMY
CHARTER SCHOOL NO. 4210
ST. PAUL, MINNESOTA

FOR THE YEAR ENDED
JUNE 30, 2021

Upper Mississippi Academy
Charter School No. 4210
St. Paul, Minnesota
Balance Sheet
Governmental Funds
June 30, 2021

	General	Other Governmental Funds	Total
Assets			
Cash and temporary investments	$ 1,363,552	$ 107	$ 1,363,659
Accounts receivable	27,387	-	27,387
Due from the Minnesota Department of Education	432,973	-	432,973
Due from the Federal Government	30,954	-	30,954
Due from other funds	4,424	-	4,424
Prepaid items	16,139	5,000	21,139
Total Assets	$ 1,875,429	$ 5,107	$ 1,880,536
Liabilities			
Accounts and other payables	$ 77,085	$ 102	$ 77,187
Accrued salaries payable	394,647	-	394,647
Due to other funds	-	4,424	4,424
Total Liabilities	471,732	4,526	476,258
Fund Balances			
Nonspendable prepaid items	16,139	5,000	21,139
Restricted for			
Food service	-	474	474
Commuity Service	-	107	107
Assigned for			
Student activities	38,955	-	38,955
Gala	5,697	-	5,697
Green wall	2,358	-	2,358
Special eduction	30,000	-	30,000
Unassigned	1,310,548	(5,000)	1,305,548
Total Fund Balances	1,403,697	581	1,404,278
Total Liabilities and Fund Balances	$ 1,875,429	$ 5,107	$ 1,880,536

The notes to the financial statements are an integral part of this statement.

Upper Mississippi Academy
Charter School No. 4210
St. Paul, Minnesota
Reconciliation of the Balance Sheet
to the Statement of Net Position
Governmental Funds
June 30, 2021

Amounts reported for governmental activities in the statement of net position are different because

Total Fund Balances - Governmental Funds	$ 1,404,278
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.	
Cost of capital assets	346,741
Less accumulated depreciation	(148,561)
Noncurrent liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds. Noncurrent liabilities at year end consist of	
Loans payable	(90,000)
Net pension liability	(2,831,423)
Governmental funds do not report long-term amounts related to pensions.	
Deferred outflows of pension resources	1,489,031
Deferred inflows of pension resources	(1,557,765)
Total Net Position - Governmental Activities	$ (1,387,699)

The notes to the financial statements are an integral part of this statement.

Upper Mississippi Academy
Charter School No. 4210
St. Paul, Minnesota
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2021

	General	Other Governmental Funds	Total
Revenues			
Other local and county revenue	$ 73,323	$ 1,137	$ 74,460
Interest earned on investments	82	-	82
Revenue from state sources	4,632,992	170	4,633,162
Revenue from federal sources	208,551	3,084	211,635
Total Revenues	4,914,948	4,391	4,919,339
Expenditures			
Current			
Administration	182,482	-	182,482
District support services	297,266	-	297,266
Elementary and secondary regular instruction	1,421,986	-	1,421,986
Special education instruction	1,686,226	-	1,686,226
Instructional support services	254,021	-	254,021
Pupil support services	298,374	-	298,374
Food service	-	3,837	3,837
Sites and buildings	785,955	-	785,955
Fiscal and other fixed cost programs	33,918	-	33,918
Capital outlay			
Elementary and secondary regular instruction	400	-	400
Instructional support services	9,088	-	9,088
Sites and buildings	3,732	-	3,732
Total Expenditures	4,973,448	3,837	4,977,285
Excess (Deficiency) of Revenues Over (Under) Expenditures	(58,500)	554	(57,946)
Other Financing Sources			
Loan issued	489,376	-	489,376
Net Change in Fund Balance	430,876	554	431,430
Fund Balance, July 1	972,821	27	972,848
Fund Balance, June 30	$ 1,403,697	$ 581	$ 1,404,278

The notes to the financial statements are an integral part of this statement.

Upper Mississippi Academy
Charter School No. 4210
St. Paul, Minnesota
Reconciliation of the Statement of
Revenues, Expenditures and Changes in Fund Balances
to the Statement of Activities
Governmental Funds
For the Year Ended June 30, 2021

Amounts reported for governmental activities in the statement of activities are different because

Net Change in Fund Balances - Governmental Funds	$ 431,430
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense.	
Capital outlays	9,370
Depreciation expense	(24,301)
Loss on disposal of assets	(260)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are amortized in the statement of activities. The amounts below are the effects of these differences in the treatment of long-term debt and related items.	
Loans issued	489,376
Forgivness of loans	(489,376)
Long-term pension activity is not reported in governmental funds.	
Direct aid contributions	19,540
Pension expense	(384,942)
Change in Net Position - Governmental Activities	$ 50,837

The notes to the financial statements are an integral part of this statement.

Upper Mississippi Academy
Charter School No. 4210
St. Paul, Minnesota
Statement of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual
General Fund
For the Year Ended June 30, 2021

	General Fund			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Other local and county revenue	$ 67,588	$ 37,960	$ 73,323	$ 35,363
Interest earned on investments	400	400	82	(318)
Revenue from state sources	5,045,004	4,621,512	4,632,992	11,480
Revenue from federal sources	118,004	233,004	208,551	(24,453)
Total Revenues	5,230,996	4,892,876	4,914,948	22,072
Expenditures				
Current				
Administration	226,263	188,700	182,482	6,218
District support services	320,438	343,581	297,266	46,315
Elementary and secondary regular instruction	1,543,723	1,543,156	1,421,986	121,170
Special education instruction	1,675,313	1,675,313	1,686,226	(10,913)
Instructional support services	158,722	240,804	254,021	(13,217)
Pupil support services	394,505	377,185	298,374	78,811
Sites and buildings	873,432	768,310	785,955	(17,645)
Fiscal and other fixed cost programs	20,600	20,600	33,918	(13,318)
Capital outlay				
Elementary and secondary regular instruction	1,700	1,700	400	1,300
Instructional support services	2,500	4,966	9,088	(4,122)
Sites and buildings	8,000	8,000	3,732	4,268
Total Expenditures	5,225,196	5,172,315	4,973,448	198,867
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,800	(279,439)	(58,500)	220,939
Other Financing Sources (Uses)				
Transfers out	(2,900)	(2,900)	-	2,900
Loan issued	-	489,376	489,376	-
Total Other Financing Sources (Uses)	(2,900)	486,476	489,376	2,900
Net Change in Fund Balances	2,900	207,037	430,876	223,839
Fund Balances, July 1	972,821	972,821	972,821	-
Fund Balances, June 30	$ 975,721	$ 1,179,858	$ 1,403,697	$ 223,839

The notes to the financial statements are an integral part of this statement.

Note 1: Summary of Significant Accounting Policies

A. Reporting Entity

Upper Mississippi Academy, Charter School No. 4210 (the Charter School), St. Paul, Minnesota is a nonprofit that was formed, and began operating, in September 2013, in accordance with Minnesota Statutes for the purpose of providing high quality education by using innovative teaching methods to foster creativity and to promote student achievement. The Charter School is authorized by Innovative Quality Schools. The governing body consists of a Board of Directors composed of a Chairperson, Treasurer, Secretary, and other members.

The Charter School has considered all potential units for which it is financially accountable and other organizations for which the nature and significance of their relationship with the Charter School are such that exclusion would cause the Charter School's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board (GASB) has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body, and (1) the ability of the primary government to impose its will on that organization or (2) the potential for the organization to provide specific benefits to, or impose specific financial burdens on the primary government. The Charter School has no component units that meet the GASB criteria.

Aside from its authorizer role, Innovative Quality Schools has no authority, control, power, or administrative responsibilities over Upper Mississippi Academy. Therefore, the School is not considered a component unit of Innovative Quality Schools.

Extracurricular student activities are determined primarily by student participants under the guidance of an adult and are generally conducted outside of school hours. The School Board by Minnesota statues has to control extracurricular activities; therefore, the extracurricular student activity accounts are included in the School's basic financial statements as part of the General Fund.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. Amounts reported as *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. State aid formula grants and other items not included among program revenues are reported instead as *general revenues*.

Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Note 1: Summary of Significant Accounting Policies (Continued)

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 period or soon enough thereafter to pay liabilities of the current period. State revenue is recognized in the year to which it applies according to Minnesota statutes and accounting principles generally accepted in the United States of America. Minnesota statutes include State aid funding formulas for specific fiscal years. Federal revenue is recorded in the year in which the related expenditure was made. Other revenue is considered available if collected within one year.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available.

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

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

Description of Funds

The Charter School funds have been established by the State of Minnesota Department of Education. Each fund is accounted for as an independent entity. Descriptions of the funds included in the report are as follows:

Major Governmental Funds

The *General fund* is the Charter School's primary operating fund. It accounts for all financial resources of the Charter School, except those required to be accounted for in another fund.

Nonmajor Governmental Funds

The *Food Service special revenue fund* is used to account for food service revenues and expenditures. The Food Service fund receives revenue from state and federal sources as well as the receipts from the Charter School's nutrition program.

The *Community Service special revenue fund* is used to account for before school care programming. Primary sources of revenue are from charges to families for participation in those care programs.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Note 1: Summary of Significant Accounting Policies (Continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position/Fund Balances

Deposits and Investments

The Charter School's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

The Charter School may also invest idle funds as authorized by Minnesota statutes, as follows:

1. Direct obligations or obligations guaranteed by the United States or its agencies.

2. Shares of investment companies registered under the Federal Investment Company Act of 1940 and received the highest credit rating, rated in one of the two highest rating categories by a statistical rating agency, and have a final maturity of thirteen months or less.

3. General obligations of a state or local government with taxing powers rated "A" or better; revenue obligations rated "AA" or better.

4. General obligations of the Minnesota Housing Finance Agency rated "A" or better.

5. Obligation of a school district with an original maturity not exceeding 13 months and (i) rated in the highest category by a national bond rating service or (ii) enrolled in the credit enhancement program pursuant to statute section 126C.55.

6. Bankers' acceptances of United States banks eligible for purchase by the Federal Reserve System.

7. Commercial paper issued by United States banks corporations or their Canadian subsidiaries, of highest quality category by at least two nationally recognized rating agencies, and maturing in 270 days or less.

8. Repurchase or reverse repurchase agreements and securities lending agreements with financial institutions qualified as a "depository" by the government entity, with banks that are members of the Federal Reserve System with capitalization exceeding $10,000,000, a primary reporting dealer in U.S. government securities to the Federal Reserve Bank of New York, or certain Minnesota securities broker-dealers.

9. Guaranteed Investment Contracts (GIC's) issued or guaranteed by a United States commercial bank, a domestic branch of a foreign bank, a United States insurance company, or its Canadian subsidiary, whose similar debt obligations were rated in one of the top two rating categories by a nationally recognized rating agency.

The Charter School does not have a formal investment policy.

Accounts Receivable/Due from Other Governments

Accounts receivable and due from other governments include amounts billed for services provided before year end as well as amounts for expenditures that have been incurred before year end that will be reimbursed with State and Federal funding. No substantial losses are anticipated from present receivable balances, therefore no allowance for uncollectible has been recorded. Accounts receivable also includes any amounts remitted for deposits which will be returned to the school.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

Note 1: Summary of Significant Accounting Policies (Continued)

Capital Assets

Capital assets include equipment. Capital assets are defined by the Charter School as assets with an initial, individual cost of more than $1,000 (amount not rounded). Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Donated capital assets are recorded at acquisition value at the date of donation.

Capital assets are recorded in the government-wide financial statements, but are not reported in the fund financial statements. Equipment of the Charter School is depreciated using the straight-line method over their estimated useful lives. Useful lives vary from 5 to 20 years.

Deferred Outflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Charter School only has one item that qualifies for reporting in this category. Accordingly, the item, deferred pension resources, is reported only in the statement of net position. This item results from actuarial calculations and current year pension contributions made subsequent to the measurement date.

Pensions

Teachers Retirement Association (TRA)

For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Teachers Retirement Association (TRA) and additions to/deductions from TRA's fiduciary net position have been determined on the same basis as they are reported by TRA.

TRA has a special funding situation created by direct aid contributions made by the State of Minnesota, City of Minneapolis and Minneapolis School District. The direct aid is a result of the merger of the Minneapolis Teachers Retirement Fund Association merger into TRA in 2006. Additional information can be found in Note 4.

Public Employees Retirement Association (PERA)

For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Public Employees Retirement Association (PERA) and additions to/deductions from PERA's fiduciary net position have been determined on the same basis as they are reported by PERA. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

The total pension expense for the General Employee Plan (GERP) and TRA is as follows:

	GERP	TRA	Total Pension Expense
Pension Expense	$ 64,263	$ 531,491	$ 595,754

Note 1: Summary of Significant Accounting Policies (Continued)

Deferred Inflows of Resources

In addition to liabilities, the statement of net position and fund financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has one type of item, which arises only under a full accrual basis of accounting that qualifies as needing to be reported in this category. Accordingly, the item, deferred pension resources, is reported only in the government-wide statement of net position of the government-wide statements and results from actuarial calculations.

Fund Balance

In the fund financial statements, fund balance is divided into five classifications based primarily on the extent to which the Charter School is bound to observe constraints imposed upon the use of resources reported in the governmental funds. These classifications are defined as follows:

Nonspendable - Amounts that cannot be spent because they are not in spendable form, such as prepaid items.

Restricted - Amounts related to externally imposed constraints established by creditors, grantors or contributors; or constraints imposed by state statutory provisions.

Committed - Amounts constrained for specific purposes that are internally imposed by formal action (resolution) of the Board of Directors, which is the Charter School's highest level of decision-making authority. Committed amounts cannot be used for any other purpose unless the Board of Directors modifies or rescinds the commitment by resolution.

Assigned - Amounts constrained for specific purposes that are internally imposed. In governmental funds other than the General fund, assigned fund balance represents all remaining amounts that are not classified as nonspendable and are neither restricted nor committed. In the General fund, assigned amounts represent intended uses established by the Board of Directors itself or by an official to which the governing body delegates the authority. The Board of Directors has adopted a fund balance policy which delegates the authority to assign amounts for specific purposes to Executive Director.

The Charter School considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available. Additionally, the Charter School would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

The Charter School has formally adopted a fund balance policy for the General fund. The Charter School will strive to budget towards and maintain a minimum unassigned general fund balance of 20 percent of the annual budget.

Net Position

In the government-wide financial statements, net position represents the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources. Net position is displayed in three components:

a. Net investment in capital assets - Consists of capital assets, net of accumulated depreciation reduced by any outstanding debt attributable to acquire capital assets.

b. Restricted net position - Consist of net position balances restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, laws or regulations of other governments.

c. Unrestricted net position - All other net position balances that do not meet the definition of "restricted" or "investment in capital assets."

Note 2: Stewardship, Compliance and Accountability

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

A. Budgetary Information

Budgets are prepared for Charter School funds on the same basis and using the same accounting practices that are used in accounting and preparing financial statements for the General fund, Food Service fund and Community Service fund. The General fund budget was amended during the current fiscal year, decreasing revenues $338,120 and decreasing expenditures by $52,881, respectively.

The Charter School follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to July 1, the Finance Committee submits to the School Board a proposed operating budget for the fiscal year commencing July 1.

2. Budgets for the General fund are adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP).

3. Budgeted amounts are as originally adopted, or as amended.

4. Budget appropriations lapse at year end.

5. The legal level of control is the fund level.

6. The Charter School does not use encumbrance accounting.

Note 3: Detailed Notes on All Funds

A. Deposits

The School maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the statement of net position and the balance sheet as "Cash and Investments." In accordance with Minnesota Statutes, the School maintains deposits at financial institutions which are authorized by the School Board.

Custodial credit risk for deposits and investments is the risk that in the event of a bank failure, the Charter School's deposits and investments may not be returned or the Charter School will not be able to recover collateral securities in the possession of an outside party. In accordance with Minnesota statutes and as authorized by the Board of Directors, the Charter School maintains deposits at those depository banks, all of which are members of the Federal Reserve System.

Minnesota statutes require that all Charter School deposits be protected by insurance, surety bond or collateral. The fair value of collateral pledged must equal 110 percent of the deposits not covered by insurance, bonds, or irrevocable standby letters of credit from Federal Home Loan Banks.

Authorized collateral in lieu of a corporate surety bond includes:

- United States government Treasury bills, Treasury notes, Treasury bonds;
- Issues of United States government agencies and instrumentalities as quoted by a recognized industry quotation service available to the government entity;
- General obligation securities of any state or local government with taxing powers which is rated "A" or better by a national bond rating service, or revenue obligation securities of any state or local government with taxing powers which is rated "AA" or better by a national bond rating service;
- General obligation securities of a local government with taxing powers may be pledged as collateral against funds deposited by that same local government entity;
- Irrevocable standby letters of credit issued by Federal Home Loan Banks to a municipality accompanied by written evidence that the bank's public debt is rated "AA" or better by Moody's Investors Service, Inc., or Standard & Poor's Corporation; and Time deposits that are fully insured by any federal agency.

Minnesota statutes require that all collateral shall be placed in safekeeping in a restricted account at a Federal Reserve Bank, or in an account at a trust department of a commercial bank or other financial institution that is not owned or controlled by the financial institution furnishing the collateral. The selection should be approved by the Charter School.

At year end, the Charter School's carrying amount of deposits was $1,363,659 and the bank balance was $1,363,608. Of the bank balance, $500,000 was covered by federal depository insurance. The remaining balance was covered by collateral held by the Charter School's agent in the Charter School's name.

Note 3: Detailed Notes on All Funds (Continued)

B. Capital Assets

Capital asset activity for the year ended June 30, 2021 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital Assets Being Depreciated				
Leasehold Improvements	$ 119,360	$ -	$ -	$ 119,360
Equipment	248,289	9,370	(30,278)	227,381
Total Capital Assets being Depreciated	367,649	9,370	(30,278)	346,741
Less Accumulated Depreciation for				
Leasehold Improvements	(5,378)	(6,454)	-	(11,832)
Equipment	(148,900)	(17,847)	30,018	(136,729)
Total Accumulated Depreciation	(154,278)	(24,301)	30,018	(148,561)
Total Capital Assets Being Depreciated, Net	213,371	(14,931)	(260)	198,180
Governmental Activities Capital Assets, Net	$ 213,371	$ (14,931)	$ (260)	$ 198,180

Depreciation expense was charged to functions/programs of the Charter School as follows:

Governmental Activities	
District support services	$ 8,049
Elementary and secondary regular instruction	2,433
Instructional support service	5,696
Sites and buildings	8,123
Total Depreciation Expense - Governmental Activities	$ 24,301

C. Line of Credit Agreement

The School has a line of credit agreement with American National Bank for cash flow needs. The maximum borrowing limit on this line of credit is $150,000 and the interest rate is based on the Prime Rate on a monthly basis plus two and half percentage points. There was no credit activity for the current fiscal year.

D. Interfund Loans

The General fund loaned $4,424 to the Food Service nonmajor governmental special revenue fund to support food service fund operations.

Note 3: Detailed Notes on All Funds (Continued)

E. Operating Leases

The Charter School entered into a lease agreement with the Exchange Street 1963, LLC for classroom and administrative space for ten years commencing July 1, 2019. The School's lease is through June 30, 2029. The lease calls for a monthly lease payments between $41,217 to $59,495. The lease expense for the year ended June 30, 2021 was $545,142.

The School also entered into a lease for a copier on July 28, 2016. The lease term is for 60 months with monthly payments of $448.

Below is a summary of the minimum lease payments set forth by the building and copier leases:

Year Ending June 30,	Amount
2022	$ 619,040
2023	627,800
2024	654,080
2025	671,600
2026	687,660
2027 - 2029	2,133,060
Total	$ 5,393,240

F. Long-term Liabilities

Loans Payable

The following loan was issued for the school to make leasehold improvements. The loan was issued by the landlord and is due June 5, 2023. No principal payments were made in current fiscal year.

Description	Authorized and Issued	Interest Rate	Issue Date	Maturity Date	Balance at Year End
Promissory Note	$ 90,000	2.00 %	06/16/20	06/05/23	$ 90,000

Annual debt service requirements to maturity for the loan are as follows:

Year Ending June 30,	Loans Payable		
	Principal	Interest	Total
2022	$ 45,935	$ 1,800	$ 47,735
2023	44,065	1,800	45,865
Total	$ 90,000	$ 3,600	$ 93,600

The school also issued a Paycheck Protection Program (PPP) Loan on August 6, 2020, for $489,376 with an interest rate of 1% with a maturity date of August 6, 2025. The loan was forgiven in its entirety by the federal government on March 12, 2021. No principal or interest payments were made on the loan.

Note 3: Detailed Notes on All Funds (Continued)

Changes in Long-term Liabilities

Long-term liability activity for the year ended June 30, 2021 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Governmental Activities					
Note Payable	$ 90,000	$ -	$ -	$ 90,000	$ 45,935
Loans Payable	-	489,376	(489,376)	-	-
	$ 90,000	$ 489,376	$ (489,376)	$ 90,000	$ 45,935

Note 4: Defined Benefit Pension Plans - Statewide

Substantially all employees of the Charter School are required by state law to belong to pension plans administered by Teachers Retirement Association (TRA) or Public Employees Retirement Association (PERA), all of which are administered on a statewide basis.

Disclosures relating to these plans follow:

A. Teacher Retirement Association (TRA)

1. Plan Description

The Teachers Retirement Association (TRA) is an administrator of a multiple employer, cost-sharing, defined benefit retirement fund. TRA administers a Basic Plan (without Social Security coverage) and a Coordinated Plan (with Social Security coverage) in accordance with Minnesota statutes, chapters 354 and 356. TRA is a separate statutory entity and administered by a Board of Trustees. The Board consists of four active member, one retired member and three statutory officials.

Educators employed in Minnesota's public elementary and secondary school, charter schools, and certain other TRA-covered educational institutions maintained by the state are required to be TRA members. State university, community college, and technical college educators first employed by (except those employed by St. Paul schools or Minnesota State Colleges and Universities). Educators first hired by Minnesota State may elect either TRA coverage or coverage through the Define Contribution Plan (DCR) administered by the State of Minnesota.

2. Benefits Provided

TRA provides retirement benefits as well as disability benefits to members and benefits to survivors upon death of eligible members. Benefits are established by Minnesota statute and vest after three years of service credit. The defined retirement benefits are based on a member’s highest average salary for any five consecutive years of allowable service, age and a formula multiplier based on years of credit at termination of service.

Two methods are used to compute benefits for TRA’s Coordinated and Basic Plan members. Members first employed before **July 1, 1989** receive the greater of the Tier I or Tier II as described:

Note 4: Defined Benefit Pension Plans - Statewide (Continued)

Tier I:	Step Rate Formula	Percentage
Basic	1st ten years of service	2.2 percent per year
	All years after	2.7 percent per year
Coordinated	1st ten years if service years are prior to July 1, 2006	1.2 percent per year
	1st ten years if service years are July 1, 2006 or after	1.4 percent per year
	All other years of service if service years are prior to July 1, 2006	1.7 percent per year
	All other years of service if service years are July 1, 2006 or after	1.9 percent per year

With these provisions:

1. Normal retirement age is 65 with less than 30 years of allowable service and age 62 with 30 or more years of allowable service.
2. 3.0 percent per year early retirement reduction factors for all years under normal retirement age.
3. Unreduced benefits for early retirement under a Rule-of-90 (age plus allowable service equals 90 or more).

or

Tier II: For years of service prior to July 1, 2006, a level formula of 1.7 percent per year for coordinated members and 2.7 percent per year for basic members. For years of service July 1, 2006 and after, a level formula of 1.9 percent per year for Coordinated members and 2.7 percent per year for Basic members applies. Beginning July 1, 2015, the early retirement reduction factors are based on rates established under Minnesota Statute. Smaller reductions, more favorable to the member, will be applied to individuals who reach age 62 and have 30 years or more of service credit.

Members first employed after **June 30, 1989** receive only the Tier II calculation with a normal retirement age that is their retirement age for full Social Security retirement benefits, but not to exceed age 66.

Six different types of annuities are available to members upon retirement. The No Refund Life Plan is a lifetime annuity that ceases upon the death of the retiree - no survivor annuity is payable. A retiring member may also choose to provide survivor benefits to a designated beneficiary(ies) by selecting one of the five plans that have survivorship features. Vested members may also leave their contributions in the TRA Fund upon termination of service in order to qualify for a deferred annuity at retirement age. Any member terminating service is also eligible for a refund of their employee contributions plus interest.

The benefit provisions stated apply to active plan participants. Vested, terminated employees who are entitled to benefits but not yet receiving them are bound by the provisions in effect at the time they last terminated their public service.

Note 4: Defined Benefit Pension Plans - Statewide (Continued)

3. *Contribution Rate*

Per Minnesota statutes, chapter 354 sets the contribution rates for employees and employers. Rates for each fiscal year were:

	Ending June 30, 2019		Ending June 30, 2020		Ending June 30, 2021	
Plan	Employee	Employer	Employee	Employer	Employee	Employer
Basic	11.00%	11.71%	11.00%	11.92%	11.00%	12.13%
Coordinated	7.50%	7.71%	7.50%	7.92%	7.50%	8.13%

The District's contributions to TRA for the years ending June 30, 2021, 2020 and 2019 were $170,685, $149,099 and $124,871, respectively. The District's contributions were equal to the contractually required contributions for each year as set by Minnesota statute.

The following is a reconciliation of employer contributions in TRA's Comprehensive Annual Financial Report "Statement of Changes in Fiduciary Net Position" to the employer contributions used in Schedule of Employer and Non-Employer Pension Allocations.

	in thousands
Employer Contributions Reported in TRA's Comprehensive Annual Financial Report Statement of Changes in Fiduciary Net Position	$ 425,223
Add Employer Contributions not Related to Future Contribution Efforts	(56)
Deduct TRA's Contributions not Included in Allocation	(508)
Total Employer Contributions	424,659
Total Non-employer Contributions	35,587
Total Contributions Reported in Schedule of Employer and Non-employer Allocations	$ 460,246

Amounts reported in the allocation schedules may not precisely agree with financial statement amounts or actuarial valuations due to the number of decimal places used in the allocations. TRA has rounded percentage amounts to the nearest ten thousandths.

Note 4: Defined Benefit Pension Plans - Statewide (Continued)

4. Actuarial Assumptions

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

Key Methods and Assumptions Used in Valuation of Total Pension Liability	
Actuarial Information	
Valuation Date	July 1, 2020
Experience Study	June 5, 2015 November 6, 2017 (economic assumptions)
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions	
Investment Rate of Return	7.50%
Price Inflation	2.50%
Wage growth rate	2.85% before July 1, 2028 and 3.25% thereafter
Projected Salary Increase	2.85 to 8.85% before, 2028 July 1 and 3.25 to 9.25% thereafter
Cost of Living Adjustment	1.0% for January 2020 through January 2023, then increasing by 0.1% each year up to 1.5% annually
Mortality Assumption	
Pre-retirement	RP-2014 white collar employee table, male rates set back six years and female rates set back seven years. Generational projection uses the MP-2015 scale.
Post-retirement	RP-2014 white collar annuitant table, male rates set back three years and female rates set back three years, with further adjustments of the rates. Generational projection uses the MP-2015 scale.
Post-disability	RP-2014 disabled retiree mortality table, without adjustment.

Note 4: Defined Benefit Pension Plans - Statewide (Continued)

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

The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Domestic Equity	35.50 %	5.10 %
International Equity	17.50	5.30
Private Markets	25.00	5.90
Fixed Income	20.00	0.75
Unallocated Cash	2.00	-
Total	100.00 %	

The TRA actuary has determined the average of the expected remaining service lives of all members for fiscal year 2020 is 6.00 years. The "Difference Between Expected and Actual Experience", "Changes of Assumptions" and "Changes in Proportion" use the amortization period of 6.00 years in the schedule presented. The amortization period for "Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments" is 5.00 years as required by GASB 68.

Changes in actuarial assumptions since the 2019 valuation:

- Assumed termination rates were changed to more closely reflect actual experience.
- The pre-retirement mortality assumption was changed to RP-2014 white collar employee table, male rates set back five years and female rates set back seven years. Generational projection uses the MP-2015 scale.
- Assumed form of annuity election proportions were changed to more closely reflect actual experience for female retirees.

Note 4: Defined Benefit Pension Plans - Statewide (Continued)

5. Discount Rate

The discount rate used to measure the total pension liability was 7.50 percent. There was no change since the prior measurement date. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the fiscal year 2020 contribution rate, contributions from school districts will be made at contractually required rates (actuarially determined), and contributions from the state will be made at current statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was not projected to be depleted and, as a result, the Municipal Bond Index Rate was not used in the determination of the Single Equivalent Interest Rate (SEIR).

6. Net Pension Liability

On June 30, 2021, the Charter School a reported a liability of $2,393,755 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Charter School's proportion of the net pension liability was based on the Charter School's contributions to TRA in relation to total system contributions including direct aid from the State of Minnesota, City of Minneapolis and Minneapolis School District. The Charter School's proportionate share was 0.0324 which was of 0.0289 percent from its proportion measured as of June 30, 2019.

The pension liability amount reflected a reduction due to direct aid provided to TRA. The amount recognized by the Charter School as its proportionate share of the net pension liability, the direct aid, and total portion of the net pension liability that was associated with the Charter School were as follows:

Charter School's Proportionate Share of Net Pension Liability	$ 2,393,755
State's Proportionate Share of Net Pension Liability Associated with the Charter School	200,517

There was a change in actuarial assumptions that affected the measurement of the total liability since the prior measurement date. Post-retirement benefit adjustments are now assumed to be 2.0 percent annually. In the previous measurement, the COLA increased to 2.5 percent in 2034.

For the year ended June 30, 2021, the Charter School recognized pension expense of $513,122. It also recognized $18,369 as an increase to pension expense for the support provided by direct aid.

On June 30, 2021, the Charter School had deferred resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 48,665	$ 29,428
Changes in Actuarial Assumptions	668,568	1,502,119
Net Difference Between Projected and Actual Earnings on Plan Investments	81,196	-
Changes in Proportion	416,148	8,987
Contributions to TRA Subsequent to the Measurement Date	170,685	-
Total	$ 1,385,262	$ 1,540,534

Note 4: Defined Benefit Pension Plans - Statewide (Continued)

Deferred outflows of resources totaling $170,685 related to pensions resulting from Charter School contributions to TRA subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

2022	$ 171,514
2023	(362,773)
2024	(243,543)
2025	98,891
2026	9,954

7. Pension Liability Sensitivity

The following presents the net pension liability of TRA calculated using the discount rate of 7.50 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.50 percent) or one percentage point higher (8.50 percent) than the current rate.

Charter School's Proportionate Share of NPL		
1 Percent Decrease (6.50%)	Current (7.50%)	1 Percent Increase (8.50%)
$ 3,664,814	$ 2,393,755	$ 1,346,467

The Charter School's proportion of the net pension liability was based on the employer contributions to TRA in relation to TRA's total employer contributions including direct aid contributions from the State of Minnesota, City of Minneapolis and Minneapolis School District.

8. Pension Plan Fiduciary Net Position

Detailed information about the plan's fiduciary net position is available in a separately-issued TRA financial report. That report can be obtained at www.MinnesotaTRA.org, by writing to TRA at 60 Empire Drive, Suite 400, St. Paul, MN, 55103-4000; or by calling (651) 296-2409 or (800) 657-3669.

B. Public Employees' Retirement Association (PERA)

1. Plan Description

The Charter School participates in the following defined benefit pension plans administered by the Public Employees Retirement Association (PERA). PERA's defined benefit pension plans are established and administered in accordance with Minnesota statutes, chapters 353 and 356. PERA's defined benefit pension plans are tax qualified plans under Section 401 (a) of the Internal Revenue Code.

General Employees Retirement Plan

All full-time and certain part-time employees of the District are covered by the General Employees Plan. General Employees Plan members belong to the Coordinated Plan. Coordinated Plan members are covered by Social Security.

Note 4: Defined Benefit Pension Plans - Statewide (Continued)

2. Benefits Provided

PERA provides retirement, disability and death benefits. Benefit provisions are established by state statute and can only be modified by the state legislature. Vested, terminated employees who are entitled to benefits but are not receiving them yet are bound by the provisions in effect at the time they last terminated their public service.

General Employee Plan Benefits

General Employees Plan benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service. Two methods are used to compute benefits for PERA's Coordinated-Plan members. Members hired prior to July 1, 1989 receive the higher of Method 1 or Method 2 formulas. Only Method 2 is used for members hired after June 30, 1989. Under Method 1, the accrual rate for Coordinated members is 1.2 percent of average salary for each of the first 10 years of service and 1.7 percent of average salary for each additional year. Under Method 2, the accrual rate for Coordinated members is 1.7 percent for average salary for all years of service. For members hired prior to July 1, 1989 a full annuity is available when age plus years of service equal 90 and normal retirement age is 65. For members hired on or after July 1, 1989 normal retirement age is the age for unreduced Social Security benefits capped at 66.

Benefit increases are provided to benefit recipients each January. Beginning in 2019, the postretirement increase will be equal to 50 percent of the cost-of-living adjustment (COLA) announced by the SSA, with a minimum increase of at least 1 percent and a maximum of 1.5 percent. Recipients that have been receiving the annuity or benefit for at least a full year as of the June 30 before the effective date of the increase will receive the full increase. For recipients receiving the annuity or benefit for at least one month but less than a full year as of the June 30 before the effective date of the increase will receive a reduced prorated increase. For members retiring on January 1, 2024, or later, the increase will be delayed until normal retirement age (age 65 if hired prior to July 1, 1989, or age 66 for individuals hired on or after July 1, 1989). Members retiring under Rule of 90 are exempt from the delay to normal retirement.

3. Contributions

Minnesota statutes chapter 353 sets the rates for employer and employee contributions. Contribution rates can only be modified by the state legislature.

General Employees Fund Contributions

Coordinated Plan members were required to contribute 6.50 percent of their annual covered salary in fiscal year 2020 and the Charter School was required to contribute 7.50 percent for Coordinated Plan members. The Charter School's contributions to the General Employees Fund for the years ending June 30, 2021, 2020 and 2019 were $40,127, $39,113 and $38,459, respectively. The Charter School's contributions were equal to the contractually required contributions for each year as set by state statute.

Note 4: Defined Benefit Pension Plans - Statewide (Continued)

4. Pension Costs

General Employee Fund Pension Costs

At June 30, 2021, the Charter School reported a liability of $437,668 for its proportionate share of the General Employee Fund's net pension liability. The Charter School's net pension liability reflected a reduction due to the State of Minnesota's contribution of $16 million. The State of Minnesota is considered a non-employer contributing entity and the State's contribution meets the definition of a special funding situation. The State of Minnesota's proportionate share of the net pension liability associated with the District totaled $13,451. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Charter School's proportionate of the net pension liability was based on the Charter School's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2019 through June 30, 2020, relative to the total employer contributions received from all of PERA's participating employers. The Charter School's proportion was 0.0073 percent which was an increase of 0.0001 percent from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the Charter School recognized pension expense of $63,092 for its proportionate share of General Employees Plan's pension expense. In addition, the District recognized an additional $1,171 as pension expense (and grant revenue) for its proportionate share of the State of Minnesota's contribution of $6 million to the General Employees Plan's.

At June 30, 2021, the Charter School reported its proportionate share of General Employees Plan's deferred outflows of resources and deferred inflows of resources, related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	$ 3,920	$ 1,655
Changes in Actuarial Assumptions	-	15,576
Net Difference Between Projected and Actual Earnings on Plan Investments	14,079	-
Changes in Proportion	45,644	-
Contributions to GERF Subsequent to the Measurement Date	40,126	-
Total	$ 103,769	$ 17,231

The $40,127 reported as deferred outflows of resources related to pensions resulting from Charter School contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022 Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

2022	$ 11,346
2023	14,625
2024	9,863
2025	10,578

Note 4: Defined Benefit Pension Plans - Statewide (Continued)

5. Actuarial Assumptions

The total pension liability in the June 30, 2020 actuarial valuation was determined using an individual entry-age normal actuarial cost method and the following actuarial assumptions:

Inflation	2.50% per year
Active Member Payroll Growth	3.25% per year
Investment Rate of Return	7.50%

Salary increases were based on a service-related table. Mortality rates for active members, retirees, survivors and disabilitants were based on RP-2014 tables for males or females, as appropriate, with slight adjustments to fit PERA's experience. Cost of living benefit increases after retirement for retirees are assumed to be 1.25 percent per year for General Employees Plan.

Actuarial assumptions used in the June 30, 2020 valuation were based on the results of actuarial experience studies. The most recent four-year experience study in the General Employee Plan was completed in 2019. The assumption changes were adopted by the Board and become effective with the July 1, 2020 actuarial valuation.

The following changes in actuarial assumptions and plan provisions occurred in 2020:

<u>General Employees Fund</u>

Changes in Actuarial Assumptions

- The price inflation assumption was decreased from 2.50% to 2.25%.
- The payroll growth assumption was decreased from 3.25% to 3.00%.
- Assumed salary increase rates were changed as recommended in the June 30, 2019 experience study. The net effect is assumed rates that average 0.25% less than previous rates.
- Assumed rates of retirement were changed as recommended in the June 30, 2019 experience study. The changes result in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements.
- Assumed rates of termination were changed as recommended in the June 30, 2019 experience study. The new rates are based on service and are generally lower than the previous rates for years 2-5 and slightly higher thereafter.
- Assumed rates of disability were changed as recommended in the June 30, 2019 experience study. The change results in fewer predicted disability retirements for males and females.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 General Mortality table, with adjustments. The base mortality table for disabled annuitants was changed from the RP-2014 disabled annuitant mortality table to the PUB-2010 General/Teacher disabled annuitant mortality table, with adjustments.
- The mortality improvement scale was changed from Scale MP-2018 to Scale MP-2019.
- The assumed spouse age difference was changed from two years older for females to one year older.
- The assumed number of married male new retirees electing the 100% Joint & Survivor option changed from 35% to 45%. The assumed number of married female new retirees electing the 100% Joint & Survivor option changed from 15% to 30%. The corresponding number of married new retirees electing the Life annuity option was adjusted accordingly.

Changes in Plan Provisions

- Augmentation for current privatized members was reduced to 2.0% for the period July 1, 2020 through December 31, 2023 and 0.0% after. Augmentation was eliminated for privatizations occurring after June 30, 2020.

Note 4: Defined Benefit Pension Plans - Statewide (Continued)

The State Board of Investment, which manages the investments of PERA, prepares an analysis of the reasonableness on a regular basis of the long-term expected rate of return using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce an expected long-term rate of return by weighting the expected future rates of return by the target asset allocation percentages. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Domestic Stocks	35.50 %	5.10 %
Alternative Assets (Private Markets)	25.00	5.30
Bonds (Fixed Income)	20.00	0.75
International Stocks	17.50	5.90
Cash	2.00	-
Total	100.00 %	

6. Discount Rate

The discount rate used to measure the total pension liability in 2021 was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at rates set in Minnesota statutes. Based on these assumptions, the fiduciary net position of the General Employees Fund were 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.

7. Pension Liability Sensitivity

The following presents the Charter School's proportionate share of the net pension liability for all plans it participates in, calculated using the discount rate disclosed in the preceding paragraph, as well as what the Charter School's proportionate share of the net pension liability would be if it were calculated using a discount rate 1 percentage point lower or 1 percentage point higher than the current discount rate:

Charter School's Proportionate Share of NPL		
1 Percent Decrease (6.50%)	Current (7.50%)	1 Percent Increase (8.50%)
$ 701,431	$ 437,668	$ 220,086

8. Pension Plan Fiduciary Net Position

Detailed information about each defined benefit pension plan's fiduciary net position is available in a separately-issued PERA financial report that includes financial statements and required supplementary information. That report may be obtained on the Internet at www.mnpera.org.

Note 5: Other Information

A. Risk Management

The Charter School is exposed to various risks of loss related to torts: theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which the Charter School carries commercial insurance. Settled claims have not exceeded this commercial coverage in fiscal year 2021.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities, if any, include an amount for claims that have been incurred but not reported (IBNRs). The Charter School's management is not aware of any incurred but not reported claims.

B. Commitments and Contingencies

Federal and State Programs

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

C. Economic Dependency

The Charter School has a significant amount of revenue (94%) coming from the State of Minnesota.

D. Income Taxes

The Charter School is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Charter School also qualifies as a tax-exempt organization under applicable statutes of the State of Minnesota.

Management believes that it is not reasonably possible for any tax position benefits to increase or decrease significantly over the next 12 months. As of June 30, 2021, there were no income tax related accrued interest or penalties recognized in either the statement of financial position or the statement of activities.

The Charter School files informational returns in the U.S. federal jurisdiction, and in the Minnesota state jurisdiction. U.S. federal returns and Minnesota returns for the prior three fiscal years are closed. No returns are currently under examination in any tax jurisdiction.

Note 6: Subsequent Event

In December 2019, a novel strain of coronavirus (COVID-19) surfaced. The spread of COVID-19 around the world during 2020 has caused significant volatility in U.S. and international markets. There is significant uncertainty around the breadth and duration of business disruptions related to COVID-19, as well as its impact on the U.S. and international economies and, as such, the Charter School is unable to determine if it will have a material impact to its operations.

THIS PAGE IS LEFT

BLANK INTENTIONALLY

REQUIRED SUPPLEMENTARY INFORMATION

UPPER MISSISSIPPI ACADEMY
CHARTER SCHOOL NO. 4210
ST. PAUL, MINNESOTA

FOR THE YEAR ENDED
JUNE 30, 2021

Upper Mississippi Academy
Charter School No. 4210
St. Paul, Minnesota
Required Supplementary Information
June 30, 2021

Schedule of Employer's Share of Teachers Retirement Association Net Pension Liability

Year	Charter School's Proportion of the Net Pension Liability	Charter School's Proportionate Share of the Net Pension Liability (a)	State's Proportionate Share of the Net Pension Liability Associated with the Charter School (b)	Total (a+b)	Charter School's Covered Payroll (c)	Charter School's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll (a/c)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
6/30/2020	0.0324 %	$ 2,393,755	$ 200,517	$ 2,594,272	$ 1,882,563	137.8 %	75.5 %
6/30/2019	0.0289	1,842,092	163,240	2,005,332	1,685,149	119.0	78.2
6/30/2018	0.0240	1,507,332	141,870	1,649,202	1,340,187	112.5	78.1
6/30/2017	0.0229	4,571,255	441,648	5,012,903	1,234,307	370.3	51.6
6/30/2016	0.0234	5,581,458	559,172	6,140,630	1,218,173	458.2	44.9
6/30/2015	0.0178	1,101,106	135,174	1,236,280	905,000	121.7	76.8
6/30/2014	0.0152	700,405	48,366	748,771	693,780	101.0	81.1

Note: Schedule is intended to show 10-year trend. Additional years will be reported as they become available

Schedule of Employer's Teachers Retirement Association Contributions

Year	Statutorily Required Contribution (a)	Contributions in Relation to the Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	Charter School's Covered Payroll (c)	Contributions as a Percentage of Covered Payroll (b/c)
6/30/2021	$ 170,685	$ 170,685	$ -	$ 2,099,446	8.13 %
6/30/2020	149,099	149,099	-	1,882,563	7.92
6/30/2019	129,925	129,925	-	1,685,149	7.71
6/30/2018	100,514	100,514	-	1,340,187	7.50
6/30/2017	92,573	92,573	-	1,234,307	7.50
6/30/2016	92,873	92,873	-	1,218,173	7.50
6/30/2015	68,692	68,692	-	905,000	7.50

Note: Schedule is intended to show 10-year trend. Additional years will be reported as they become available

Notes to the Required Supplementary Information - Teachers Retirement Association

Changes in Actuarial Assumptions

2020 - Assumed termination rates were changed to more closely reflect actual experience. The pre-retirement mortality assumption was changed to RP-2014 white collar employee table, male rates set back five years and female rates set back seven years. Generational projection uses the MP-2015 scale. Assumed form of annuity election proportions were changed to more closely reflect actual experience for female retirees.

Notes to the Required Supplementary Information - Teachers Retirement Association (Continued)

2018 - The investment return assumption was changed from 8.50% to 7.50%. The price inflation assumption was lowered from 3.00% to 2.50%. The payroll growth assumption was lowered from 3.50% to 3.00%. The wage inflation assumption (above price inflation) was reduced from 0.75% to 0.35% for the next 10 years, and 0.75% thereafter. The total salary increase assumption was adjusted by the wage inflation change. The amortization date for the funding of the Unfunded Actuarial Accrued Liability (UAAL) was reset to June 30, 2048 (30 years). A mechanism in the law that provided the TRA Board with some authority to set contribution rates was eliminated.

2017 - The Cost of Living Adjustment was assumed to increase from 2.0% annually to 2.5% annually on July 1, 2045. Adjustments were made to the combined service annuity loads. The active load was reduced from 1.4% to 0.0%, the vested inactive load increased from 4.0% to 7.0% and the non-vested inactive load increased from 4.0% to 9.0%

2016 - The assumed investment return was changed from 8.0 percent to 4.66 percent using the Single Equivalent Interest Rate calculation. The single discount rate was changed from 8.0 percent to 4.66 percent. The assumed future salary increases, payroll growth and inflation were changed by a 0.25 percent decrease for price inflation, a 0.50 percent increase for wage inflation and a 2.50 percent decrease in maximum salary increases based on years of service. Mortality assumptions were updated using the RP-2014 tables.

2015 - The assumed post-retirement benefit increase rate was changed from 2.0 percent per year through 2034 and 2.5 percent per year thereafter to 2.0 percent per year for all future years. The assumed investment return was changed from 8.25 percent to 8.0 percent. The single discount rate was changed from 8.25 percent to 8.0 percent.

Changes in Plan Provisions

2018 - The 2018 Omnibus Pension Bill contained a number of changes:

- The COLA was reduced from 2.0% each January 1 to 1.0%, effective January 1, 2019. Beginning January 1, 2024, the COLA will increase 0.1% each year until reaching the ultimate rate of 1.5% in January 1, 2028.
- Beginning July 1, 2024, eligibility for the first COLA changes to normal retirement age (age 65 to 66, depending on date of birth). However, members who retire under Rule of 90 and members who are at least age 62 with 30 years of service credit are exempt.
- The COLA trigger provision, which would have increased the COLA to 2.5% if the funded ratio was at least 90% for two consecutive years, was eliminated.
- Augmentation in the early retirement reduction factors is phased out over a five-year period beginning July 1, 2019 and ending June 30, 2024 (this reduces early retirement benefits). Members who retire and are at least age 62 with 30 years of service are exempt.
- Augmentation on deferred benefits will be reduced to zero percent beginning July 1, 2019. Interest payable on refunds to members was reduced from 4.0% to 3.0%, effective July 1, 2018. Interest due on payments and purchases from members, employers is reduced from 8.5% to 7.5%, effective July 1, 2018.
- The employer contribution rate is increased each July 1 over the next 6 years, (7.71% in 2018, 7.92% in 2019, 8.13% in 2020, 8.34% in 2021, 8.55% in 2022, 8.75% in 2023). In addition, the employee contribution rate will increase from 7.50% to 7.75% on July 1, 2023. The state provides funding for the higher employer contribution rate through an adjustment in the school aid formula.

2015 - On June 30, 2015, the Duluth Teachers Retirement Fund Association was merged into TRA. This also resulted in a state-provided contribution stream of $14.377 million until the System becomes fully funded.

2014 - The increase in the post-retirement benefit adjustment (COLA) will be made once the plan is 90% funded (on a market value basis) in two consecutive years, rather than just one year.

Schedule of Employer's Share of Public Employees Retirement Association Net Pension Liability

Year	Charter School's Proportion of the Net Pension Liability	Charter School's Proportionate Share of the Net Pension Liability (a)	State's Proportionate Share of the Net Pension Liability Associated with the Charter School (b)	Total (a+b)	Charter School's Covered Payroll (c)	Charter School's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll (a/c)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2020	0.0073 %	$ 437,668	$ 13,451	$ 451,119	$ 521,507	83.9 %	79.0 %
2019	0.0072	398,072	12,499	410,571	514,693	77.6	80.2
2018	0.0064	355,046	11,629	366,675	430,693	82.4	79.5
2017	0.0054	344,732	4,315	349,047	345,133	99.9	75.9
2016	0.0046	373,497	4,815	378,312	265,627	140.6	68.9
2015	0.0026	134,745	-	134,745	151,867	88.7	78.2
2014	0.0025	117,437	-	117,437	128,067	91.7	78.7

Note: Schedule is intended to show 10-year trend. Additional years will be reported as they become available.

Schedule of Employer's Public Employees Retirement Association Contributions

Year	Statutorily Required Contribution (a)	Relation to the Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	Charter School's Covered-Employee Payroll (c)	Contributions as a Percentage of Covered Employee Payroll (b/c)
2021	$ 40,127	$ 40,127	$ -	$ 535,027	7.5 %
2020	39,113	39,113	-	521,507	7.5
2019	38,602	38,602	-	514,693	7.5
2018	32,302	32,302	-	430,693	7.5
2017	25,971	25,971	-	345,133	7.5
2016	19,922	19,922	-	265,627	7.5
2015	11,945	11,945	-	151,867	7.5

Note: Schedule is intended to show 10-year trend. Additional years will be reported as they become available.

Notes to the Required Supplementary Information - Public Employees Retirement Association

Changes in Actuarial Assumptions

2020 - The price inflation assumption was decreased from 2.50% to 2.25%. The payroll growth assumption was decreased from 3.25% to 3.00%. Assumed salary increase rates were changed as recommended in the June 30, 2019 experience study. The net effect is assumed rates that average 0.25% less than previous rates. Assumed rates of retirement were changed as recommended in the June 30, 2019 experience study. The changes result in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements. Assumed rates of termination were changed as recommended in the June 30, 2019 experience study. The new rates are based on service and are generally lower than the previous rates for years 2-5 and slightly higher thereafter. Assumed rates of disability were changed as recommended in the June 30, 2019 experience study. The change results in fewer predicted disability retirements for males and females. The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 General Mortality table, with adjustments. The base mortality table for disabled annuitants was changed from the RP-2014 disabled annuitant mortality table to the PUB-2010 General/Teacher disabled annuitant mortality table, with adjustments. The mortality improvement scale was changed from Scale MP-2018 to Scale MP-2019. The assumed spouse age difference was changed from two years older for females to one year older. The assumed number of married male new retirees electing the 100% Joint & Survivor option changed from 35% to 45%. The assumed number of married female new retirees electing the 100% Joint & Survivor option changed from 15% to 30%. The corresponding number of married new retirees electing the Life annuity option was adjusted accordingly.

2019 - The mortality projection scale was changed from MP-2017 to MP-2018.

2018 - The mortality projection scale was changed from MP-2015 to MP-2017. The assumed benefit increase was changed from 1.00 percent per year through 2044 and 2.50 percent per year thereafter to 1.25 percent per year.

2017 - Assumed salary increases were changed as recommended in the June 30, 2016 experience study. The net effect is proposed rates that average 0.34 percent lower than the previous rates. Assumed rates of retirement were changed, resulting in fewer retirements. The Combined Service Annuity (CSA) load was 30 percent for vested and non-vested deferred members. The CSA has been changed to 33 percent for vested members and 2 percent for non-vested members. The base mortality table for healthy annuitants was changed from the RP-2000 fully generational table to the RP-2014 fully generational table (with a base year of 2006), with male rates adjusted by a factor of 0.96. The mortality improvement scale was changed from Scale AA to Scale MP-2016. The base mortality table for disabled annuitants was changed from the RP-2000 disabled mortality table to the mortality tables assumed for healthy retirees. Assumed termination rates were decreased to 3.0 percent for the first three years of service. Rates beyond the select period of three years were adjusted, resulting in more expected terminations overall. Assumed percentage of married female members was decreased from 65 percent to 60 percent. Assumed age difference was changed from separate assumptions for male members (wives assumed to be three years younger) and female members (husbands assumed to be four years older) to the assumption that males are two years older than females. The assumed percentage of female members electing joint and survivor annuities was increased. The assumed post-retirement benefit increase rate was changed from 1.00 percent for all years to 1.00 percent per year through 2064 and 2.50 percent thereafter. The single discount rate was changed from 5.6 percent to 7.5 percent.

2016 - The assumed post-retirement benefit increase rate was changed from 1.0 percent per year through 2035 and 2.5 percent per year thereafter to 1.0 percent per year for all future years. The assumed investment return was changed from 7.9 percent to 7.5 percent. The single discount rate was changed from 7.9 percent to 7.5 percent. Other assumptions were changed pursuant to the experience study dated June 30, 2015. The assumed future salary increases, payroll growth and inflation were decreased by 0.25 percent to 3.25 percent for payroll growth and 2.50 percent for inflation.

2015 - The assumed post-retirement benefit increase rate was changed from 1.0 percent per year through 2030 and 2.5 percent per year thereafter to 1.0 percent per year through 2035 and 2.5 percent per year thereafter.

Notes to the Required Supplementary Information - Public Employees Retirement Association (Continued)

Changes in Plan Provisions

2020 - Augmentation for current privatized members was reduced to 2.0% for the period July 1, 2020 through December 31, 2023 and 0.0% after. Augmentation was eliminated for privatizations occurring after June 30, 2020.

2019 - The employer supplemental contribution was changed prospectively, decreasing from $31.0 million to $21.0 million per year. The state's special funding contribution was changed prospectively, requiring $16.0 million due per year through 2031.

2018 - The augmentation adjustment in early retirement factors is eliminated over a five-year period starting July 1, 2019, resulting in actuarial equivalence after June 30, 2024. Interest credited on member contributions decreased from 4.00 percent to 3.00 percent, beginning July 1, 2018. Deferred augmentation was changed to 0.00 percent, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply. Contribution stabilizer provisions were repealed. Postretirement benefit increases were changed from 1.00 percent per year with a provision to increase to 2.50 percent upon attainment of 90.00 percent funding ratio to 50.00 percent of the Social Security Cost of Living Adjustment, not less than 1.00 percent and not more than 1.50 percent, beginning January 1, 2019. For retirements on or after January 1, 2024, the first benefit increase is delayed until the retiree reaches normal retirement age; does not apply to Rule of 90 retirees, disability benefit recipients, or survivors. Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

2017 - The State's contribution for the Minneapolis Employees Retirement Fund equals $16,000,000 in 2017 and 2018, and $6,000,000 thereafter. The Employer Supplemental Contribution for the Minneapolis Employees Retirement Fund changed from $21,000,000 to $31,000,000 in calendar years 2019 to 2031. The state's contribution changed from $16,000,000 to $6,000,000 in calendar years 2019 to 2031.

2015 - On January 1, 2015, the Minneapolis Employees Retirement Fund was merged into the General Employees Fund, which increased the total pension liability by $1.1 billion and increased the fiduciary plan net position by $892 million. Upon consolidation, state and employer contributions were revised.

COMBINING STATEMENTS, INDIVIDUAL FUND SCHEDULES AND TABLE

UPPER MISSISSIPPI ACADEMY
CHARTER SCHOOL NO. 4210
ST. PAUL, MINNESOTA

FOR THE YEAR ENDED
JUNE 30, 2021

Upper Mississippi Academy
Charter School No. 4210
St. Paul, Minnesota
Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2021

	Special Revenue		
	Food Service	Community Service	Total
Assets			
Cash and temporary investments	$ -	$ 107	$ 107
Prepaid items	5,000	-	5,000
Total Assets	$ 5,000	$ 107	$ 5,107
Liabilities			
Accounts and other payables	$ 102	$ -	$ 102
Due to other funds	4,424	-	4,424
Total Liabilities	4,526	-	4,526
Fund Balances			
Nonspendable prepaid items	5,000	-	5,000
Restricted for			
Food service	474	-	474
Community Service	-	107	107
Unassigned	(5,000)	-	(5,000)
Total Fund Balances	474	107	581
Total Liabilities and Fund Balances	$ 5,000	$ 107	$ 5,107

Upper Mississippi Academy
Charter School No. 4210
St. Paul, Minnesota
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2021

	Special Revenue		
	Food Service	Community Service	Total
Revenues			
Other local and county revenue	$ 1,057	$ 80	$ 1,137
Revenue from state sources	170	-	170
Revenue from federal sources	3,084	-	3,084
Total Revenues	4,311	80	4,391
Expenditures			
Current			
Food service	3,837	-	3,837
Net Change in Fund Balance	474	80	554
Fund Balance, July 1	-	27	27
Fund Balance, June 30	$ 474	$ 107	$ 581

Upper Mississippi Academy
Charter School No. 4210
St. Paul, Minnesota
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual (Continued on the Following Page)
For the Year Ended June 30, 2021
(With Comparative Actual Amounts for the Year Ended June 30, 2020)

	2021				2020
	Budgeted Amounts		Actual	Variance With	Actual
	Original	Final	Amounts	Final Budget	Amounts
Revenues					
Other local and county revenue	$ 67,588	$ 37,960	$ 73,323	$ 35,363	$ 126,698
Interest earned on investments	400	400	82	(318)	458
Revenue from state sources	5,045,004	4,621,512	4,632,992	11,480	4,554,986
Revenue from federal sources	118,004	233,004	208,551	(24,453)	113,837
Total Revenues	5,230,996	4,892,876	4,914,948	22,072	4,795,979
Expenditures					
Current					
Administration					
Salaries	158,806	122,600	126,688	(4,088)	112,115
Fringe benefits	33,057	31,700	29,526	2,174	22,172
Purchased services	-	-	-	-	1,220
Other	34,400	34,400	26,268	8,132	29,981
Total administration	226,263	188,700	182,482	6,218	165,488
District support services					
Salaries	93,950	93,950	96,550	(2,600)	91,850
Fringe benefits	44,673	44,673	43,595	1,078	48,054
Purchased services	153,260	150,003	134,475	15,528	141,454
Supplies and materials	28,355	24,755	22,477	2,278	38,872
Other	200	30,200	169	30,031	(731)
Total district support services	320,438	343,581	297,266	46,315	319,499
Elementary and secondary regular instruction					
Salaries	1,152,335	1,152,335	1,104,161	48,174	1,044,705
Fringe benefits	329,005	329,005	264,675	64,330	235,494
Purchased services	27,504	15,291	12,391	2,900	23,747
Supplies and materials	34,879	46,525	40,759	5,766	51,981
Other	-	-	-	-	1,100
Total elementary and secondary regular instruction	1,543,723	1,543,156	1,421,986	121,170	1,357,027
Special education instruction					
Salaries	1,276,370	1,276,370	1,269,485	6,885	1,111,112
Fringe benefits	332,818	332,818	341,794	(8,976)	299,365
Purchased services	62,700	62,700	66,518	(3,818)	69,821
Supplies and materials	3,425	3,425	8,429	(5,004)	11,357
Total special education instruction	1,675,313	1,675,313	1,686,226	(10,913)	1,491,655

Upper Mississippi Academy
Charter School No. 4210
St. Paul, Minnesota
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual (Continued)
For the Year Ended June 30, 2021
(With Comparative Actual Amounts for the Year Ended June 30, 2020)

	2021				2020
	Budgeted Amounts		Actual	Variance With	Actual
	Original	Final	Amounts	Final Budget	Amounts
Expenditures (Continued)					
Current (continued)					
Instructional support services					
Salaries	$ 116,517	$ 116,517	$ 114,639	$ 1,878	$ 69,396
Fringe benefits	25,565	25,565	23,331	2,234	15,001
Purchased services	8,440	8,640	25,327	(16,687)	19,418
Supplies and materials	8,200	90,082	90,724	(642)	3,494
Total instructional support services	158,722	240,804	254,021	(13,217)	107,309
Pupil support services					
Salaries	22,430	22,430	23,496	(1,066)	20,447
Fringe benefits	6,425	6,425	5,773	652	4,520
Purchased services	365,550	348,230	268,858	79,372	336,808
Supplies and materials	100	100	247	(147)	122
Total pupil support services	394,505	377,185	298,374	78,811	361,897
Sites and buildings					
Purchased services	861,232	757,024	770,656	(13,632)	743,315
Supplies and materials	12,200	11,286	15,299	(4,013)	18,728
Total sites and buildings	873,432	768,310	785,955	(17,645)	762,043
Fiscal and other fixed cost programs					
Purchased services	20,600	20,600	33,918	(13,318)	19,953
Total current	5,212,996	5,157,649	4,960,228	197,421	4,584,871
Capital outlay					
District support services	-	-	-	-	58,910
Elementary and secondary regular instruction	1,700	1,700	400	1,300	29,853
Instructional support services	2,500	4,966	9,088	(4,122)	25,206
Pupil support services	-	-	-	-	5,463
Sites and buildings	8,000	8,000	3,732	4,268	101,454
Total capital outlay	12,200	14,666	13,220	1,446	220,886
Total Expenditures	5,225,196	5,172,315	4,973,448	198,867	4,805,757
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,800	(279,439)	(58,500)	220,939	(9,778)
Other Financing Sources (Uses)					
Transfers out	(2,900)	(2,900)	-	2,900	(1,158)
Loan issued	-	489,376	489,376	-	90,000
Total Other Financing Sources (Uses)	(2,900)	486,476	489,376	2,900	88,842
Net Change in Fund Balances	2,900	207,037	430,876	223,839	79,064
Fund Balances, July 1	972,821	972,821	972,821	-	893,757
Fund Balances, June 30	$ 975,721	$ 1,179,858	$ 1,403,697	$ 223,839	$ 972,821

Upper Mississippi Academy
Charter School No. 4210
St. Paul, Minnesota
Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual
Food Service Special Revenue Fund
For the Year Ended June 30, 2021

	Food Service Fund			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Other local and county revenue	$ 5,000	$ 5,000	$ 1,057	$ (3,943)
Revenue from state sources	4,550	4,550	170	(4,380)
Revenue from federal sources	14,650	14,650	3,084	(11,566)
Total Revenues	24,200	24,200	4,311	(19,889)
Expenditures				
Current				
Food service	27,100	27,100	3,837	23,263
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,900)	(2,900)	474	3,374
Other Financing Sources				
Transfers in	2,900	2,900	-	(2,900)
Net Change in Fund Balances	-	-	474	474
Fund Balances, July 1	-	-	-	-
Fund Balances, June 30	$ -	$ -	$ 474	$ 474

Upper Mississippi Academy
Charter School No. 4210
St. Paul, Minnesota
Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual
Community Service Special Revenue Fund
For the Year Ended June 30, 2021

	Community Service Fund			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Local sources				
Other - Tuition and fees	$ 7,000	$ 7,000	$ 80	$ (6,920)
Expenditures				
Current				
Community Service	7,000	7,000	-	7,000
Net Change in Fund Balances	-	-	80	80
Fund Balances, July 1	27	27	27	-
Fund Balances, June 30	$ 27	$ 27	$ 107	$ 80

Fiscal Compliance Report - 6/30/2021
District: UPPER MISSISSIPPI ACADEM (4210-7)

01 GENERAL FUND

	Audit	UFARS	Audit - UFARS
Total Revenue	$4,914,948	$4,914,947	$1
Total Expenditures	$4,973,448	$4,973,448	$0
Non Spendable:			
4.60 Non Spendable Fund Balance	$16,139	$16,139	$0
Restricted / Reserved:			
4.01 Student Activities	$0	$0	$0
4.02 Scholarships	$0	$0	$0
4.03 Staff Development	$0	$0	$0
4.07 Capital Projects Levy	$0	$0	$0
4.08 Cooperative Revenue	$0	$0	$0
4.13 Project Funded by COP	$0	$0	$0
4.14 Operating Debt	$0	$0	$0
4.16 Levy Reduction	$0	$0	$0
4.17 Taconite Building Maint	$0	$0	$0
4.24 Operating Capital	$0	$0	$0
4.26 $25 Taconite	$0	$0	$0
4.27 Disabled Accessibility	$0	$0	$0
4.28 Learning & Development	$0	$0	$0
4.34 Area Learning Center	$0	$0	$0
4.35 Contracted Alt. Programs	$0	$0	$0
4.36 State Approved Alt. Program	$0	$0	$0
4.38 Gifted & Talented	$0	$0	$0
4.40 Teacher Development and Evaluation	$0	$0	$0
4.41 Basic Skills Programs	$0	$0	$0
4.48 Achievement and Integration	$0	$0	$0
4.49 Safe School Crime - Crime Levy	$0	$0	$0
4.51 QZAB Payments	$0	$0	$0
4.52 OPEB Liab Not In Trust	$0	$0	$0
4.53 Unfunded Sev & Retiremt Levy	$0	$0	$0
4.59 Basic Skills Extended Time	$0	$0	$0
4.67 LTFM	$0	$0	$0
4.72 Medical Assistance	$0	$0	$0
4.73 PPP Loan	$0	$0	$0
4.74 EIDL Loan	$0	$0	$0
Restricted:			
4.64 Restricted Fund Balance	$0	$0	$0
4.75 Title VII Impact Aid	$0	$0	$0
4.76 Payments in Lieu of Taxes	$0	$0	$0
Committed:			
4.18 Committed for Separation	$0	$0	$0
4.61 Committed Fund Balance	$0	$0	$0
Assigned:			
4.62 Assigned Fund Balance	$77,010	$77,010	$0
Unassigned:			
4.22 Unassigned Fund Balance	$1,310,548	$1,310,547	$1,233

02 FOOD SERVICES

	Audit	UFARS	Audit - UFARS
Total Revenue	$4,311	$4,311	$0
Total Expenditures	$3,837	$3,837	$0
Non Spendable:			
4.60 Non Spendable Fund Balance	$5,000	$5,000	$0
Restricted / Reserved:			
4.52 OPEB Liab Not In Trust	$0	$0	$0
4.74 EIDL Loan	$0	$0	$0
Restricted:			
4.64 Restricted Fund Balance	$474	$474	$0
Unassigned:			
4.63 Unassigned Fund Balancee	($5,000)	($5,000)	$0

04 COMMUNITY SERVICE

Total Revenue

06 BUILDING CONSTRUCTION

	Audit	UFARS	Audit - UFARS
Total Revenue	$0	$0	$0
Total Expenditures	$0	$0	$0
Non Spendable:			
4.60 Non Spendable Fund Balance	$0	$0	$0
Restricted / Reserved:			
4.07 Capital Projects Levy	$0	$0	$0
4.13 Project Funded by COP	$0	$0	$0
4.67 LTFM	$0	$0	$0
Restricted:			
4.64 Restricted Fund Balance	$0	$0	$0
Unassigned:			
4.63 Unassigned Fund Balance	$0	$0	$0

07 DEBT SERVICE

Total Revenue	$0	$0	$0
Total Expenditures	$0	$0	$0
Non Spendable:			
4.60 Non Spendable Fund Balance	$0	$0	$0
Restricted / Reserved:			
4.25 Bond Refundings	$0	$0	$0
4.33 Maximum Effort Loan Aid	$0	$0	$0
4.51 QZAB Payments	$0	$0	$0
4.67 LTFM	$0	$0	$0
Restricted:			
4.64 Restricted Fund Balance	$0	$0	$0
Unassigned:			
4.63 Unassigned Fund Balance	$0	$0	$0

08 TRUST

Total Revenue	$0	$0	$0
Total Expenditures	$0	$0	$0
Restricted / Reserved:			
4.01 Student Activities	$0	$0	$0
4.02 Scholarships	$0	$0	$0
4.22 Unassigned Fund Balance (Net Assets)	$0	$0	$0

18 CUSTODIAL

Total Revenue	$0	$0	$0
Total Expenditures	$0	$0	$0
Restricted / Reserved:			
4.01 Student Activities	$0	$0	$0
4.02 Scholarships	$0	$0	$0
4.48 Achievement and Integration	$0	$0	$0
4.64 Restricted Fund Balance	$0	$0	$0

20 INTERNAL SERVICE

Total Revenue	$0	$0	$0
Total Expenditures	$0	$0	$0
4.22 Unassigned Fund Balance (Net Assets)	$0	$0	$0

25 OPEB REVOCABLE TRUST

Total Revenue	$0	$0	$0
Total Expenditures	$0	$0	$0
4.22 Unassigned Fund Balance (Net Assets)	$0	$0	$0

45 OPEB IRREVOCABLE TRUST

Total Revenue	$0	$0	$0
Total Expenditures	$0	$0	$0
4.22 Unassigned Fund Balance (Net Assets)	$0	$0	$0

	$80	$80	$0
Total Expenditures	$0	$0	$0
Non Spendable:			
4.60 Non Spendable Fund Balance	$0	$0	$0
Restricted / Reserved:			
4.26 $25 Taconite	$0	$0	$0
4.31 Community Education	$0	$0	$0
4.32 E.C.F.E	$0	$0	$0
4.40 Teacher Development and Evaluation	$0	$0	$0
4.44 School Readiness	$0	$0	$0
4.47 Adult Basic Education	$0	$0	$0
4.52 OPEB Liab Not In Trust	$0	$0	$0
4.73 PPP Loan	$0	$0	$0
4.74 EIDL Loan	$0	$0	$0
Restricted:			
4.64 Restricted Fund Balance	$107	$107	$0
Unassigned:			
4.63 Unassigned Fund Balance	$0	$0	$0

47 OPEB DEBT SERVICE

Total Revenue	$0	$0	$0
Total Expenditures	$0	$0	$0
Non Spendable:			
4.60 Non Spendable Fund Balance	$0	$0	$0
Restricted:			
4.25 Bond Refundings	$0	$0	$0
4.64 Restricted Fund Balance	$0	$0	$0
Unassigned:			
4.63 Unassigned Fund Balance	$0	$0	$0

THIS PAGE IS LEFT

BLANK INTENTIONALLY

OTHER REQUIRED REPORTS

UPPER MISSISSIPPI ACADEMY
CHARTER SCHOOL NO. 4210
ST. PAUL, MINNESOTA

FOR THE YEAR ENDED
JUNE 30, 2021

THIS PAGE IS LEFT

BLANK INTENTIONALLY

INDEPENDENT AUDITOR'S REPORT
ON MINNESOTA LEGAL COMPLIANCE

Members of the Board of Directors
Upper Mississippi Academy, Charter School No. 4210
St. Paul, Minnesota

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, the major fund and the aggregate remaining fund information of the Upper Mississippi Academy, Charter School No. 4210 (the Charter School), St. Paul, Minnesota as of and for the year ended June 30, 2021, and the related notes to the financial statements, and have issued our report thereon dated December 16, 2021.

In connection with our audit, nothing came to our attention that caused us to believe that the Upper Mississippi Academy failed to comply with the provisions of the uniform financial accounting and reporting standards, and charter schools sections of the *Minnesota Legal Compliance Audit Guide for Charter Schools*, promulgated by the State Auditor pursuant to Minn. Stat. § 6.65, insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the Charter School's noncompliance with the above referenced provisions, insofar as they relate to accounting matters.

This report is intended solely for the information and use of those charged with governance and management of the Charter School and the State Auditor and is not intended to be, and should not be, used by anyone other than these specified parties.

Abdo

Abdo
Minneapolis, Minnesota
December 16, 2021

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*

Members of the Board of Directors
Upper Mississippi Academy, Charter School No. 4210
St. Paul, Minnesota

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 governmental activities, the major fund and the aggregate remaining fund information of the Upper Mississippi Academy, Charter School No. 4210 (the Charter School), St. Paul, Minnesota, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Charter School's basic financial statements, and have issued our report thereon dated December 16, 2021.

Internal Control over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in 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 the Charter School's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 an instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Abdo

Abdo
Minneapolis, Minnesota
December 16, 2021