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MEMBERS OF:
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
AND
NEW YORK STATE SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS

August 27, 2008

To the Board of Trustees
Henry Johnson Charter School
30 Watervliet Avenue
Albany, NY 12206

We have audited the financial statements of Henry Johnson Charter School (The School) for the eighteen months ended June 31, 2008, and have issued our report thereon dated July 22, 2008. Professional standards encourage that we provide you with the following information related to our audit.

OUR RESPONSIBILITY UNDER U.S. GENERALLY ACCEPTED AUDITING STANDARDS

As stated in our proposal dated May 28, 2008, our responsibility, as described by professional standards, is to plan and perform our audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement and are fairly presented in accordance with accounting principles generally accepted in the United States of America. Because of the concept of reasonable assurance and because we did not perform a detailed examination of all transactions, there is a risk that material errors, or other illegal acts may exist and not be detected by us.

As part of our audit, we considered the internal control of the School. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

SIGNIFICANT ACCOUNTING POLICIES

Management has the responsibility for selection and use of appropriate accounting policies. In accordance with the terms of our proposal, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the School are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the period. We noted no transactions entered into by the School during the period that were both significant and unusual, and of which, under professional standards, we are required to inform you, or transactions for which there is a lack of authoritative guidance or consensus.

QUALITY OF THE SCHOOL'S ACCOUNTING PRINCIPLES

Management is responsible not only for the appropriateness of the accounting policies and practices, but also for the quality of such policies and practices. The quality includes the consistency of the accounting policies and their application, the clarity and completeness of the financial statements, and includes items that have a significant impact on the representational faithfulness, verifiability, and neutrality of the accounting information in the financial statements.

ACCOUNTING ESTIMATES

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There were no sensitive estimates affecting the financial statements.

SIGNIFICANT AUDIT ADJUSTMENTS

For purposes of this letter, professional standards define a significant audit adjustment as a proposed correction of the financial statements that, in our judgement, may not have been detected except through our auditing procedures. These adjustments may include those proposed by us but not recorded by the School that could potentially cause future financial statements to be materially misstated, even though we have concluded that such adjustments are not material to the current financial statements. We have proposed adjustments that had a significant effect on the financial statements related to property and equipment and related depreciation.

DISAGREEMENTS WITH MANAGEMENT

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

CONSULTATIONS WITH OTHER INDEPENDENT ACCOUNTANTS

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the School's financial statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

ISSUES DISCUSSED PRIOR TO RETENTION OF INDEPENDENT AUDITORS

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the School's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

DIFFICULTIES ENCOUNTERED IN PERFORMING THE AUDIT

We encountered no significant difficulties in dealing with management in performing and completing our audit.

We would like to thank the individuals who assisted us during the audit of the School. This letter is prepared for the benefit of management in order to achieve a more effective system of internal control and is, therefore, restricted to the internal use of the School.

Very truly yours,



Cusack & Company, CPA's LLC

HENRY JOHNSON CHARTER SCHOOL

FINANCIAL STATEMENTS

JUNE 30, 2008

RECEIVED
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CHARTER SCHOOLS INC

HENRY JOHNSON CHARTER SCHOOL

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INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Henry Johnson Charter School

We have audited the accompanying statement of financial position of Henry Johnson Charter School as of June 30, 2008 and the related statement of activities and change in net assets, cash flows, and functional expenses for the eighteen months then ended. These financial statements are the responsibility of Henry Johnson Charter School's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Henry Johnson Charter School as of June 30, 2008, and the change in its net assets and cash flows for the eighteen months then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 22, 2008 on our consideration of Henry Johnson Charter School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*, and should be read in conjunction with this report in considering the results of our audit.



CUSACK & COMPANY, CPA'S LLC

Latham, New York
July 22, 2008

HENRY JOHNSON CHARTER SCHOOL
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2008

ASSETS

Current Assets

Cash	\$ 303,414
Grants Receivable	52,016
Prepaid Expenses	<u>10,464</u>

Total Current Assets 365,894

Property and Equipment - Net 193,057

Total Assets \$ 558,951

LIABILITIES AND NET ASSETS

Current Liabilities

Accounts Payable	\$ 36,925
Accrued Payroll and Payroll Taxes	<u>30,700</u>

Total Current Liabilities 67,625

Long-Term Liabilities

Compensated Absences 8,478

Total Liabilities 76,103

Net Assets

Unrestricted	419,860
Temporarily Restricted	<u>62,988</u>

Total Net Assets 482,848

Total Liabilities and Net Assets \$ 558,951

HENRY JOHNSON CHARTER SCHOOL
 STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS
 FOR THE EIGHTEEN MONTHS ENDED JUNE 30, 2008

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Revenue and Other Support:			
Revenue - Student Enrollment	\$1,255,263	\$ -	\$ 1,255,263
Revenue - Students with Disabilities	19,573	-	19,573
State Grants	413,739	-	413,739
Federal Grants	586,382	62,988	649,370
Foundation Grants	260,744	-	260,744
Other Income	<u>18,383</u>	<u>-</u>	<u>18,383</u>
 Total Revenue and Other Support	 <u>2,554,084</u>	 <u>62,988</u>	 <u>2,617,072</u>
Expenses:			
Program Expenses:			
Regular Education	1,593,603	-	1,593,603
Special Education	<u>177,691</u>	<u>-</u>	<u>177,691</u>
Total Program Expenses	1,771,294	-	1,771,294
Supporting Service:			
Management and General	<u>362,930</u>	<u>-</u>	<u>362,930</u>
Total Expenses	<u>2,134,224</u>	<u>-</u>	<u>2,134,224</u>
 Increase in Net Assets	 419,860	 62,988	 482,848
 Net Assets, Beginning of Period	 <u>-</u>	 <u>-</u>	 <u>-</u>
 Net Assets, End of Period	 <u>\$ 419,860</u>	 <u>\$ 62,988</u>	 <u>\$ 482,848</u>

HENRY JOHNSON CHARTER SCHOOL
STATEMENT OF CASH FLOWS
FOR THE EIGHTEEN MONTHS ENDED JUNE 30, 2008

Cash Flows Provided by Operating Activities:

Increase in Net Assets \$ 482,848

Adjustments to Reconcile Increase in Net Assets
to Net Cash Provided by Operating Activities:

Depreciation 48,264

Changes in Operating Assets and Liabilities

Decrease (Increase) in Assets

Grants Receivable (52,016)

Prepaid Expense (10,464)

(Decrease) Increase in Liabilities

Accounts Payable 36,925

Accrued Payroll and Payroll Taxes 30,700

Compensated Absences 8,478

Net Cash Provided by Operating Activities 544,735

Cash Flows Used in Investing Activities

Purchase of Property and Equipment (241,321)

Net Increase in Cash and Cash Equivalents 303,414

Cash and Cash Equivalents, Beginning of Period -

Cash and Cash Equivalents, End of Period \$ 303,414

HENRY JOHNSON CHARTER SCHOOL
 STATEMENT OF FUNCTIONAL EXPENSES
 FOR THE EIGHTEEN MONTHS ENDED JUNE 30, 2008

	<u>Program Services</u>		<u>Supporting Services</u>	<u>Total</u>
	<u>Regular Education</u>	<u>Special Education</u>	<u>Management and General</u>	
Salaries	\$ 713,184	\$ 79,539	\$ 210,724	\$ 1,003,447
Benefits and Payroll Taxes	116,879	13,030	34,533	164,442
Contracted Services	164,417	18,330	-	182,747
Educational Materials	144,944	16,159	-	161,103
Insurance	11,347	1,265	3,352	15,964
Maintenance and Repairs	45,394	5,061	13,411	63,866
Marketing & Recruitment	567	63	168	798
Miscellaneous	2,545	284	752	3,581
Postage and Delivery	1,263	141	373	1,777
Printing/Copying	6,156	686	1,819	8,661
Professional Services	7,767	866	2,295	10,928
Rent	248,767	27,733	73,500	350,000
Supplies & Materials	3,250	362	961	4,573
Telephone/Internet	4,078	455	1,205	5,738
Transportation (Student)	55,422	6,178	-	61,600
Travel (General)	7,809	871	2,307	10,987
Uniforms	483	54	-	537
Utilities	25,027	2,790	7,394	35,211
Depreciation	<u>34,304</u>	<u>3,824</u>	<u>10,136</u>	<u>48,264</u>
 Total Expenses	 <u>\$ 1,593,603</u>	 <u>\$ 177,691</u>	 <u>\$ 362,930</u>	 <u>\$ 2,134,224</u>

1. ORGANIZATION AND PURPOSE

Organization

Henry Johnson Charter School (the "School") is a New York not-for-profit organization that works to ensure that all students reach the highest levels of scholastic achievement in an environment that instills character, virtue, and "habits of mind" that ensure success both within and outside the classroom: diligence, courage, respect, self-reliance, duty, and responsibility.

The School is exempt from Federal and State income tax under §501(c)(3) of the Internal Revenue Code and comparable New York State Law. The School is designated as a publicly supported organization which is not a private foundation under §509(a) of the Internal Revenue Code.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting and Presentation

The financial statements of the School have been prepared on the accrual basis of accounting.

Support and Expenses

Grants and pledges received are measured at their fair values and reported as an increase in net assets. The School reports grants and pledges as restricted when a portion of their value is assigned to a long-term future use, long-term meaning in excess of one year for the purpose of these statements.

The School reports gifts of goods and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the School reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Expenses are recorded when incurred in accordance with the accrual basis of accounting.

Donated Services and Goods

No amounts have been reflected in the financial statements for donated services. The School pays for services requiring specific expertise.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounts and Grants Receivable

The School utilizes the allowance method to determine the allowance for doubtful accounts. At June 30, 2008 management determined no allowance was necessary based upon their review of the specific receivables.

Property, Equipment and Depreciation

Property and equipment are reflected at cost, with depreciation provided on a straight-line basis over an estimated useful life of 7 years for furniture, 5 years for equipment and 3 years for software. The cost of maintenance and repairs is charged to expense as incurred; significant renewals and betterments are capitalized.

Conditional and Unconditional Promises to Give

At June 30, 2008 the School had not received any conditional or unconditional promises to give.

Functional Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs benefitted. Salaries are allocated based on estimates of total time spent, while other expenses are allocated based on estimates of the resources used.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from these estimates.

3. PROPERTY AND EQUIPMENT

Property and equipment are reflected at historical cost, net of related depreciation, and are comprised of the following at June 30, 2008, respectively.

Furniture/Fixtures	\$ 113,889
Equipment	<u>127,432</u>
Total at Cost	241,321
Less: Accumulated Depreciation	<u>48,264</u>
	<u>\$ 193,057</u>

Depreciation expense was \$48,264 for the eighteen months ended June 30, 2008.

4. RENTAL OF OFFICE SPACE

The School currently leases their building from the Brighter Choice Foundation. Occupancy costs of the lease for the eighteen months ended June 30, 2008 was \$350,000. Rental expense for the year ending June 30, 2009 is estimated at \$235,000.

5. CONCENTRATION OF RISK

The School receives a majority of its funding from the residing school districts of each student. A potential change in laws which govern charter schools could put the School at risk should the districts' requirement to fund charter schools be dissolved.

The School does occasionally maintain deposits in excess of federal insured limits. Statement of Financial Accounting Standards No. 105 identifies this as a possible concentration of credit risk requiring disclosure, regardless of the degree of risk. The risk is further managed by maintaining all deposits in high quality financial institutions.

HENRY JOHNSON CHARTER SCHOOL

SINGLE AUDIT

JUNE 30, 2008

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HENRY JOHNSON CHARTER SCHOOL

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board of Trustees
Henry Johnson Charter School
Albany, NY 12206

We have audited the financial statements of Henry Johnson Charter School as of and for the year ended June 30, 2008, and have issued our report thereon dated July 22, 2008. 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.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit, we considered Henry Johnson Charter School's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements, but not for the purpose of expressing an opinion on the effectiveness of Henry Johnson Charter School's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Henry Johnson Charter School's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

COMPLIANCE AND OTHER MATTERS

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

This report is intended for the information of management, the Board of Trustees of Henry Johnson Charter School, others within the entity, and the federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.



CUSACK & COMPANY, CPA'S LLC

Latham, New York
July 22, 2008

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**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH
MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133**

Board of Trustees
Henry Johnson Charter School
Albany, NY 12206

COMPLIANCE

We have audited the compliance of Henry Johnson Charter School with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2008. Henry Johnson Charter School's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Henry Johnson Charter School's management. Our responsibility is to express an opinion on Henry Johnson Charter School's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Henry Johnson Charter School's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Henry Johnson Charter School's compliance with those requirements.

In our opinion, Henry Johnson Charter School complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2008.

INTERNAL CONTROL OVER COMPLIANCE

The management of Henry Johnson Charter School is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Henry Johnson Charter School's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Henry Johnson Charter School's internal control over compliance.

A *control deficiency* in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

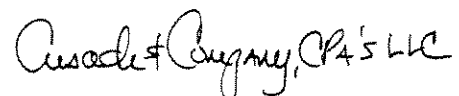
A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over noncompliance that we consider to be material weaknesses, as defined above.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

We have audited the financial statements of Henry Johnson Charter School as of and for the year ended June 30, 2008, and have issued our report thereon dated July 22, 2008. Our audit was performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133, and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

This report is intended solely for the information and use of management, the Board of Trustees of Henry Johnson Charter School, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



CUSACK & COMPANY, CPA'S LLC

Latham, New York
July 22, 2008

HENRY JOHNSON CHARTER SCHOOL
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2008

<u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
<u>U.S. Department of Education</u>			
Passed Through New York State Education Department:			
Federal Charter Schools Program	84.282		\$ 407,991
ESEA Title I	84.010	021-08-0030	71,364
Title II Part A	84.367	147-08-0030	1,747
Title V Part A	84.298	002-08-0030	-
Title IV Safe and Drug Free Schools	84.186	180-08-0030	<u>299</u>
Total U.S. Department of Education			<u>481,401</u>
<u>U.S. Department of Agriculture</u>			
Passed Through New York State Education Department:			
School Breakfast Program	10.553	-	15,520
School Lunch Program	10.555	-	<u>31,141</u>
Total U.S. Department of Agriculture			<u>46,661</u>
Total Federal Assistance			<u>\$ 528,062</u>

1. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES

The accompanying schedule of expenditures of federal awards presents the activity of federal award programs administered by the School, which is described in Note 1 to the School's financial statements, using the accrual basis of accounting. Federal awards that are included in the schedule may be received directly from federal agencies, as well as federal awards that are passed through from other government agencies. The information is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations.

The amounts reported as federal expenditures in the schedule represents the federal awards as paid to subrecipients.

2. LOANS OUTSTANDING

Henry Johnson Charter School has no loan balances outstanding at June 30, 2008.

3. SCOPE OF THE AUDIT PURSUANT TO OMB CIRCULAR A-133

Henry Johnson Charter School is a tax-exempt non-profit entity. All federal grant operations of the School are included in the scope of the Single Audit.

4. SUBRECIPIENTS

Of the federal expenditures of \$528,062 for the year ended June 30, 2008, Henry Johnson Charter School provided no federal awards to subrecipients.

HENRY JOHNSON CHARTER SCHOOL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2008

SECTION I — SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued: unqualified

Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Control deficiency(s) identified that are not considered to be material weaknesses? Yes none reported

Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal Control over major programs:

- Material weakness(es) identified? Yes No
- Control deficiency(s) identified that are not considered to be material weakness(es)? Yes No

Type of auditor's report issued on compliance for major programs: unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? Yes No

Identification of major programs:

CFDA Number(s)
84.282

Name of Federal Program or Clusters
Federal Charter Schools Program

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee? Yes No

SECTION II — FINANCIAL STATEMENT FINDINGS

No matters were reported.

SECTION III — FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported.