



Material Revision Staff Report

Francophone Charter School of Oakland

Decision Hearing: March 4, 2026

School Overview

Francophone Charter School of Oakland

Charter Management Organization (CMO):	N/A (Single Site Charter)	Current Charter Term:	July 1, 2020 – June 30, 2028
Grades Served:	TK-8	Current Enrollment: ¹	366
Current OUSD Board Districts:	5 & 7	Current Campus Addresses:	2634 Pleasant Street, Oakland, CA 94602 and 9736 Lawlor Street, Oakland, CA 94605
Proposed OUSD Board District:	5	Proposed Campus Address:	2430 Coolidge Avenue, Oakland, CA 94601

Staff Recommendation Summary

On **December 29, 2025**, Francophone Charter School of Oakland (“Francophone” or “Charter School”) submitted a Material Revision request to their current charter petition to change the location of the school from 2634 Pleasant Street, Oakland, CA 94602 (a private facility which currently houses Francophone’s TK-2nd grade students) and 9736 Lawlor Street, Oakland, CA 94605 (an OUSD facility, also known as Toler Heights, which currently houses Francophone’s 3rd-8th grade students). Under the proposed Material Revision, all of Francophone’s students would move to a single private facility at 2430 Coolidge Avenue, Oakland, CA 94601. Francophone’s Material Revision also includes a 15% increase in projected enrollment from an enrollment of 366 in 2025-26 to 420 in 2027-28.

Staff recommends approval of the Material Revision. This approval would be **conditional** on the Charter School’s ability to secure a current Certificate of Occupancy and completion of OUSD Pre-Opening Site Walkthrough. Additionally, the Charter School shall remain responsible for ensuring that its use of the site complies with all applicable laws. This recommendation is based on numerous considerations, including (but not limited to) the following:

- A. *The Charter School’s proposed location can accommodate its students without any new construction.*
- B. *The Charter School has acquired a signed lease agreement, completed a community impact questionnaire, and provided evidence of a fire safety inspection from the City of Oakland.*

Background and Analysis Overview

Procedural Background

1. **Material Revision Submission:** Francophone submitted the Material Revision request on December 29, 2025.

¹ Per census day enrollment spreadsheet submitted to OUSD (as of October 2025).

2. **OUSD Review of Submission:** OUSD reviewed the Material Revision request for completeness and deemed the submission to be complete on January 5, 2026.
3. **Initial Public Hearing:** A public hearing was properly noticed and held on January 26, 2026. Representatives from Francophone presented.
4. **Decision Hearing:** A Decision Hearing is to be held on March 4, 2026 which will be properly noticed.

Relevant Statutory and Petition Background

Education Code §47607(b) states the following:

[M]aterial revisions of charters are governed by the standards and criteria described in Section 47605, and shall include, but not be limited to, a reasonably comprehensive description of any new requirement of charter schools enacted into law after the charter was originally granted or last renewed.

Education Code §47605(k)(1)(A)(i) states the following:

As used in this subdivision, “material terms” of the petition means the signatures, affirmations, disclosures, documents, and descriptions described in subdivisions (a), (b), (c), and (h) [including “the facilities to be used by the charter school”], but shall not include minor administrative updates to the petition or related documents due to changes in circumstances based on the passage of time related to fiscal affairs, facilities arrangements, or state law, or to reflect the county board of education as the chartering authority.

Analysis Overview

Staff evaluates charter school Material Revision petitions with the following criteria pursuant to Education Code §47605(c):

Criteria	Education Code Reference(s)	Did the Material Revision Meet the Standard for this Criterion?
Criterion I: Does the Charter School Present a Sound Educational Program?	§47605(c)(1)	Yes
Criterion II: Is the Charter School Demonstrably Likely to Successfully Implement the Proposed Educational Program?	§47605(c)(2)	Yes
Criterion III: Is the Petition Reasonably Comprehensive?	§47605(c)(4) thru (6);§47605(h)	Yes

I. Criteria I: Has the Charter School Presented a Sound Educational Program?

The proposed Material Revision is not expected to impact the educational program of the school and, thus, a full analysis of the school’s academic performance is not included in this Staff Report. However, results from the California State Dashboard and from the Smarter Balanced Summative Assessments are included in the Appendix for context.

II. Criteria II: Is the Charter School Demonstrably Likely to Successfully Implement the Proposed Educational Program?

A. Enrollment

Total Enrollment by Year

As shown below in Figure 1, between the 2024-25 and 2025-26 school years, the Charter School’s enrollment for most grade level cohorts remained relatively stable, except for the attrition that the 2024-25 5th grade cohort experienced as it transitioned to 6th grade. Francophone’s TK class grew from 21 students in 2024-25 to 60 students in 2025-26. The grade level with the smallest cohort of students, 8th grade, will graduate after the 2025-26 school year.

Figure 1: Francophone Grade Level Enrollment Over Time

Student Enrollment by Grade Level and Total Enrollment						
Grade	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
TK	N/A	N/A	N/A	24	21	60
K	56	88	71	55	50	41
1	62	45	69	44	54	53
2	47	48	43	58	42	50
3	37	34	51	42	52	40
4	45	27	30	42	38	51
5	35	38	24	26	36	35
6	19	22	23	10	13	19
7	6	15	15	18	8	12
8	4	4	13	12	10	5
Total	311	321	339	331	324	366

Source: 2020-21 through 2024-25 Enrollment – CDE Downloadable School Enrollment Data Files, 2025-26 Census Day Enrollment Spreadsheet (submitted to OCS October 2025)

Enrollment Projections

As part of the Material Revision request, Francophone provided its projected enrollment as shown in Figure 2.

Figure 2: Francophone Projected Enrollment

Projected Student Enrollment by Grade Level and Total Enrollment		
Grade	2026-27	2027-28
TK	60	60
K	75	75
1	50	75
2	50	46
3	50	45
4	40	42
5	35	32
6	20	20
7	15	15
8	10	10
Total	405	420

Source: Francophone’s Material Revision Petition

From its 2025-26 enrollment of 366, Francophone projects a 15% increase in total enrollment to reach 420 students by the 2027-28 school year.

B. Financial Condition

Summary

The Charter School’s financial condition is good based on its fiscal health indicators, audit results, and multi-year budget projections. The school’s enrollment projections appear realistic, it has received clean audit reports and has adequate reserves.

Fiscal Health

The figure below summarizes key fiscal indicators throughout the current charter. As shown below:

- The Charter School conserved annual funds, which caused the ending fund balance to grow by \$49,731, or 11%, between 2019-20 and 2024-25.
- Although the debt ratio increased from 0.43 to 0.71, it remains below 1.0, indicating assets still exceed liabilities and the school retains borrowing capacity if needed.
- The Charter’s cash reserves exceeded FCMAT’s recommended 5% floor throughout the charter term.

Figure 3: Fiscal Health Summary

Financial Indicator	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26 1 st -Int.
Annual Surplus or (Deficit) <i>Indicates whether the school spent more or less than it received in revenue during the year. Deficits are shown in parentheses.</i>	331,494	406,627	(78,663)	(499,975)	221,742	181,758
Ending Fund Balance <i>Typically represents unrestricted funds, although in some cases, restricted funds that were not fully spent in previous years may be included.</i>	530,697	937,324	858,661	358,686	580,428	762,187
Debt Ratio <i>A ratio less than 1 indicates the school has lower debts than assets, representing a lower level of financial risk.</i>	0.43	0.25	0.72	0.84	0.71	Unavailable

Budgetary Reserve Given the school's ADA, FCMAT ² prescribes a minimum 4-5% reserve (calculated as Unrestricted Net Assets / Total Expenditures) as a set aside to prepare for potential liabilities. Reserve rates below this rate indicates poor financial condition.	14%	23%	17%	6%	10%	12%
Cash Reserve FCMAT recommends 5%+ cash reserve of the total of all budgeted expenditures (calculated as Unrestricted Cash / Total Expenditures). Below 5% is indicative of a poor financial condition.	6%	15%	14%	9%	9%	47%

Source: 2020-21 through 2024-25 Annual Audit Reports and 2025-26 1st Interim Budget Report

Annual Financial Audit Reports

Education Code requires charter schools to submit annual audits by December 15 of each year.³ As shown below:

- The Charter School received unmodified audit opinions throughout the charter term.
- The most recent two audit reports were submitted by December 15th and noted no findings.

Figure 4: Annual Financial Audit Reports Summary

Indicator		2020-21	2021-22	2022-23	2023-24	2024-25
Timely Audit Submission State law requires annual audits to be submitted by December 15.		No	No	No	Yes	Yes
Audit Opinion "Unmodified" indicates the financial statements fairly represent the school's financial position in accordance with accounting standards. "Modified, qualified" opinion indicates a material issue or insufficient evidence in a specific area of the financial statements, while the remainder are considered reliable.		Unmodified	Unmodified	Unmodified	Unmodified	Unmodified
Material Weakness(es) A material weakness is a deficiency in internal controls that creates a reasonable possibility that a material error in the financial statements could occur and go uncorrected.	Number of Findings	-	-	1	-	-
	Initial Year of Finding(s)	-	-	2022-23	-	-
Significant Deficiency A significant deficiency is a flaw in internal controls that is less severe than a material weakness, but still merits attention.	Number of Findings	-	-	-	-	-
	Initial Year of Finding(s)	-	-	-	-	-
Statutory Compliance Statutory compliance is adherence to specific state and federal laws and regulations that govern operations, funding, and program requirements within the scope of the audit.	Number of Findings	2	1	3	-	-
	Initial Year of Finding(s)	2020-21, 2020-21	2021-22	2021-22, 2021-22, 2022-23	-	-

Source: 2020-21 through 2024-25 Annual Audit Reports

Attendance and Enrollment in Multi-Year Budget Projections

The enrollment and attendance rate assumptions underlying the Charter School's Local Control Funding Formula ("LCFF") Calculator included with the Material Revision petition, as shown in the figure below, appear realistic and are aligned to the projected enrollment listed in Element 1 of the charter petition. As shown below:

² Financial Crisis and Management Assistance Team

³ Education Code 47605(m), 41020(h)

Multi-Year Budget Projections (“MYP”)

- Projected attendance rates are generally consistent with the charter school’s historical patterns.
- Francophone’s projected enrollment appears realistic when compared with the historical trends.

Figure 5: MYP Summary: Projected Enrollment and Attendance Rates

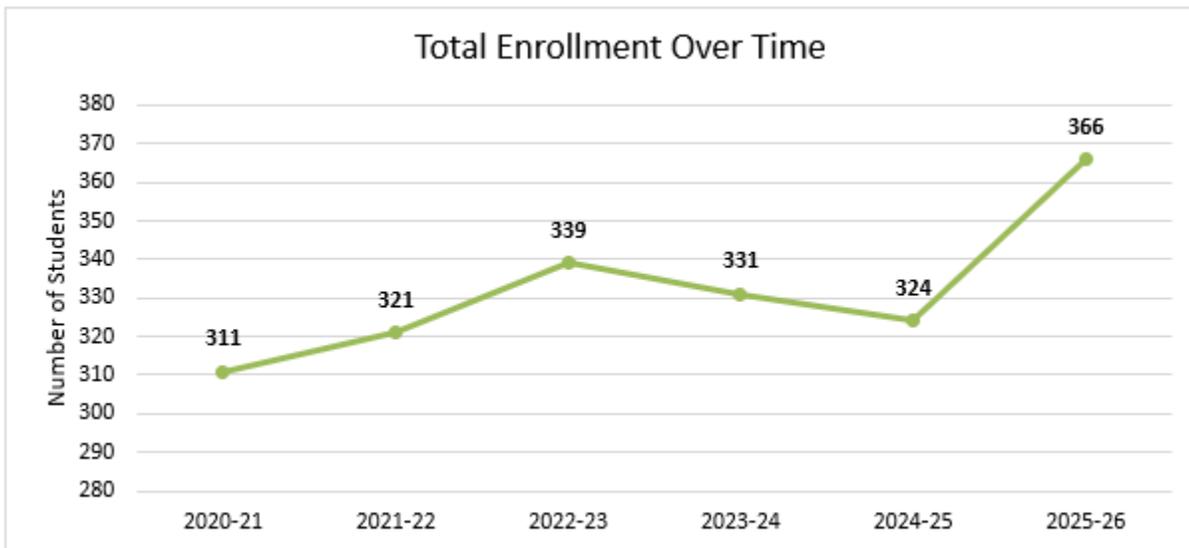
	2025-26 (YTD Actuals)	2026-27 (Projected)	2027-28 (Projected)
Enrollment	366	405 ⁴	420
Attendance Rate	96.5%	92.8%	94.0%

Source: Local Control Funding Formula Calculator submitted with Material Revision petition, 2025-26 Census Day Enrollment Spreadsheet (submitted to OCS October 2025)

Enrollment Over Time

From 2020-21 to the 2025-26 school year, Francophone’s enrollment grew by 4.2% per year on average, as shown in Figure 6 below.

Figure 6: Total Enrollment Over Time



Source: 2020-2021 through 2024-25 Enrollment – CDE Downloadable School Enrollment Data Files, 2025-26 Census Day Enrollment Spreadsheet (submitted to OCS October 2025)

Figure 7 below illustrates the projected and actual enrollment over the course of Francophone’s current charter term in order to illustrate the Charter School’s historical accuracy in projecting and achieving enrollment targets.

Figure 7: Enrollment Projections vs. Actuals

	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Enrollment						
Projected	367	319	352	330	338	320
Actuals	311	321	339	331	324	366
Overprojection	+56	-2	+13	-1	+14	-46
Year over Year % Change						
Projected		-13.1%	10.3%	-6.3%	2.4%	-5.3%

⁴ Francophone’s original submission’s MYP included a projected enrollment of 400 for 2026-27. On January 30, 2026, Francophone submitted an updated MPY with a projected enrollment of 405 for 2026-27.

Actuals		3.2%	5.6%	-2.4%	-2.1%	13.0%
Overprojection		-16.3%	4.7%	-3.9%	4.5%	-18.3%

Source: 2020-21 through 2024-25 Enrollment – CDE Downloadable School Enrollment Data Files, 2025-26 Multiyear Budget Projections, 2025-26 Census Day Enrollment Spreadsheet (submitted to OCS October 2025)

Figure 8 below illustrates the enrollment underlying the Charter School’s Local Control Funding Formula (“LCFF”) Calculator included in the Material Revision petition and the corresponding annual enrollment growth rates. The Charter School assumes enrollment will grow in the 2026-27 and 2027-28 school years by 10.7% and 3.7%, respectively. The 2026-27 growth rate is consistent with the charter’s plan to grow by phasing in additional classes, while the 2027-28 growth rate is not significantly greater than the average annual growth of 4.2% that Francophone experienced from 2020-21 to 2025-26. As such, the Charter School’s assumed growth rates for 2026-27 and 2027-28 appear realistic.

Figure 8: MYP Summary: Projected Enrollment and Growth Rates

	2025-26 ⁵ Actuals	2026-27	2027-28
Projected Enrollment	366	405	420
Year over Year % Change	13.0%	10.7%	3.7%

Source: Local Control Funding Formula Calculator submitted with Material Revision petition, 2025-26 Census Day Enrollment Spreadsheet (submitted to OCS October 2025)

C. Facility Plan

Compliance

The Charter School has acquired a signed lease agreement, a fire safety inspection from the City of Oakland, and their board’s approval for their Material Revision submission. Prior to occupancy, the Charter School must provide an appropriate and current certificate of occupancy and complete the required OUSD pre-opening site walkthrough.

Figure 9: Status of Compliance Documents

Compliance Document	Status
Signed Lease Agreement	Submitted
Charter School Board Approval	Submitted
Evidence of Fire Safety Inspection	Submitted
Certificate of Occupancy	Not Submitted
OUSD Walkthrough Checklist	Not Submitted

Source: Francophone’s Epicenter Submissions

Building Capacity and Details

According to the floorplans submitted by the Charter School, the new proposed location at 2430 Coolidge Avenue, Oakland, CA 94601, has 18 classrooms. The 18 classrooms would accommodate Francophone’s proposed 2027-28 school year enrollment of 420 with a 23 student to classroom ratio.

D. Engagement with Proposed Community

Community Engagement Questionnaire

The Charter School submitted a community engagement questionnaire where they shared about how they engaged the local community and their parents regarding their proposed move. The Charter School stated that at the time of the

⁵ The 2025-26 year over year percentage change measures the percentage change between actual 2025-26 enrollment and 2024-25 actual enrollment.

Material Revision submission, they hosted community meetings, question and answer forums, and school tours for their relocation. Additionally, the Charter School stated that they posted multilingual flyers, sent emails, posted online bulletins, and held virtual meetings.

The Charter School stated that they do not anticipate that the relocation will have a substantial impact on enrollment of other schools in the area because the new location is close to their current lower school location. The Charter School also stated that since their specialized French dual immersion program serves a distinct educational interest that is not otherwise available locally, any potential impact on enrollment at neighboring schools is further limited.

III. Criteria III: Is the Petition Reasonably Comprehensive?

A. The Required Fifteen Elements

All charter petitions must include a “reasonably comprehensive” description of 15 required elements related to the school’s operation.⁶ The following table summarizes staff findings related to whether this standard was met for each element.

Figure 10: Petition Element Analysis

Element	Reasonably Comprehensive?
1. Description of the educational program of the school, including what it means to be an “educated person” in the 21st century and how learning best occurs.	Yes
2. Measurable student outcomes	Yes
3. Method by which student progress is to be measured	Yes
4. Governance structure	Yes
5. Qualifications to be met by individuals employed at the school	Yes
6. Procedures for ensuring health and safety of students	Yes
7. Means for achieving a balance of racial and ethnic, English learner, and special education students	Yes
8. Admission policies and procedures	Yes
9. Manner for conducting annual, independent financial audits and manner in which audit exceptions and deficiencies will be resolved	Yes
10. Suspension and expulsion procedures	Yes
11. Manner for covering STRS, PERS, or Social Security	Yes
12. Attendance alternatives for students residing within the district	Yes
13. Employee rights of return, if any	Yes
14. Dispute resolution procedure for school-authorizer issues	Yes
15. Procedures for school closure	Yes

Source: Ed Code §47605(c)(5) subsection (A) thru (O) and staff analysis of the charter Material Revision petition

B. Other Required Information

In addition to the required 15 elements, the Education Code also requires all charter petitions to include the following information.

Figure 11: Other Required Information

⁶ EC §47605(c)(5)

Required Information	Included in Petition?
An affirmation of each of the conditions described in EC §47605(h).	Yes
A declaration of whether or not the charter school shall be deemed the exclusive public employer of the employees of the charter school for purposes of Government Code §3540 through 3540.2 (California’s public school collective bargaining law).	Yes
Information regarding the proposed operation and potential effects of the charter school on the authorizer, including: <ul style="list-style-type: none"> • The facilities to be used by the charter school, including specifically where the charter school intends to locate. • The manner in which administrative services of the charter school are to be provided. • Potential civil liability effects, of the charter school on the authorizer. 	Yes
Financial statements that include the annual operating budget and 3-year cashflow and financial projections, backup and supporting documents and budget assumptions (i.e. anticipated revenues and expenditures, including special education, and projected average daily attendance).	Yes
If the school is to be operated by, or as, a nonprofit public benefit corporation, the petitioner shall provide the names and relevant qualifications of all persons whom the petitioner nominates to serve on the governing body of the charter school.	Yes
A reasonably comprehensive description of any new requirement of charter schools enacted into law after the charter was originally granted or last renewed.	Yes

Source: Ed Code §47607(b), §47605(c)(4), §47605(c)(6), and §47607(g); staff analysis of the charter Material Revision petition

C. OUSD-Specified Requirements

Figure 12: OUSD-Specified Requirements

OUSD-Specified Requirement	Included in Petition?
District Required Language	Yes
Cover letter signed by the charter school governing board president or designee	Yes
Evidence the Governing Board has approved the Material Revision	Yes
Budget reflecting the impact of the revision	Yes
Community Impact Questionnaire	Yes
Facility Lease	Yes
Completed copy of the pre-opening site walkthrough checklist	Waiting
All relevant and required permits, certificates, inspections, etc.	Waiting

Source: Staff analysis of the charter Material Revision petition

IV. Appendices

Appendix A. Francophone Performance

California State Dashboard: Figure 12 represents Francophone’s results on the California State Dashboard over the last seven years.

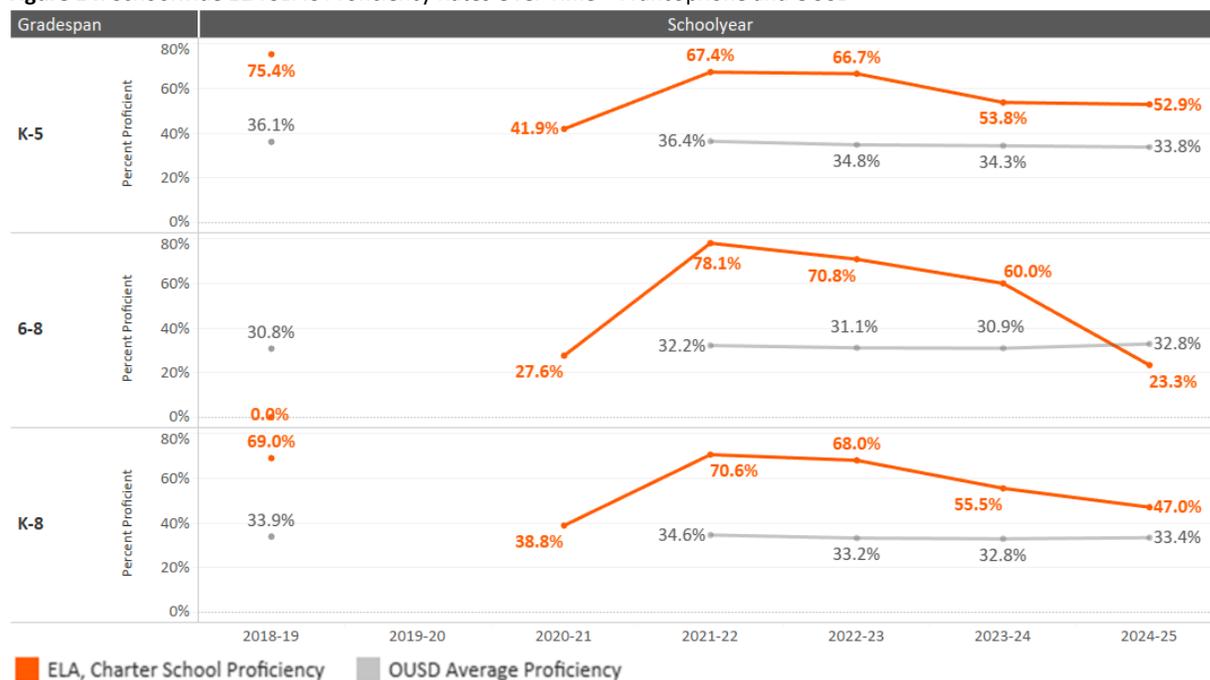
Figure 13: California State Dashboard Results

	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
English Language Arts	Blue ↑ 17.60 pts	No Color ↔	No Color ↔	No Color ↔	Green ↔ 0.50 pts	Green ↓ -9.80 pts	Yellow ↓ -18.40 pts
Math	Green ↑ 11.80 pts	No Color ↔	No Color ↔	No Color ↔	Yellow ↓ -18.10 pts	Green ↑ 3.90 pts	Green ↑ 3.20 pts
English Learner Progress	No Color ↔	No Color ↔	No Color ↔	No Color ↔	No Color ↔ 8.70 pp	Red ↔ -30.50 pp	Yellow ↔ 13.60 pp

Source: California State Dashboard

California Assessment of Student Performance and Progress (“CAASPP”): The figures below represent Francophone’s average proficiency on both the English and Math Smarter Balanced Summative Assessments (“SBAC”), with the OUSD average proficiency rates included as a comparison.

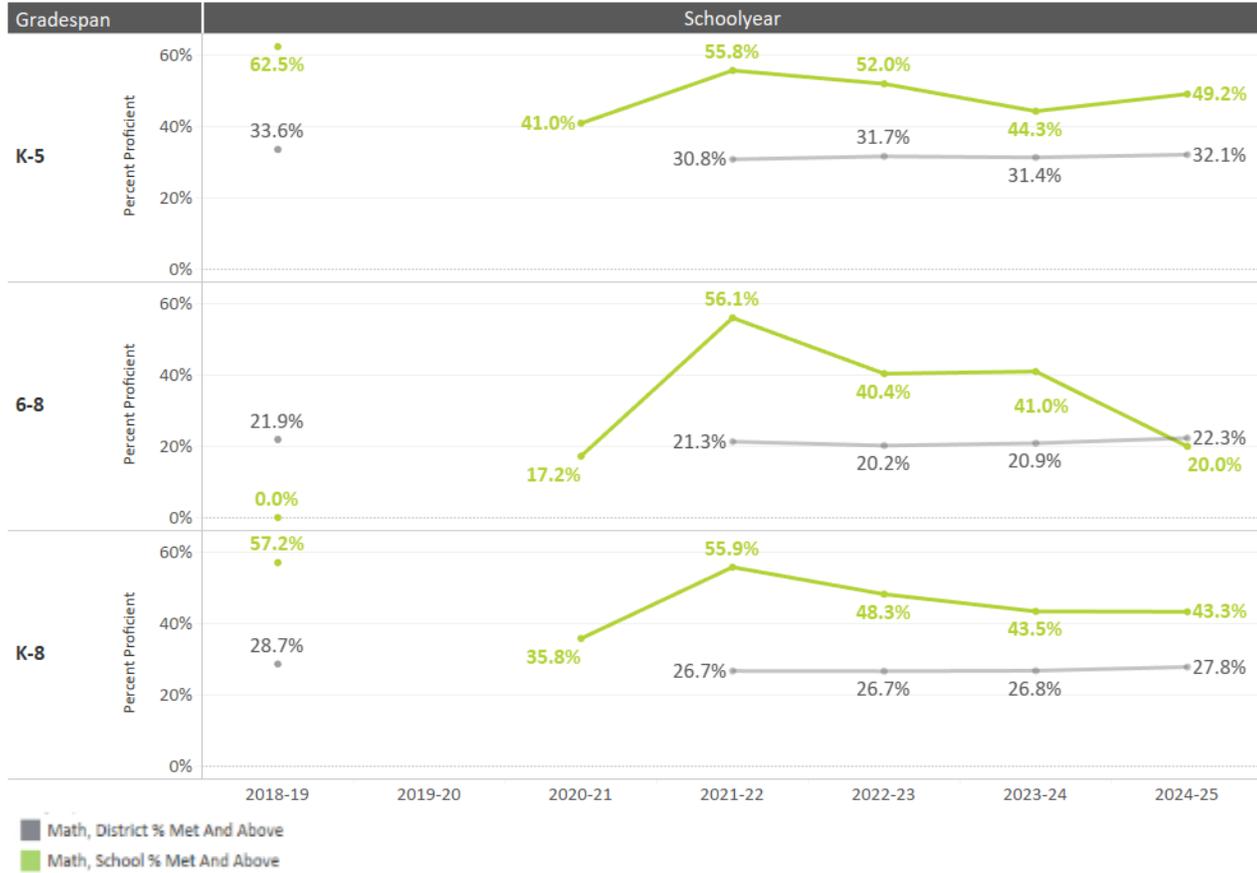
Figure 14: Schoolwide ELA SBAC Proficiency Rates Over Time – Francophone and OUSD*



Source: Downloadable CAASPP Research Files

*Testing for 2019-20 was cancelled due to COVID-19. Testing for 2020-21 was optional.

Figure 15: Schoolwide Math SBAC Proficiency Rates Over Time - Francophone vs. OUSD*



Source: Downloadable CAASPP Research Files

*Testing for 2019-20 was cancelled due to COVID-19. Testing for 2020-21 was optional.

Appendix B. Enrollment Information

Enrollment Demographics

Figure 16: 2024-25 Enrollment Demographics

Student Group Type	Student Group	Charter School
Race/ Ethnicity	Hispanic/Latino	23.8%
	Black/African American	18.5%
	Asian	8.3%
	White	24.7%
	Two or More Races	21.3%
	Filipino	1.9%
	American Indian/Alaskan Native	0.3%
	Pacific Islander	0.3%
	Not Reported	0.9%
Other Student Groups	Socioeconomically Disadvantaged	38.3%

	Homeless Youth	0.9%
	Foster Youth	0.0%
	English Learners	16.0%
	Migrant Education	0.0%
	Special Education	7.1%

Source: *Ethnicity/English Learners – CDE Downloadable Data Files (School Enrollment, English Learners); Socioeconomically Disadvantaged/Special Education – CDE DataQuest School Enrollment by Subgroup Report*

Appendix C. 2022-23 Francophone Audit Report

On following page.

**FRANCOPHONE CHARTER SCHOOL OF OAKLAND
CHARTER SCHOOL NUMBER: 1708**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED JUNE 30, 2023



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**FRANCOPHONE CHARTER SCHOOL OF OAKLAND
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INDEPENDENT AUDITORS' REPORT

Board of Directors
Francophone Charter School of Oakland
Oakland, California

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Francophone Charter School of Oakland (the School), a California nonprofit public benefit corporation, which comprise the statement of financial position as of June 30, 2023, and the related statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the School as of June 30, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Francophone Charter School of Oakland and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Change in Accounting Principle

As discussed in Note 1 to the financial statements, in 2023 the School adopted new accounting guidance for leases. The guidance requires lessees to recognize a right-of-use asset and corresponding liability for all operating and finance leases with lease terms greater than one year. Our opinion is not modified with response to this matter.

Responsibilities of Management 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the School's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Auditors' Responsibility for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the School's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the School’s financial statements as a whole. The supplementary information (as identified in the table of contents) accompanying supplementary schedules, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and, except for the portion marked “unaudited”, was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole. The Local Education Agency Organization Structure, which is marked “unaudited”, has not been subjected to the auditing procedures applied in the audit of the 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 a report dated March 25, 2024 on our consideration of the 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 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 School’s internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Glendora, California
March 25, 2024

FRANCOPHONE CHARTER SCHOOL OF OAKLAND
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2023

ASSETS

CURRENT ASSETS

Cash and Cash Equivalents	\$	710,952
Accounts Receivable - Federal and State		593,723
Accounts Receivable - Other		6,363
Prepaid Expenses and Other Assets		105,170
Total Current Assets		1,416,208

LONG-TERM ASSETS

Operating Right-of-Use Assets, Net		1,617,460
Total Long-Term Assets		1,617,460

Total Assets		\$ 3,033,668
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LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts Payable and Accrued Liabilities	\$	111,562
Deferred Revenue		122,703
Operating Lease Liabilities, Current		326,738
Other Liability, Current Portion		33,750
Line of Credit Liability		165,359
Total Current Liabilities		760,112

LONG-TERM LIABILITIES

Other Liability, Net		101,250
Operating Lease Liabilities, Net		1,313,645
Total Long-Term Liabilities		1,414,895

NET ASSETS

Without Donor Restrictions		858,661
Total Net Assets		858,661

Total Liabilities and Net Assets		\$ 3,033,668
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See accompanying Notes to Financial Statements.

**FRANCOPHONE CHARTER SCHOOL OF OAKLAND
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2023**

REVENUES, WITHOUT DONOR RESTRICTIONS

State Revenue:	
State Aid	\$ 2,269,197
Other State Revenue	1,107,159
Federal Revenue:	
Grants and Entitlements	130,430
Local Revenue:	
In-Lieu Property Tax Revenue	1,031,457
Contributions	257,314
Interest Income	99
Other Revenue	240,639
Total Revenues	<u>5,036,295</u>

EXPENSES

Program Services	4,049,167
Management and General	1,033,306
Fundraising	32,485
Total Expenses	<u>5,114,958</u>

CHANGE IN NET ASSETS

(78,663)

Net Assets Without Donor Restrictions - Beginning of Year

937,324

NET ASSETS WITHOUT DONOR RESTRICTIONS - END OF YEAR

\$ 858,661

See accompanying Notes to Financial Statements.

**FRANCOPHONE CHARTER SCHOOL OF OAKLAND
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2023**

CASH FLOWS FROM OPERATING ACTIVITIES

Change in Net Assets	\$ (78,663)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:	
Noncash Lease Expense	22,923
Change in Operating Assets:	
Accounts Receivable - Federal and State	9,593
Accounts Receivable - Other	(4,622)
Prepaid Expenses and Other Assets	(49,097)
Change in Operating Liabilities:	
Accounts Payable and Accrued Liabilities	59,633
Deferred Revenue	21,347
Other Liability	135,000
Net Cash Provided by Operating Activities	116,114

CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from Line of Credit	200,000
Repayments of Line of Credit	(34,640)
Proceeds from Factored Receivables	152,269
Repayments of Factored Receivables	(311,582)
Net Cash Provided by Financing Activities	6,047

NET CHANGE IN CASH AND CASH EQUIVALENTS

	122,161
Cash and Cash Equivalents - Beginning of Year	588,791

CASH AND CASH EQUIVALENTS - END OF YEAR

	\$ 710,952
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SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

Cash Paid for Interest	\$ 32,877
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See accompanying Notes to Financial Statements.

**FRANCOPHONE CHARTER SCHOOL OF OAKLAND
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2023**

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total Expenses</u>
Salaries and Wages	\$ 2,439,471	\$ 81,849	\$ -	\$ 2,521,320
Other Employee Benefits	248,711	8,337	-	257,048
Payroll Taxes	146,155	4,835	-	150,990
Legal Expenses	-	31,744	-	31,744
Accounting Expenses	-	30,975	-	30,975
Instructional Materials	99,991	32,084	-	132,075
Other Fees for Services	383,465	147,370	-	530,835
Advertising and Promotion Expenses	240	-	-	240
Office Expenses	32,507	32,352	-	64,859
Information Technology Expenses	114,898	-	-	114,898
Occupancy Expenses	406,422	266,763	-	673,185
Travel Expenses	7,527	-	-	7,527
Interest Expense	-	32,877	-	32,877
Insurance Expense	-	56,994	-	56,994
Other Expenses	169,780	307,126	32,485	509,391
	<u>169,780</u>	<u>307,126</u>	<u>32,485</u>	<u>509,391</u>
Total Expenses by Function	<u>\$ 4,049,167</u>	<u>\$ 1,033,306</u>	<u>\$ 32,485</u>	<u>\$ 5,114,958</u>

See accompanying Notes to Financial Statements.

FRANCOPHONE CHARTER SCHOOL OF OAKLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Francophone Charter School of Oakland (the School) is a California nonprofit public benefit corporation and is organized to manage and operate a public charter school in Oakland, California. The School is economically dependent on state and federal funding.

The charter may be revoked by the Oakland Unified School District for material violations of the charter, failure to meet pupil outcomes identified in the charter, failure to meet generally accepted standards of fiscal management, or violation of any provision of the law.

Basis of Presentation

The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America as prescribed by the Financial Accounting Standards Board.

Basis of Accounting

The financial statements have been prepared on the accrual method of accounting and accordingly reflect all significant receivables and liabilities.

Use of 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 the reported amounts of assets, liabilities, and disclosures. Accordingly, actual results could differ from those estimates.

Functional Allocation of Expenses

Costs of providing the School's programs and other activities have been presented in the statement of functional expenses. During the year, such costs are accumulated into separate groupings as either direct or indirect. Indirect or shared costs are allocated among program and support services by a method that best measures the relative degree of benefit. The expenses that are allocated include occupancy which is allocated based on estimated usage of space, as well as salaries and wages, benefits, payroll taxes, and other professional services, which are allocated on the basis of estimates of time and effort.

Cash and Cash Equivalents

The School defines its cash and cash equivalents to include only cash on hand, demand deposits, and liquid investments with original maturities of three months or less.

Accounts Receivable

Accounts receivable primarily represent amounts due from federal and state governments as of June 30, 2023. Management believes that all receivables are fully collectible; therefore, no provisions for uncollectible accounts were recorded.

FRANCOPHONE CHARTER SCHOOL OF OAKLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property, Plant, and Equipment

Property, plant, and equipment are stated at cost, if purchased, or at estimated fair value, if donated. Depreciation is provided on a straight-line basis over the estimated useful lives of the asset. The School capitalizes all expenditures for land, buildings and equipment in excess of \$5,000.

Net Asset Classes

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

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as restricted revenue when received and released from restrictions when the assets are placed in service. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Property Taxes

Secured property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on September 1 and are payable in two installments on or before November 1 and February 1. Unsecured property taxes are not a lien against real property and are payable in one installment on or before August 31. The County bills and collects property taxes for all taxing agencies within the County and distributes these collections to the various agencies. The sponsor agency of the School is required by law to provide in-lieu property tax payments on a monthly basis, from August through July. The amount paid per month is based upon an allocation per student, with a specific percentage to be paid each month.

Compensated Absences

Accumulated unpaid employee vacation benefits are recognized as a liability of the School. The current portion of the liability, if material, is recognized at year-end. The entire compensated absences liability is reported on the statement of financial position. Employees of the School are paid for days or hours worked based upon Board-approved schedules which include vacation.

FRANCOPHONE CHARTER SCHOOL OF OAKLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition

Amounts received from the California Department of Education are conditional and recognized as revenue by the School based on the average daily attendance (ADA) of students. Revenue that is restricted is recorded as an increase in net assets without donor restriction, if the restriction expires in the reporting period in which the revenue is recognized. All other restricted revenues are reported as increases in net assets with donor restriction.

Contributions

All contributions are considered to be available for use unless specifically restricted by the donor. Amounts received that are restricted to specific use or future periods are reported as contributions with donor restrictions. Restricted contributions that are received and released in the same period are reported as promises to give without donor restrictions. Unconditional promises to give expected to be received in one year or less are recorded at net realizable value. Unconditional promises to give expected to be received in more than one year are recorded at fair value at the date of the promise. Conditional promises to give (those with a measurable performance or other barrier and a right of return) are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met.

Conditional Grants

Grants and contracts that are conditioned upon the performance of certain requirements or the incurrence of allowable qualifying expenses (barriers) are recognized as revenues in the period in which the conditions are met. Amounts received are recognized as revenue when the School has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as deferred revenues in the statement of financial position. As of June 30, 2023, the School has conditional grants of \$216,837 of which \$122,703 is recognized as deferred revenue in the statement of financial position.

Other Revenue

Other revenue consists primarily of after-school services and other services. The performance obligation for providing these services is simultaneously received and consumed by the students; therefore, the revenue is recognized ratably over the course of the academic year.

Income Taxes

The School is a nonprofit entity exempt from the payment of income taxes under Internal Revenue Code Section 501(c)(3) and California Revenue and Taxation Code Section 23701d. Accordingly, no provision has been made for income taxes. Management has determined that all income tax positions are more likely than not of being sustained upon potential audit or examination; therefore, no disclosures of uncertain income tax positions are required. The School files an exempt School return in the U.S. federal jurisdiction and with the California Franchise Tax Board.

FRANCOPHONE CHARTER SCHOOL OF OAKLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases

The School leases school facilities and office equipment. The School determines if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use (ROU) assets, and operating lease liabilities on the statement of financial position. Finance leases are included in financing ROU assets, and lease liabilities – financing on the statement of financial position.

ROU assets represent the School's right to use an underlying asset for the lease term and lease liabilities represent the School's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. As most of leases do not provide an implicit rate, the School uses a risk-free rate based on the information available at commencement date in determining the present value of lease payments. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the School will exercise that option. The School has elected to recognize payments for short-term leases with a lease term of 12 months or less as expense as incurred and these leases are not included as lease liabilities or ROU assets on the statement of financial position.

The School has elected not to separate nonlease components from lease components and instead accounts for each separate lease component and the nonlease component as a single lease component.

The School's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

In evaluating contracts to determine if they qualify as a lease, the School considers factors such as if the School has obtained substantially all of the rights to the underlying asset through exclusivity, if the School can direct the use of the asset by making decisions about how and for what purpose the asset will be used and if the lessor has substantive substitution rights. This evaluation may require significant judgment.

The individual lease contracts do not provide information about the discount rate implicit in the lease. Therefore, the School has elected to use a risk-free rate determined using a period comparable with that of the lease term for computing the present value of lease liabilities.

FRANCOPHONE CHARTER SCHOOL OF OAKLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Adoption of New Accounting Standards

In February 2016, the FASB issued Accounting Standards Update 2016-02, *Leases* (ASC 842). The new standard increases transparency and comparability among organizations by requiring the recognition of ROU assets and lease liabilities on the statement of financial position. Most prominent of the changes in the standard is the recognition of ROU assets and lease liabilities by lessees for those leases classified as operating leases. Under the standard, disclosures are required to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases.

The School adopted the requirements of the guidance effective July 1, 2022 and has elected to apply the provisions of this standard to the beginning of the period of adoption with certain practical expedients available.

The School has elected to adopt the package of practical expedients available in the year of adoption. The School has elected to adopt the available practical expedient to use hindsight in determining the lease term and in assessing impairment of the School's ROU assets.

The School elected the available practical expedients to account for existing capital leases and operating leases as finance leases and operating leases, respectively, under the new guidance, without reassessing (a) whether the contracts contain leases under the new standard, (b) whether classification of capital leases or operating leases would be different in accordance with the new guidance, or (c) whether the unamortized initial direct costs before transition adjustments would have met the definition of initial direct costs in the new guidance at lease commencement.

As a result of the adoption of the new lease accounting guidance, the School recognized on July 1, 2022 a ROU asset at the carrying amount of the lease asset of \$1,907,014. The School also recognized on July 1, 2022 a lease liability of \$1,907,014, which represents the present value of the remaining lease payments discounted using a risk-free rate of 3.11%.

The standard had a material impact on the statement of financial position but did not have an impact on the statement of activities, nor the statement of cash flows. The most significant impact was the recognition of ROU assets and lease liabilities for operating leases.

Subsequent Events

The School has evaluated subsequent events through March 25, 2024, the date these financial statements were available to be issued.

FRANCOPHONE CHARTER SCHOOL OF OAKLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 2 LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date. Financial assets available for general expenditures comprise cash and cash equivalents and accounts receivable for the total amount of \$1,311,038.

As part of its liquidity management plan, the School monitors liquidity required and cash flows to meet operating needs on a monthly basis. The School structures its financial assets to be available as general expenditures, liabilities and other obligations come due.

NOTE 3 CONCENTRATION OF CREDIT RISK

The School maintains substantially all of its cash at Bank of America which is insured up to \$250,000 by the Federal Depository Insurance Corporation (FDIC). The School at times has deposits in excess of the FDIC insurance limit in these accounts. The School has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on its cash and cash equivalents.

NOTE 4 LONG-TERM DEBT

Factored Receivables

In June 2022, the School entered into an agreement with Charter Asset Management to factor attendance and grant receivables. The full amount was repaid as of June 30, 2023.

Line of Credit

On February 2, 2023, the School entered into a revolving credit and security agreement with Charter Asset Management Fund, L.P. The revolving line of credit has a minimum outstanding amount of \$200,000, bears an interest rate of prime rate plus 3.70% per annum rate, and a maturity date of February 2, 2024. The Line of Credit has an outstanding balance of \$165,359 as of June 30, 2023.

NOTE 5 LEASES – ASC 842

The School leases equipment as well as certain operating and office facilities for various terms under long-term, non-cancelable lease agreements. The leases expire at various dates through June 2027.

FRANCOPHONE CHARTER SCHOOL OF OAKLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 5 LEASES – ASC 842 (CONTINUED)

The following table provides quantitative information concerning the School’s lease for the year ended June 30, 2023:

Operating Lease Cost	\$ 449,492
Other Information:	
Cash Paid for Amounts Included in the Measurement of Lease Liabilities:	
Operating Cash Flows from Operating Leases	\$ 426,522
Right-of-Use assets Obtained in Exchange for New Operating Lease Liabilities:	2,012,982
Weighted-Average Remaining Lease Term - Operating Leases	4.0 years
Weighted-Average Discount Rate - Operating Leases	3.11%

The School classifies the total undiscounted lease payments that are due in the next 12 months as current. A maturity analysis of annual undiscounted cash flows for lease liabilities as of June 30, 2023, is as follows:

<u>Year Ending June 30,</u>	<u>Operating Leases</u>
2024	\$ 440,717
2025	416,275
2026	428,099
2027	440,278
2028	18,450
Total Lease Payments	1,743,819
Less: Interest	(103,436)
Present Value of Lease Liabilities	<u>\$ 1,640,383</u>

NOTE 6 OTHER LIABILITY – CREDENTIAL PENALTIES

In the 2020-21 school year, three teachers did not possess a valid certification document for a portion of the school year which resulted in finding 2021-001 in the June 30, 2021 audit under. The School reached an agreement with the California Education Audit Appeals Panel (EAAP) in 2023 in which the School is obligated to repay the sum of \$135,000 over a period of four years, without interest, for the 2020-21 school year penalty. The total amount due at June 30, 2023 was \$135,000, which is reflected as Other Liability on the statement of financial position.

**FRANCOPHONE CHARTER SCHOOL OF OAKLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 6 OTHER LIABILITY – CREDENTIAL PENALTIES (CONTINUED)

The aggregate future penalty payments required under the terms of the stipulated agreement are as follows:

<u>Year Ending June 30,</u>	
2024	\$ 33,750
2025	33,750
2026	33,750
2027	33,750
Total	<u>\$ 135,000</u>

NOTE 7 CONTINGENCIES, RISKS, AND UNCERTAINTIES

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

Related to the June 30, 2022 audit, the School was out of compliance with Education Code Sections 47605(l) resulting in \$237,395 of questioned costs. The School plans to appeal the questioned costs with the California Department of Education and depending on the outcome of the appeal process could be required to repay up to this estimated amount.

Related to the June 30, 2023 audit, the School was out of compliance with Education Code Sections 47605(l) resulting in \$132,534 of questioned costs. The School plans to appeal the questioned costs with the California Department of Education and depending on the outcome of the appeal process could be required to repay up to this estimated amount.

SUPPLEMENTARY INFORMATION

**FRANCOPHONE CHARTER SCHOOL OF OAKLAND
 LOCAL EDUCATION AGENCY ORGANIZATION STRUCTURE
 YEAR ENDED JUNE 30, 2023
 (SEE INDEPENDENT AUDITORS' REPORT)
 UNAUDITED**

The School was established in 2014, when it was granted its charter through Oakland Unified School District (the District) and its charter school status from the California Department of Education. The charter may be revoked by the District for material violations of the charter, failure to meet or make progress toward student outcomes, failure to meet generally accepted standards of fiscal management, or violation of any provision of the law.

Charter School number: 1708

The Board of Directors and the Administrators as of June 30, 2023 were as follows:

BOARD OF DIRECTORS

<u>Member</u>	<u>Office</u>	<u>Term Expires (2-year term)</u>
Annette Dennett	Chair	April 2024
Al Darnell Jr.	CFO	June 2024
Patricia Gharagozloo	Secretary	December 2024
David Phillips	Director	June 2023
Herve Bruckert	Director	July 2023
Frederick Cunningham	Director	June 2024

ADMINISTRATORS

Nora Bullock	Executive Director
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**FRANCOPHONE CHARTER SCHOOL OF OAKLAND
SCHEDULE OF INSTRUCTIONAL TIME
YEAR ENDED JUNE 30, 2023**

	Instructional Minutes		Traditional Calendar	Status
	Requirement	Actual	Days	
Grade TK	36,000	58,990	183	In compliance
Grade K	36,000	46,660	183	In compliance
Grade 1	50,400	42,660	183	Not In compliance
Grade 2	50,400	55,560	183	In compliance
Grade 3	50,400	56,245	183	In compliance
Grade 4	54,000	53,020	183	Not In compliance
Grade 5	54,000	56,245	183	In compliance
Grade 6	54,000	49,985	183	Not In compliance
Grade 7	54,000	49,905	183	Not In compliance
Grade 8	54,000	49,905	183	Not In compliance

See accompanying Independent Auditors' Report and the Notes to Supplementary Information.

**FRANCOPHONE CHARTER SCHOOL OF OAKLAND
SCHEDULE OF AVERAGE DAILY ATTENDANCE
YEAR ENDED JUNE 30, 2023**

	Second Period Report		Audit Adjustments		Second Period Report (Audited)	
	Classroom		Classroom		Classroom	
	Based	Total	Based	Total	Based	Total
Grades TK/K-3	211.78	211.78	(5.24)	(5.24)	206.54	206.54
Grades 4-6	70.03	70.03	(0.58)	(0.58)	69.45	69.45
Grades 7-8	25.11	25.11	-	-	25.11	25.11
ADA Totals	<u>306.92</u>	<u>306.92</u>	<u>(5.82)</u>	<u>(5.82)</u>	<u>301.10</u>	<u>301.10</u>

	Annual Report		Audit Adjustments		Annual Report (Audited)	
	Classroom		Classroom		Classroom	
	Based	Total	Based	Total	Based	Total
Grades TK/K-3	211.97	211.97	(4.07)	(4.07)	207.90	207.90
Grades 4-6	69.45	69.45	(0.45)	(0.45)	69.00	69.00
Grades 7-8	24.90	24.90	-	-	24.90	24.90
ADA Totals	<u>306.32</u>	<u>306.32</u>	<u>(4.52)</u>	<u>(4.52)</u>	<u>301.80</u>	<u>301.80</u>

See accompanying Independent Auditors' Report and the Notes to Supplementary Information.

**FRANCOPHONE CHARTER SCHOOL OF OAKLAND
RECONCILIATION OF ANNUAL FINANCIAL REPORT WITH
AUDITED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023**

June 30, 2023 Annual Financial Report Fund Balances (Net Assets)	\$ 1,072,202
Adjustments and Reclassifications:	
Increase (Decrease) of Fund Balance (Net Assets):	
Cash and Cash Equivalents	6,514
Accounts Receivable - Federal and State	(18,006)
Accounts Receivable - Other	6,363
Prepaid Expenses and Other Assets	15,000
Operating Right-of-Use Assets, Net	97,960
Accounts Payable and Accrued Liabilities	(64,485)
Deferred Revenue	31,029
Line of Credit Liability	(55,905)
Other Liability	(135,000)
Operating Lease Liabilities	(97,011)
Net Adjustments and Reclassifications	<u>(213,541)</u>
June 30, 2023 Audited Financial Statement Fund Balances (Net Assets)	<u>\$ 858,661</u>

See accompanying Independent Auditors' Report and the Notes to Supplementary Information.

FRANCOPHONE CHARTER SCHOOL OF OAKLAND
NOTES TO SUPPLEMENTARY INFORMATION
JUNE 30, 2023

PURPOSE OF SCHEDULES

NOTE 1 SCHEDULE OF INSTRUCTIONAL TIME

This schedule presents information on the amount of instructional time offered by School and whether School complied with the provisions of the Education Code.

NOTE 2 SCHEDULE OF AVERAGE DAILY ATTENDANCE

Average daily attendance is a measurement of the number of pupils attending classes of School. The purpose of attendance accounting from a fiscal standpoint is to provide the basis on which apportionments of state funds are made to charter schools. This schedule provides information regarding the attendance of students at various grade levels.

NOTE 3 RECONCILIATION OF ANNUAL FINANCIAL REPORT WITH AUDITED FINANCIAL STATEMENTS

This schedule provides the information necessary to reconcile the net assets of the charter schools as reported on the Annual Financial Report form to the audited financial statements.



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

Board of Directors
Francophone Charter School of Oakland
Oakland, California

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 Francophone Charter School of Oakland (the School), a nonprofit California public benefit corporation, which comprise the statement of financial position as of June 30, 2023, and the related statements of activities, cash flows, and functional expenses for the year then ended, the related notes to the financial statements, and have issued our report thereon dated March 25, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the 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 School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did identify a deficiency in internal control that we consider to be material weaknesses and is documented in the Schedule of Findings and Questioned Costs as 2023-001. Other material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The School’s Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the School’s response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The School’s response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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 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 School’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Glendora, California
March 25, 2024



INDEPENDENT AUDITORS' REPORT ON STATE COMPLIANCE AND REPORT ON INTERNAL CONTROL OVER STATE COMPLIANCE

Board of Directors
Francophone Charter School of Oakland
Oakland, California

Report on Compliance

Opinion on State Compliance

We have audited Francophone Charter School of Oakland's (the School) compliance with the types of compliance requirements applicable to the School described in the *2022-2023 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, published by the Education Audit Appeals Panel for the year ended June 30, 2023. The School's applicable State compliance requirements are identified in the table below.

In our opinion, the School complied, in all material respects, with the compliance requirements referred to above that are applicable to the School for the year ended June 30, 2023.

Basis for Opinion

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and *2022-2023 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, published by the Education Audit Appeals Panel. Our responsibilities under those standards and *2022-2023 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, published by the Education Audit Appeals Panel are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditors' Responsibility for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the School's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and *2022-2023 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the School's compliance with the requirements of the government program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and *2022-2023 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the School's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the School's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with *2022-2023 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* but not for the purpose of expressing an opinion on the effectiveness of the School's internal control over compliance. Accordingly, no such opinion is expressed.

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

Compliance Requirements Tested

In connection with the audit referred to above, we selected and tested transactions and records to determine the School’s compliance with the laws and regulations applicable to the following items:

<u>Description</u>	<u>Procedures Performed</u>
School Districts, County Offices of Education, and Charter Schools:	
California Clean Energy Jobs Act	Not Applicable ¹
After/Before School Education and Safety Program	Not Applicable ²
Proper Expenditure of Education Protection Account Funds	Yes
Unduplicated Local Control Funding Formula Pupil Counts	Yes
Local Control and Accountability Plan	Yes
Independent Study-Course Based	Not Applicable ³
Immunizations	Not Applicable ⁴
Educator Effectiveness	Yes
Expanded Learning Opportunities Grant (ELO-G)	Not Applicable ⁵
Career Technical Education Incentive Grant (CTEIG)	Not Applicable ⁶
Transitional Kindergarten	Yes
Charter Schools:	
Attendance	Yes
Mode of Instruction	Yes
Nonclassroom-Based Instruction/Independent Study	Not Applicable ⁷
Determination of Funding for Nonclassroom-Based Instruction	Not Applicable ⁸
Annual Instructional Minutes – Classroom Based	Yes
Charter School Facility Grant Program	Yes

Not Applicable¹: The School did not have any expenditures for California Clean Energy Jobs Act in the year under audit or a completed project between 12 and 15 months prior to any month in the audit year.

Not Applicable²: The School did not operate an after or before school program component of this grant.

Not Applicable³: The School did not report ADA pursuant to Education Code section 51749.5.

Not Applicable⁴: The School did not have any charter school subject to audit of immunizations as listed in the California Department of Public Health (CDPH) website as listed in the *2022-2023 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*.

Not Applicable⁵: The School have any expenditures under the ELO-G grant during the audit year.

Not Applicable⁶: The School did not receive a CTEIG allocation for the audit year.

Not Applicable⁷: The School did not report ADA to the CDE as generated through nonclassroom-based instruction (independent study).

Not Applicable⁸: The School did not report more than 20% of its ADA as generated through nonclassroom-based instruction (independent study).

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the *2022-2023 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* described in the accompanying schedule of findings and questioned costs as items 2023-002, 2023-003, and 2023-004. Our opinion on each state program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on the School's response to the noncompliance findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The School's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that a material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention from those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2023-002, 2023-003, and 2023-004, to be significant deficiencies.

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

Government Auditing Standards requires the auditor to perform limited procedures on the Schools' response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. the Schools' response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Board of Directors
Francophone Charter School of Oakland

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the *2022-2023 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Glendora, California
March 25, 2024

**FRANCOPHONE CHARTER SCHOOL OF OAKLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2023**

All audit findings must be identified as one or more of the following categories:

<u>Five Digit Code</u>	<u>Finding Types</u>
10000	Attendance
20000	Inventory of Equipment
30000	Internal Control
40000	State Compliance
42000	Charter School Facilities Program
43000	Apprenticeship
50000	Federal Compliance
60000	Miscellaneous
61000	Classroom Teacher Salaries
62000	Local Control Accountability Plan
70000	Instructional Materials
71000	Teacher Misassignments
72000	School Accountability Report Card

Section II – Financial Statement Findings

2023-001 Internal Controls Relating to Financial Close and Reporting Process 30000

Type of finding: Material weakness in internal controls over financial close and reporting process, related to adjustments made for revenue, accounts receivables, accounts payable, cash, debt, and expenses.

Condition: During the course of our audit, we experienced significant delays in completing and issuing the audit report due to the financial close and reporting process. A total of 9 adjustments were posted after the trial balance was received, 7 of which were audit identified adjustments and 2 were provided by the School as post close entries.

Criteria of specific requirement: The financial close and reporting process should include review of financial information by resource codes and supporting schedules to ensure proper recording of all transactions in accordance with U.S. GAAP.

Context: The School did not record cash, accounts receivables, accounts payable, debt, revenue, and expenses consistently with U.S. GAAP.

Effect: Significant delays in completing and issuing the audit report by the state deadline.

Cause: Improper recording of transactions in accordance with U.S. GAAP.

**FRANCOPHONE CHARTER SCHOOL OF OAKLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2023**

Section II – Financial Statement Findings (Continued)

2023-001 Internal Controls Relating to Financial Close and Reporting Process (Continued) 30000

Repeat finding: Not a repeat finding.

Recommendation: We recommend that the School update its year-end closing procedures to include additional review to ensure all transactions are accounted in accordance with U.S. GAAP.

Views of Responsible Officials and Corrective Action Plan (Unaudited): The School will work closely with its back-office provider to ensure monthly and year-end closes are completed on time, including reviews of financial information by resource code and supporting documentation to ensure proper and timely recording of all financial transactions in accordance with U.S. GAAP.

Section III – Findings and Questioned Costs – State Compliance

2023-002 Mode of Instruction 40000

Criteria: Pursuant to the provisions of Education Code Sections 47605(l), the charter school's pupils were engaged in educational activities required of those pupils and the pupils were under the immediate supervision and control of an employee of the charter school who possessed a valid teaching certification.

Condition: Three teachers out of ten selections sampled for testing did not have proper credentials for portions of the school year. However, their classrooms received instruction from a certificated teacher simultaneously, therefore results only reflect a finding for ADA reported on the days without simultaneous instruction from another certificated teacher. As a result, the mode of instruction requirement for ADA reported to the CDE by the charter school as generated through classroom-based instruction is out of compliance. The lack of valid teaching certifications resulted in 5.82 disallowed P-2 ADA and 4.52 P-Annual ADA pursuant to Ed Code 43501.

Effect: The School was not in compliance Education Code Sections 47605(l) for 5.82 P-2 ADA and 4.52 P-Annual ADA.

Cause: Monitoring of teacher credentials was insufficient to ensure compliance.

**FRANCOPHONE CHARTER SCHOOL OF OAKLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2023**

Section III – Findings and Questioned Costs – State Compliance (Continued)

2023-002 Mode of Instruction (Continued)

40000

Questioned Costs: Pursuant to Education Code Section 47605(I), the provisional reduction in apportionment calculated, based on the sample population, is as follows:

Francophone Charter School of Oakland						
Affected grade level(s)	# of teachers	Disallowed Attendance per Teacher in P-2 Period	# of days in P-2 Period	P-2 ADA instructed to be disallowed:	Derived Value of ADA by Grade Span	Penalty by Grade Span
K	1*	366	142	2.58	\$ 10,831.18	\$ 27,917.00
1	1*	378	142	2.66	\$ 10,831.18	\$ 28,832.00
4	1	83	142	0.58	\$ 9,958.82	\$ 5,821.00
6	1*	-	142	-	\$ 9,958.82	\$ -
7	1*	-	142	-	\$ 10,254.24	\$ -
8	1*	-	142	-	\$ 10,254.24	\$ -

* The teacher provided instruction to several grades. There are three teachers in total included in this finding.

Repeat Finding: Repeat finding for not possessing valid teaching certifications. In the June 30, 2022 audit, the finding was under the provisions of Education Code Sections 43501 and 43502(e)(2).

Recommendation: It is recommended that the School implement additional review processes for verifying and monitoring teacher credentials to avoid any lapse in proper teaching credentials.

Views of Responsible Officials and Corrective Action Plan (Unaudited): Through its short history, Francophone Charter School of Oakland (Francophone) has used a rigorous and resource-intensive process to recruit high quality teachers from abroad, and these efforts have resulted in high levels of student success. However, difficulties inherent in credentialing foreign teachers, combined with unprecedented obstacles created by the global pandemic during the 2020-2021 school year resulted in credentialing issues, which have continued.

According to Francophone’s charter as approved by the Oakland Unified School District, a large portion of instruction is to be delivered by native French speakers and ideally come from French-speaking countries. Also, according to Francophone’s approved charter, students learn to be global citizens through cultural experiences under the tutelage of the diverse international staff employed at Francophone. To implement these two requirements, the charter directs Francophone to recruit experienced foreign teachers that are native French speakers, have 5+ years of experience teaching at the elementary school level, and have a teaching degree from an accredited foreign university system (that compares favorably to U.S. standards). AB1505, requiring all charter teachers to meet the same credentialing requirements as district teachers, has made it incredibly difficult for Francophone to meet the requirements in our charter while also adhering to California credentialing requirements.

**FRANCOPHONE CHARTER SCHOOL OF OAKLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2023**

Section III – Findings and Questioned Costs – State Compliance (Continued)

2023-002 Mode of Instruction (Continued)

40000

Views of Responsible Officials and Corrective Action Plan (Unaudited) (Continued):

However, Francophone has implemented several corrective actions—most significantly contracting with Education for Change for credentialing services—in order to address these ongoing challenges. Additionally, the school now has multiple avenues through which it is recruiting teachers, including options for both J1 and H1B visas; this has allowed Francophone to expand its pool of qualified candidates. By following these steps, the management Francophone has demonstrated a proactive approach to addressing audit findings, ensuring compliance with regulations, safeguarding financial resources, and maintaining the trust of stakeholders.

2023-003 Instructional Time

40000

Criteria: Pursuant to the provisions of subdivision (a)(1) of Education Code Section 47612.5, the minimum instructional minutes offered for grades K, 1-3, and 4-6 should be 36,000, 50,400, and 54,000 respectively.

Condition: As a result, three of the teachers sampled for testing were lacking proper credentials for portions of the school year. The instructional minutes offered for certain grade levels were reduced for the period the teachers did not have the proper credentials. This reduction resulted in 1st, 4th, 6th, 7th, and 8th grades offering below the minimum instructional minutes required pursuant to Ed Code 47612.5(a)(1).

Effect: The School was not in compliance with Ed Code 47612.5(a)(1) for 1st, 4th, 6th, 7th, and 8th grades.

Cause: Monitoring of teacher credentials was insufficient to ensure compliance.

**FRANCOPHONE CHARTER SCHOOL OF OAKLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2023**

Section III – Findings and Questioned Costs – State Compliance (Continued)

2023-003 Instructional Time (Continued)

40000

Questioned Costs: Pursuant to Ed Code Section 47612.5, the provisional reduction in apportionment calculated is as follows:

Francophone Charter School of Oakland						
Calculating the Cost of an Instructional Time Audit Finding	1-3	4-6	4-6	7-8	7-8	
	1	4	6	7	8	
Affected grade level(s)	1	4	6	7	8	
Number of required days	175	175	175	175	175	
Number of days short	-	-	-	-	-	
Days of operation adjustment factor	1	1	1	1	1	
Affected grade level P-2 ADA	10.81	24.62	26.39	13.23	11.89	
Adjusted ADA for LCFF Apportionment	10.81	24.62	26.39	13.23	11.89	
Derived Value of ADA by Grade Span	\$ 10,831.18	\$ 9,958.82	\$ 9,958.82	\$ 10,254.24	\$ 10,254.24	
Number of required minutes	36,000	54,000	54,000	54,000	54,000	
Number of minutes short	7,740	980	4,015	4,095	4,095	
Percentage of Minutes Not Offered	22%	2%	7%	8%	8%	
Affected LCFF Apportionment by Grade Span	\$ 117,085.00	\$ 245,186.00	\$ 262,813.00	\$ 135,664.00	\$ 121,923.00	
Instructional Time Penalty by Grade Span	\$ 25,173.00	\$ 4,438.00	\$ 19,553.00	\$ 10,283.00	\$ 9,242.00	
Total Instructional Time Penalty					<u>\$ 68,689.00</u>	

Repeat Finding: Repeat finding for not possessing valid teaching certifications. In the June 30, 2022 audit, the finding was under the provisions of Education Code Sections 43501 and 43502(e)(2).

Recommendation: It is recommended that the School implement additional review processes for verifying and monitoring teacher credentials to avoid any lapse in proper teaching credentials.

Views of Responsible Officials and Corrective Action Plan (Unaudited): See views of responsible officials and corrective action plan for finding 2023-001.

2023-004 Unduplicated Pupil Counts

40000

Criteria: Education code section 42238.02 (b)(2) requires a charter school to submit its enrolled free and reduced-price meal eligibility, foster youth and English learner pupil-level records for enrolled pupils using the California Longitudinal Pupil Achievement Data System (CalPADS). The CalPADS 1.17 and 1.18 reports should accurately report the number of students eligible for free and reduced-price meals and those identified as “English Learners.”

**FRANCOPHONE CHARTER SCHOOL OF OAKLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2023**

Section III – Findings and Questioned Costs – State Compliance (Continued)

2023-004 Unduplicated Pupil Counts (Continued)

40000

Condition: During our testing, we noted 1 error in which a student was inaccurately reported as eligible for free and reduced-price meals.

Effect: The School is not in compliance with Education code section 42238.02 (b)(2).

Cause: Monitoring of student meal applications was insufficient to ensure compliance.

Questioned Costs: Questioned costs are \$1,275.

Charter School Audit Adjustments to CALPADS Data

Original		Updated		Net Change		Supplemental Grant Funding		
Enrollment Count	Unduplicated Pupil Count	Enrollment Count	Unduplicated Pupil Count	Enrollment Count	Unduplicated Pupil Count	Original Entitlement	Revised Entitlement	Adjustment
969	341	969	339	-	(2)	\$ 213,611	\$ 212,336	\$ (1,275)

Repeat Finding: This is not a repeat finding.

Recommendation: To avoid this type of occurrence, the School should implement an internal control procedure to avoid errors.

Views of Responsible Officials and Corrective Action Plan (Unaudited): The School will provide annual training to employees involved in processing lunch forms and will implement a system of dual authorization, where forms undergo thorough review by multiple personnel, serving as an additional layer of validation to catch potential errors before submission. Regular internal audits to verify received lunch forms against data in the School's SIS will help identify any systemic issues or areas for improvement, enabling timely corrective actions to be taken.

**FRANCOPHONE CHARTER SCHOOL OF OAKLAND
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2023**

The findings from the prior audit’s schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the prior year.

2022-001 Mode of Instruction

40000

Criteria: Pursuant to the provisions of Education Code Sections 47605(l), the charter school's pupils were engaged in educational activities required of those pupils and the pupils were under the immediate supervision and control of an employee of the charter school who possessed a valid teaching certification.

Condition: Two teachers out of two selections sampled for testing did not have proper credentials for portions of the school year. However, one classroom received instruction from a certificated teacher simultaneously, therefore results only reflect a finding for one teacher on the days without simultaneous instruction from another certificated teacher. As a result, the mode of instruction requirement for ADA reported to the CDE by the charter school as generated through classroom-based instruction is out of compliance. The lack of valid teaching certifications resulted in 7.92 disallowed P-2 ADA pursuant to Ed Code 43501.

Effect: The School was not in compliance Education Code Sections 47605(l) for 7.92 ADA.

Cause: Monitoring of teacher credentials was insufficient to ensure compliance.

Questioned Costs: Pursuant to Education Code Section 47605(l), the provisional reduction in apportionment calculated, based on the sample population, is as follows:

Francophone Charter School of Oakland						
Affected grade level(s)	# of teachers	Attendance per Teacher in P-2 Period	# of days in P-2 Period	P-2 ADA instructed to be disallowed:	Derived Value of ADA by Grade Span	Penalty by Grade Span
Kindergarten	1	1,125	142	7.92	\$ 9,491.11	\$ 75,194

Repeat Finding: Repeat finding for not possessing valid teaching certifications. In the June 30, 2021 audit, the finding was under the provisions of Education Code Sections 43501 and 43502(e)(2).

Recommendation: It is recommended that the School implement additional review processes for verifying and monitoring teacher credentials to avoid any lapse in proper teaching credentials.

Status: Repeat finding in the current year, see finding 2023-02.

**FRANCOPHONE CHARTER SCHOOL OF OAKLAND
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2023**

2022-002 Instructional Time (Continued)

40000

Criteria: Pursuant to the provisions of subdivision (a)(1) of Education Code Section 47612.5, the minimum instructional minutes offered for grades K, 1-3, and 4-6 should be 36,000, 50,400, and 54,000 respectively.

Condition: As a result, some teachers were lacking proper credentials for portions of the school year. The instructional minutes offered for certain grade levels were reduced for the period the teachers did not have the proper credentials. This reduction resulted in kindergarten, 7th, and 8th grades offering below the minimum instructional minutes required pursuant to Ed Code 47612.5(a)(1).

Effect: The School was not in compliance with Ed Code 47612.5(a)(1) for kindergarten, 7th, and 8th grades.

Cause: Monitoring of teacher credentials was insufficient to ensure compliance.

Questioned Costs: Pursuant to Ed Code Section 47612.5, the provisional reduction in apportionment calculated is as follows:

Francophone Charter School of Oakland		
Calculating the Cost of an Instructional Time Audit Finding	K	7-8
Affected grade level(s)	K	7-8
Number of required days	175	175
Number of days short	-	-
Days of operation adjustment factor	1	1
Affected grade level ADA	22.36	2.88
Adjusted ADA for LCFF Apportionment	22.36	2.88
Derived Value of ADA by Grade Span	\$ 9,491.11	\$ 8,984.43
Number of required minutes	36,000	54,000
Number of minutes short	30,030	2,855
Percentage of Minutes Not Offered	83%	5%
Affected LCFF Apportionment by Grade Span	\$ 212,221	\$ 25,875
Instructional Time Penalty by Grade Span	\$ 177,035	\$ 1,369
Total Instructional Time Penalty		\$ 178,404

Repeat Finding: Repeat finding for not possessing valid teaching certifications. In the June 30, 2021 audit, the finding was under the provisions of Education Code Sections 43501 and 43502(e)(2).

Recommendation: It is recommended that the School implement additional review processes for verifying and monitoring teacher credentials to avoid any lapse in proper teaching credentials.

Status: Repeat finding in the current year, see finding 2023-03.

**FRANCOPHONE CHARTER SCHOOL OF OAKLAND
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2023**

2022-003 In-Person Instruction Grant (IPI)

40000

Criteria: The School was required to offer optional in-person instruction on May 10, 2021, the date identified on the LEA’s IPI Grant LEA Certification Form, to all required pupils pursuant to Education Code section 43521(c)(3)(C).

Condition: The School did not offer optional in-person instruction to all required pupils until May 13, 2021.

Effect: The School was not in compliance with Education Code section 43521(c)(3)(C) from May 10, 2021 to May 12, 2021 (IPI date should have been May 13, 2021). The instructional days during this period were inappropriately reported as In-Person Instructional Days to the CDE.

Cause: The School utilized a tiered re-engagement plan for the school grades to return to in-person instruction starting with Kindergarten on May 10, 2021, 1st Grade pupils on May 5, 2021, 2nd Grade pupils on May 7, 2021, 3rd Grade pupils on May 10, 2021, 4th Grade pupils on May 11, 2021, 5th Grade pupils on May 12, 2021, and 6-8th Grade pupils on May 13, 2021. Therefore, all required pupils were not offered in-person instruction as of May 10, 2021, the date identified on the LEA’s IPI Grant LEA Certification Form.

Questioned Costs:

IPI Grant LEA Certification Form Reported Date	Correct date that the School offered IPI pursuant to 43521(c)(3)	Number of days inappropriately reported between 4/1/21 - 5/14/21	IPI Grant Allocation	Disallowed Funding pursuant to 43521(c)(2)(B)(i)
5/10/2021	5/13/2021	3	\$ 75,383	\$ 2,261

Recommendation: While this provision Education Code section 43521(c)(3)(C) is a one-time funding stream, it is recommended that the School implement additional review processes for proper reporting in the future.

Status: Not applicable, section was removed from the audit guide.



CLA (CliftonLarsonAllen LLP) is a network member of CLA Global. See CLAGlobal.com/disclaimer. Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.

Appendix D. 2023-24 Francophone Audit Report

On following page.



FRANCOPHONE CHARTER SCHOOL OF OAKLAND

AUDIT REPORT

**FOR THE YEAR ENDED
JUNE 30, 2024**

**A NONPROFIT PUBLIC BENEFIT CORPORATION
OPERATING THE FOLLOWING CALIFORNIA CHARTER SCHOOL**

Francophone Charter School of Oakland (Charter No. 1708)

FRANCOPHONE CHARTER SCHOOL OF OAKLAND
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FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Francophone Charter School of Oakland
Oakland, California

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of Francophone Charter School of Oakland which comprise the statement of financial position as of June 30, 2024, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, **the financial statements referred to above present fairly, in all material respects, the financial position of Francophone Charter School of Oakland as of June 30, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.**

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Francophone Charter School of Oakland and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Francophone Charter School of Oakland's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Francophone Charter School of Oakland's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Francophone Charter School of Oakland's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Local Education Agency Organization Structure but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 3, 2024, on our consideration of Francophone Charter School of Oakland'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 Francophone Charter School of Oakland'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 Francophone Charter School of Oakland's internal control over financial reporting and compliance.

Christy White, Inc.

San Diego, California
December 3, 2024

FRANCOPHONE CHARTER SCHOOL OF OAKLAND
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2024

ASSETS

Current assets

Cash and cash equivalents	\$	521,499
Accounts receivable		515,257
Prepaid expenses		<u>35,475</u>
Total current assets		<u>1,072,231</u>

Noncurrent assets

Right-of-use asset		1,207,392
Deposits		29,485
Total noncurrent assets		<u>1,236,877</u>
Total Assets	\$	<u>2,309,108</u>

LIABILITIES AND NET ASSETS

Liabilities

Accounts payable	\$	708,232
Operating lease liability		<u>1,242,190</u>
Total liabilities		<u>1,950,422</u>

Net assets

Without donor restrictions		<u>358,686</u>
Total net assets		<u>358,686</u>
Total Liabilities and Net Assets	\$	<u>2,309,108</u>

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

**FRANCOPHONE CHARTER SCHOOL OF OAKLAND
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024**

	<u>Without Donor Restrictions</u>
SUPPORT AND REVENUES	
Federal and state support and revenues	
Local control funding formula, state aid	\$ 2,465,595
Federal revenues	214,356
Other state revenues	<u>1,185,714</u>
Total federal and state support and revenues	<u>3,865,665</u>
Local support and revenues	
Payments in lieu of property taxes	1,132,419
Grants and donations	172,509
Afterschool childcare fees	298,349
Investment income, net	167
Other local revenues	<u>86,272</u>
Total local support and revenues	<u>1,689,716</u>
Total Support and Revenues	<u>5,555,381</u>
EXPENSES	
Program services	4,688,962
Supporting services	
Management and general	1,354,872
Fundraising	<u>11,522</u>
Total Expenses	<u>6,055,356</u>
CHANGE IN NET ASSETS	(499,975)
Net Assets - Beginning	<u>858,661</u>
Net Assets - Ending	<u>\$ 358,686</u>

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

**FRANCOPHONE CHARTER SCHOOL OF OAKLAND
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2024**

	Program Services	Supporting Services		Total
		Management and General	Fundraising	
EXPENSES				
Personnel expenses				
Certificated salaries	\$ 1,699,198	\$ 64,624	\$ -	\$ 1,763,822
Non-certificated salaries	936,209	37,171	-	973,380
Payroll taxes	194,307	5,207	-	199,514
Employee benefits	239,279	9,970	-	249,249
Total personnel expenses	<u>3,068,993</u>	<u>116,972</u>	<u>-</u>	<u>3,185,965</u>
Non-personnel expenses				
Books and supplies	364,116	30,760	-	394,876
Insurance	-	58,951	-	58,951
Facilities	431,682	268,938	-	700,620
Professional services	807,191	838,624	11,522	1,657,337
Fees to authorizing agency	-	35,981	-	35,981
Other operating expenses	16,980	4,646	-	21,626
Total non-personnel expenses	<u>1,619,969</u>	<u>1,237,900</u>	<u>11,522</u>	<u>2,869,391</u>
Total Expenses	<u>\$ 4,688,962</u>	<u>\$ 1,354,872</u>	<u>\$ 11,522</u>	<u>\$ 6,055,356</u>

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

**FRANCOPHONE CHARTER SCHOOL OF OAKLAND
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024**

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in net assets	\$ (499,975)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities	
Lease expense - amortization of right-of-use asset	11,875
(Increase) decrease in operating assets	
Accounts receivable	84,829
Prepaid expenses	25,210
Deposits	15,000
Increase (decrease) in operating liabilities	
Accounts payable	461,670
Deferred revenue	<u>(122,703)</u>
Net cash provided by (used in) operating activities	<u>(24,094)</u>
CASH FLOWS FROM FINANCING ACTIVITIES	
Principal payments on line of credit	<u>(165,359)</u>
Net cash provided by (used in) financing activities	<u>(165,359)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(189,453)
Cash and cash equivalents - Beginning	<u>710,952</u>
Cash and cash equivalents - Ending	<u>\$ 521,499</u>
SUPPLEMENTAL DISCLOSURE	
Cash paid for interest	<u>\$ -</u>

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

FRANCOPHONE CHARTER SCHOOL OF OAKLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Francophone Charter School of Oakland (the “Charter”) was formed as a nonprofit public benefit corporation on December 12, 2013 for the purpose of operating as a California public school located in Alameda County. The Charter is numbered by the State Board of Education as California Charter No. 1708. The mission of Francophone Charter School of Oakland is to provide a dual-immersion curriculum to a diverse community of students. The goal is to develop bilingual and bi-literate global citizens who are open-minded and value intellectual curiosity, personal integrity, and creativity. During the year ended June 30, 2024, the Charter served grades TK to 8.

Francophone Charter School of Oakland is authorized to operate as a charter school through Oakland Unified School District (the “authorizing agency”). In October 2019, the Board of Directors of Oakland Unified approved a charter petition renewal for a five-year term beginning July 1, 2020 and expiring on June 30, 2025. As a result of AB 130 and SB 114, the charter petition end date is extended to June 30, 2028. Funding sources primarily consist of state apportionments, in lieu of property tax revenues, and grants and donations from the public.

B. Basis of Accounting

The Charter’s policy is to prepare its financial statements on the accrual basis of accounting; consequently, revenues are recognized when earned rather than when cash is received and certain expenses and purchases of assets are recognized when the obligation is incurred rather than when cash is disbursed.

C. Financial Statement Presentation

The financial statements are presented in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958. Francophone Charter School of Oakland reports information regarding its financial position and activities according to two classes of net assets:

Net assets without donor restrictions – These net assets generally result from revenues generated by receiving contributions that have no donor restrictions, providing services, and receiving interest from operating investments, less expenses incurred in providing program-related services, raising contributions, and performing administrative functions.

Net assets with donor restrictions – These assets result from gifts of cash and other assets that are received with donor stipulations that limit the use of the donated assets, either temporarily or permanently, until the donor restriction expires (that is until the stipulated time restriction ends or the purpose of the restriction is accomplished) the net assets are restricted. When a restriction expires, restricted net assets are reclassified to net assets without donor restrictions.

As a public charter school, the Charter also accounts for its financial transactions in accordance with the policies and procedures of the Department of Education’s *California School Accounting Manual* presented in Procedure 810 Charter Schools. Fund accounting is not used in the Charter’s financial statement presentation.

D. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures, such as depreciation expense and the net book value of capital assets. Accordingly, actual results could differ from those estimates.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Contributions

Unconditional contributions are recognized when pledged and recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Gifts of cash and other assets are reported with donor restricted support if they are received with donor stipulations that limit the use of the donated assets.

When a restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported on the statement of activities as “net assets released from restrictions.” Donor-restricted contributions whose restrictions are met in the same reporting period are reported as net assets without donor restriction support. Contributions restricted for the acquisition of land, buildings, and equipment are reported as net assets without restriction upon acquisition of the assets and the assets are placed in service.

Non-cash contributions of goods, materials, and facilities are recorded at fair value at the date of contribution. Contributed services are recorded at fair value at the date of contribution if they are used to create or enhance a non-financial asset or require specialized skills, are provided by someone possessing those skills, and would have to be purchased by the organization if not donated.

F. In Lieu of Property Tax Revenue

Secured property taxes attach as an enforceable lien on property as of March 1. Taxes are payable in two installments on December 10 and April 10. Unsecured property taxes are payable in one installment on or before August 31. The County bills and collects the taxes for the authorizing agency. In lieu of distributing funds out of property tax proceeds, the authorizing agency makes monthly payments to Francophone Charter School of Oakland. Revenues are recognized by the Charter when earned.

G. Functional Expenses

The costs of providing services have been summarized on a functional basis in the statement of activities and detailed in the statement of functional expenses. Certain costs and expenses have been allocated between program and supporting services based on management’s estimates.

H. Cash and Investments

Francophone Charter School of Oakland considers all highly liquid deposits and investments with an original maturity of less than ninety days to be cash equivalents. The Charter’s method of accounting for most investments is the fair value method. Fair value is determined by published quotes when they are readily available. Gains and losses resulting from adjustments to fair values are included in the accompanying statement of activities. Investment return is presented net of any investment fees.

I. Receivables and Allowances

Accounts receivable are stated at the amount management expects to collect from outstanding balances. An allowance for doubtful accounts is established, as necessary, based on past experience and other factors which, in management’s judgment, deserve current recognition in estimating bad debts. Such factors include the relationship of the allowance for doubtful accounts to accounts receivable and current economic conditions. Based on review of these factors, the Charter establishes or adjusts the allowance for specific revenue sources as a whole. At June 30, 2024, an allowance for doubtful accounts was not considered necessary as all accounts receivable were deemed collectible.

FRANCOPHONE CHARTER SCHOOL OF OAKLAND
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2024

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (continued)

J. Capital Assets

Francophone Charter School of Oakland has adopted a policy to capitalize asset purchases over \$5,000. Lesser amounts are expensed. Donations of capital assets are recorded as contributions at their estimated fair value. Such donations are reported as net assets without donor restrictions. Capital assets are depreciated using the straight-line method over the estimated useful lives of the property and equipment or the related lease terms.

K. Deferred Revenue

Deferred revenue arises when potential revenue does not meet the criteria for recognition in the current period and when resources are received by the organization prior to the incurrence of expenses. In subsequent periods, when both revenue recognition criteria are met, the liability for deferred revenue is removed from the statement of financial position and revenue is recognized.

L. Income Taxes

Francophone Charter School of Oakland is a 509(a)(1) publicly supported nonprofit organization that is exempt from income taxes under Section 501(a) and 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation. The Charter is exempt from state franchise or income tax under Section 23701(d) of the California Revenue and Taxation Code. As a school, the Charter is not required to register with the California Attorney General as a charity.

The Charter's management believes all of its significant tax positions would be upheld under examination; therefore, no provision for income tax has been recorded. The Charter's information and/or tax returns are subject to examination by the regulatory authorities for up to four years from the date of filing.

M. Fair Value Measurements

The Fair Value Measurements Topic of the FASB *Accounting Standards Codification* establishes a fair value hierarchy that prioritizes inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The three levels of the fair value hierarchy are described below:

- Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.
- Level 2 Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.
- Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

N. Lease Arrangements

In February 2016, FASB issued ASU No. 2016-02, *Leases (Topic 842)*, a new lease standard effective no later than the fiscal year 2022-23. Under FASB ASC 842, a right-of-use asset and a related lease liability must be recorded on the statement of financial position (balance sheet) for proper recognition of any operating lease. A right-of-use asset is an intangible asset that pertains to the lessee's right to occupy, operate, and hold a leased asset during the agreed rental period. A lease liability is the financial obligation for the payments required by the lease, discounted to present value.

FRANCOPHONE CHARTER SCHOOL OF OAKLAND
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2024

NOTE 2 – CASH AND CASH EQUIVALENTS

Cash and cash equivalents, as of June 30, 2024, consists of cash in banks of \$521,499, held in noninterest-bearing accounts. As of June 30, 2024, \$370,143 of the Francophone Charter School of Oakland’s bank balance was exposed to custodial credit risk as there were deposits over \$250,000 in accounts held at one or more banks. Custodial credit risk is the risk that in the event of a bank failure, an organization’s deposits may not be returned to it. Francophone Charter School of Oakland does not have a policy for custodial credit risk for deposits. The FDIC insures up to \$250,000 per depositor per insured bank.

NOTE 3 – ACCOUNTS RECEIVABLE

Accounts receivable as of June 30, 2024, consists of the following:

Local control funding sources, state aid	\$196,119
Federal sources	78,531
Other state sources	133,900
In lieu property tax payments	106,707
Total Accounts Receivable	<u>\$ 515,257</u>

NOTE 4 – ACCOUNTS PAYABLE

Accounts payable as of June 30, 2024, consists of the following:

Credential audit penalty	\$ 468,991
Vendor payables	219,435
Credit card liability	10,714
Due to authorizing agency	8,902
Salaries and benefits	190
Total Accounts Payable	<u>\$ 708,232</u>

Credential Audit Penalty

In the 2020-21 school year, there was an audit finding to report that three teachers did not possess a valid teaching credential for a portion of the school year. The Charter reached an agreement with the California Education Audit Appeals Panel (EAAP) in 2023 in which the Charter is obligated to repay a sum of \$135,000 over a period of four years, without interest, related to the 2020-21 audit finding. Additionally, in the 2021-22 school year, there was a similar audit finding for teachers that did not hold valid teaching credentials for a portion of the school year. The Charter reached a settlement in 2024 with EAAP to pay a penalty of \$237,000 related to the 2021-22 audit finding. In 2022-23, there was a similar teacher credential audit finding resulting in a questioned cost of \$131,259. The penalty for 2022-23 was reduced to \$124,031 by the EAAP along with an approved 3-year repayment plan. At June 30, 2024, the outstanding balance attributed to all past findings for credential audit penalties was \$468,991.

NOTE 5 – OPERATING LEASES

The Charter holds a lease agreement for the use of copier equipment. The lease agreement covers a term ending in April 2028. During the fiscal year ended June 30, 2024, the Charter paid \$22,140 in lease payments under this operating lease. The Charter has accounted for this lease agreement using an implied discount rate of 4.21%.

FRANCOPHONE CHARTER SCHOOL OF OAKLAND
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2024

NOTE 5 – OPERATING LEASES (continued)

The Charter entered into a lease agreement to occupy space located at 2634 Pleasant Street in Oakland, California. The facility is utilized for instructional services in order to meet the goals established by the Charter. The lease called for a security deposit of \$29,485, which has been recorded as a noncurrent asset on the statement of financial position. The lease agreement covers a term ending June 30, 2027. During the fiscal year ended June 30, 2024, the Charter paid \$381,727 in lease payments under this operating lease. The Charter has accounted for its lease agreements using an implied discount rate of 2.96%.

At June 30, 2024, the right-of-use asset was \$1,207,392 and the operating lease liability was \$1,242,190. The following table shows the present value of the operating lease liability as the actual lease payments less the implied discount rate and the right-of-use asset as the lease expense over the straight-line basis reduced by the implied discount rate. The associated asset and liability are amortized over the remaining term of the lease as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Operating Lease Liability</u>	<u>Right-of-Use Asset</u>
2025	\$ 416,280	\$ 416,621
2026	428,100	416,621
2027	440,280	416,621
2028	18,451	18,450
Total lease payments	<u>1,303,111</u>	<u>1,268,313</u>
NPV adjustment	<u>(60,921)</u>	<u>(60,921)</u>
Total	\$ 1,242,190	\$ 1,207,392

NOTE 6 – LINE OF CREDIT

On February 2, 2023, the Charter entered into a revolving line of credit and security agreement with Charter Asset Management Fund, L.P. The line of credit held a minimum \$200,000 with interest of 3.70% and maturity on February 2, 2024. During the fiscal year ended June 30, 2024, the Charter made payments of \$165,359 leaving no outstanding balance due as of June 30, 2024.

NOTE 7 – NET ASSETS

As of June 30, 2024, the Charter did not hold any net assets with donor restrictions. At June 30, 2024, the Charter's net assets without donor restrictions was \$358,686.

NOTE 8 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following table reflects the Charter's financial assets as of June 30, 2024, reduced by amounts not available for general expenditure within one year. Financial assets are considered not available for general use when illiquid or not convertible to cash within one year, consist of assets held for others or are held aside by the governing board for specific contingency reserves. Any board designations could be drawn upon if the board approves that action.

Financial Assets	
Cash and cash equivalents	\$ 521,499
Accounts receivable	515,257
Prepaid expenses	<u>35,475</u>
Financial Assets available to meet cash needs for expenditures within one year	\$ 1,072,231

FRANCOPHONE CHARTER SCHOOL OF OAKLAND
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2024

NOTE 9 – EMPLOYEE RETIREMENT PLAN

In accordance with *California Education Code 47605*, charter schools have the option of participating in such plans if an election to participate is specified within the charter petition. The Charter has not made such election but reserves the option to participate in future periods. As established by federal law, all public sector employees who are not members of their employer's existing retirement plan must be covered by social security or an alternative plan. The Charter offers both social security and a 403(b) employee funded plan. All employees are eligible to participate in the plans. A participant of the 403(b) plan may make an election to defer compensation and have it contributed to this plan.

NOTE 10 – COMMITMENTS AND CONTINGENCIES

Charter School Authorization

As mentioned in Note 1A, Francophone Charter School of Oakland is approved to operate as a public charter school through authorization by the Oakland Unified School District. As such, the Charter is subject to the risk of possible non-renewal or revocation at the discretion of its authorizing agency if certain criteria for student outcomes, management, and/or fiscal solvency are not met.

On July 9, 2021, the Governor of California approved Assembly Bill 130 (AB 130). Effective July 1, 2021, AB 130 added a provision within the California Education Code (EC) whereby all charter schools whose term expires on or between January 1, 2022, and June 30, 2025, inclusive, shall have their term extended by two years. As a result, the charter petition end date was extended to June 30, 2027. Additionally, on July 10, 2023, the Governor of California approved Senate Bill 114 (SB 114), which amended EC 47607.4. The EC was amended to add "all charter schools whose term expires on or between January 1, 2024, and June 30, 2027, inclusive, shall have their term extended by one additional year." As a result, the charter petition end date is extended to June 30, 2028.

The Charter makes payments to the authorizing agency to provide required services for oversight. Fees associated with oversight consisted of 1% of revenue from local control funding formula sources. Total oversight fees amounted to \$35,981 for the fiscal year ending June 30, 2024.

Governmental Funds

Francophone Charter School of Oakland has received state and federal funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate expenditure disallowances under terms of the grants, it is believed that any required reimbursements would not be material; except for the matters previously disclosed. As detailed at Note 4, the Charter had past audit findings related to teacher credentials that has created a liability for credential audit penalties.

Pending or Threatened Litigation

The Charter is involved in various litigation arising from the normal course of business. In the opinion of management and legal counsel, the disposition of all litigation pending is not expected to have a material adverse effect on the overall financial position of the Charter as of June 30, 2024.

FRANCOPHONE CHARTER SCHOOL OF OAKLAND
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2024

NOTE 11 – DONATED GOODS AND SERVICES

During the year, many parents, administrators and other individuals donated significant amounts of time and services to Francophone Charter School of Oakland in an effort to advance the Charter's programs and objectives. These services have not been recorded in the Charter's financial statements because they do not meet the criteria required by generally accepted accounting principles. The Charter did not receive any donated items during the year ended June 30, 2024.

NOTE 12 – SUBSEQUENT EVENTS

Francophone Charter School of Oakland has evaluated subsequent events for the period from June 30, 2024 through December 3, 2024, the date the financial statements were available to be issued. Management did not identify any transactions or events that require disclosure or that would have an impact on the financial statements.

SUPPLEMENTARY INFORMATION

**FRANCOPHONE CHARTER SCHOOL OF OAKLAND
 SCHEDULE OF AVERAGE DAILY ATTENDANCE
 FOR THE YEAR ENDED JUNE 30, 2024**

Average daily attendance (ADA) is a measurement of the number of pupils attending classes of the charter school. The purpose of attendance accounting from a fiscal standpoint is to provide the basis on which apportionments of state funds are made to charter schools. This schedule provides information regarding the attendance of students at various grade levels and in different programs.

	Second Period	
	Report	Annual Report
	<u>Classroom-Based</u>	
Grade Span		
Regular		
Kindergarten* through third	207.32	206.67
Fourth through sixth	71.78	71.34
Seventh through eighth	<u>27.27</u>	<u>27.42</u>
Total Average Daily Attendance - Classroom-Based	<u>306.37</u>	<u>305.43</u>
Total Average Daily Attendance	<u>306.37</u>	<u>305.43</u>

*Includes Transitional Kindergarten (TK)

The Charter had no Nonclassroom-Based ADA in 2023-24.

**FRANCOPHONE CHARTER SCHOOL OF OAKLAND
 SCHEDULE OF INSTRUCTIONAL TIME
 FOR THE YEAR ENDED JUNE 30, 2024**

This schedule presents information on the amount of instructional time offered per grade level by the Francophone Charter School of Oakland and whether the Charter complied with the provisions of *Education Code Section 47612.5*.

Grade Level	Minutes Requirement	2023-24 Instructional Minutes	2023-24 Number of Days	Status
Kindergarten*	36,000	63,800	180	Complied
Grade 1	50,400	57,500	180	Complied
Grade 2	50,400	57,500	180	Complied
Grade 3	50,400	54,990	180	Complied
Grade 4	54,000	54,990	180	Complied
Grade 5	54,000	54,990	180	Complied
Grade 6	54,000	54,990	180	Complied
Grade 7	54,000	54,990	180	Complied
Grade 8	54,000	54,990	180	Complied

*Includes Transitional Kindergarten (TK)

FRANCOPHONE CHARTER SCHOOL OF OAKLAND
RECONCILIATION OF FINANCIAL REPORT – ALTERNATIVE FORM WITH AUDITED FINANCIAL
STATEMENTS
JUNE 30, 2024

This schedule provides the information necessary to reconcile fund balance reported on the Financial Report – Alternative Form (Charter School Unaudited Actuals) to net assets on the audited financial statements.

June 30, 2024, fund balance/net position on the Financial Report - Alternative Form (Charter School Unaudited Actuals)	<u>\$ 511,381</u>
Adjustments:	
Increase (decrease) in total net assets:	
Record audit penalty associated with 2022-23 findings	(124,031)
Lease expense for amortization of right-of-use assets	(11,832)
Record line of credit adjustment	(15,000)
Adjustments to accrued expenses	<u>(1,832)</u>
Net adjustments	<u>(152,695)</u>
June 30, 2024, net assets per audited financial statements	<u>\$ 358,686</u>

OTHER INFORMATION

**FRANCOPHONE CHARTER SCHOOL OF OAKLAND
 LOCAL EDUCATION AGENCY ORGANIZATION STRUCTURE
 JUNE 30, 2024**

This schedule provides information about the local education agency (LEA or charter school), including the Charter’s authorizing agency, grades served, members of the governing body, and members of the administration.

Francophone Charter School of Oakland, located in Alameda County, was formed as a nonprofit public benefit corporation on December 3, 2024. The charter school operated by the nonprofit, Francophone Charter School of Oakland, is numbered by the State Board of Education as Charter No. 1708. The Charter is authorized to operate as a charter school through Oakland Unified School District. Classes initially began in August 2015. During 2023-24, the Charter served approximately 331 students in grades TK to 8.

BOARD OF DIRECTORS

Name	Office	Term Expiration
Annette Dennett	President	2028
Al Darnell Jr.	Chief Financial Officer	2024
Nichan Najjarian	Secretary	2024
Stephanie Loventhal-Savy	Facilities Committee	2028
Hervé Bruckert	Finance Committee	2027
Patricia Gharagozloo	Director	2024
Rebecca Scheel	Parent Liason	2024

ADMINISTRATION

Nora Bullock
Executive Director

OTHER INDEPENDENT AUDITORS' REPORTS

**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**Independent Auditors' Report

To the Board of Directors of
Francophone Charter School of Oakland
Oakland, California

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 Francophone Charter School of Oakland (the "Charter") as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Charter's financial statements and have issued our report thereon dated December 3, 2024.

Report on Internal Control Over Financial Reporting

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Charter'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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Christy White, Inc.

San Diego, California
December 3, 2024

**REPORT ON STATE COMPLIANCE AND ON INTERNAL CONTROL
OVER COMPLIANCE FOR STATE PROGRAMS**Independent Auditors' Report

To the Board of Directors of
Francophone Charter School of Oakland
Oakland, California

Report on State Compliance**Opinion on State Compliance**

We have audited Francophone Charter School of Oakland's compliance with the requirements specified in the *2023-24 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, applicable to Francophone Charter School of Oakland's state program requirements for the fiscal year ended June 30, 2024.

In our opinion, Francophone Charter School of Oakland complied, in all material respects, with the laws and regulations of the applicable state programs for the year ended June 30, 2024, as identified in the table in the Auditor's Responsibilities for the Audit of State Compliance section of our report.

Basis for Opinion on State Compliance

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *2023-24 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, prescribed by Title 5, *California Code of Regulations*, section 19810 as regulations (the K-12 Audit Guide). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of State Compliance section of our report.

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

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of internal control over compliance with the requirements of the laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Francophone Charter School of Oakland's state programs.

Auditor's Responsibilities for the Audit for State Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the state compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Francophone Charter School of Oakland's compliance based on our audit.

Auditor’s Responsibilities for the Audit for State Compliance (continued)

Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the K-12 Audit Guide will always detect a material noncompliance when it exists. The risk of not detecting a material noncompliance resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user of the report on compliance about Francophone Charter School of Oakland's compliance with the requirements of the applicable state programs as a whole.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, and the K-12 Audit Guide, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Francophone Charter School of Oakland's compliance with compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Francophone Charter School of Oakland's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the K-12 Audit Guide, but not for the purpose of expressing an opinion on the effectiveness of Francophone Charter School of Oakland's internal control over compliance. Accordingly, no such opinion is expressed; and
- Select and test transactions and records to determine Francophone Charter School of Oakland’s compliance with the state laws and regulations to the following items:

Description	Procedures Performed
School Districts, County Offices of Education and Charter Schools	
Proposition 28 Arts and Music in Schools	Yes
After/Before School Education and Safety Program	Not applicable
Proper Expenditure of Education Protection Account Funds	Yes
Unduplicated Local Control Funding Formula Pupil Counts	Yes
Local Control and Accountability Plan	Yes
Independent Study-Course Based	Not applicable
Immunizations	Yes
Educator Effectiveness	Yes
Expanded Learning Opportunities Grant (ELO-G)	Yes
Career Technical Education Incentive Grant	Not applicable
Expanded Learning Opportunities Program	Yes
Transitional Kindergarten	Yes
Charter Schools	
Attendance	Yes
Mode of Instruction	Yes
Nonclassroom-Based Instruction/Independent Study	Not applicable
Determination of Funding for Nonclassroom-Based Instruction	Not applicable
Annual Instructional Minutes – Classroom Based	Yes
Charter School Facility Grant Program	Yes

“Not applicable” is used in the table above to indicate that the Charter either did not receive program funding or did not otherwise operate the program during the fiscal year.

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

Report on Internal Control Over Compliance

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

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the K-12 Audit Guide. Accordingly, this report is not suitable for any other purpose.

Christy White, Inc.

San Diego, California
December 3, 2024

FINDINGS AND QUESTIONED COSTS SECTION

**FRANCOPHONE CHARTER SCHOOL OF OAKLAND
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE YEAR ENDED JUNE 30, 2024**

PART I – SUMMARY OF AUDITORS’ RESULTS

Financial Statements

Type of auditors' report issued	<u>Unmodified</u>
Internal control over financial reporting:	
Material weakness(es) identified?	<u>No</u>
Significant deficiency(ies) identified not considered to be material weaknesses?	<u>None Reported</u>
Noncompliance material to financial statements noted?	<u>No</u>

Federal Awards

The Charter did not expend more than \$750,000 in federal awards; therefore, a Federal Single Audit under OMB Uniform Grant Guidance is not applicable.

State Awards

Internal control over state programs:	
Material weakness(es) identified?	<u>No</u>
Significant deficiency(ies) identified not considered to be material weaknesses?	<u>None Reported</u>
Any audit findings disclosed that are required to be reported in accordance with <i>2023-24 Guide for Annual Audits of California K-12 Local Education Agencies ?</i>	<u>No</u>
Type of auditors' report issued on compliance for state programs:	<u>Unmodified</u>

All audit year findings, if any, are assigned an appropriate finding code as follows:

<u>FIVE DIGIT CODE</u>	<u>AB 3627 FINDING TYPE</u>
10000	Attendance
20000	Inventory of Equipment
30000	Internal Control
40000	State Compliance
42000	Charter School Facilities Programs
43000	Apprenticeship: Related and Supplemental Instruction
50000	Federal Compliance
60000	Miscellaneous
61000	Classroom Teacher Salaries
62000	Local Control Accountability Plan
70000	Instructional Materials
71000	Teacher Misassignments
72000	School Accountability Report Card

**FRANCOPHONE CHARTER SCHOOL OF OAKLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS, continued
FOR THE YEAR ENDED JUNE 30, 2024**

PART II – FINANCIAL STATEMENT FINDINGS

There were no audit findings related to the financial statements for the year ended June 30, 2024.

PART III – STATE AWARD FINDINGS AND QUESTIONED COSTS

There were no audit findings and questioned costs related to state awards for the year ended June 30, 2024.

PART IV – SUMMARY OF PRIOR AUDIT FINDINGS

FINDING 2023-001: INTERNAL CONTROLS RELATING TO FINANCIAL CLOSE AND REPORTING PROCESS (30000)

Summary: Material weakness in internal controls over financial close and reporting process, related to adjustments made for revenue, accounts receivables, accounts payable, cash, debt, and expenses. During the course of our audit, there were significant delays in completing and issuing the audit report due to the financial close and reporting process. A total of 9 adjustments were posted after the trial balance was received, 7 of which were audit identified adjustments and 2 were provided by the School as post close entries. It was recommended that the School update its year-end closing procedures to include additional review to ensure all transactions are accounted in accordance with U.S. GAAP.

Current Status: Implemented

FINDING 2023-002: MODE OF INSTRUCTION (40000)

Summary: Pursuant to the provisions of Education Code Sections 47605(I), the charter school's pupils were engaged in educational activities required of those pupils and the pupils were under the immediate supervision and control of an employee of the charter school who possessed a valid teaching certification. Three teachers out of ten selections sampled for testing did not have proper credentials for portions of the school year. However, their classrooms received instruction from a certificated teacher simultaneously, therefore results only reflect a finding for ADA reported on the days without simultaneous instruction from another certificated teacher. As a result, the mode of instruction requirement for ADA reported to the CDE by the charter school as generated through classroom-based instruction is out of compliance. The lack of valid teaching certifications resulted in 5.82 disallowed P-2 ADA and 4.52 P-Annual ADA pursuant to Ed Code 43501. It was recommended that the School implement additional review processes for verifying and monitoring teacher credentials to avoid any lapse in proper teaching credentials.

Current Status: Implemented.

**FRANCOPHONE CHARTER SCHOOL OF OAKLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS, continued
FOR THE YEAR ENDED JUNE 30, 2024**

PART IV – SUMMARY OF PRIOR AUDIT FINDINGS (continued)

FINDING 2023-003: INSTRUCTIONAL TIME (40000)

Summary: Pursuant to the provisions of subdivision (a)(1) of Education Code Section 47612.5, the minimum instructional minutes offered for grades K, 1-3, and 4-6 should be 36,000, 50,400, and 54,000 respectively. As a result, three of the teachers sampled for testing were lacking proper credentials for portions of the school year. The instructional minutes offered for certain grade levels were reduced for the period the teachers did not have the proper credentials. This reduction resulted in 1st, 4th, 6th, 7th, and 8th grades offering below the minimum instructional minutes required pursuant to Ed Code 47612.5(a)(1). It was recommended that the School implement additional review processes for verifying and monitoring teacher credentials to avoid any lapse in proper teaching credentials.

Current Status: Implemented.

FINDING 2023-004: UNDUPLICATED PUPIL COUNTS (40000)

Summary: Education code section 42238.02 (b)(2) requires a charter school to submit its enrolled free and reduced-price meal eligibility, foster youth and English learner pupil-level records for enrolled pupils using the California Longitudinal Pupil Achievement Data System (CalPADS). The CalPADS 1.17 and 1.18 reports should accurately report the number of students eligible for free and reduced-price meals and those identified as "English Learners." During our testing, we noted 1 error in which a student was inaccurately reported as eligible for free and reduced-price meals. To avoid this type of occurrence, the School should implement an internal control procedure to avoid errors.

Views of Responsible Officials and Corrective Action Plan (Unaudited): The School will provide annual training to employees involved in processing lunch forms and will implement a system of dual authorization, where forms undergo thorough review by multiple personnel, serving as an additional layer of validation to catch potential errors before submission. Regular internal audits to verify received lunch forms against data in the School's SIS will help identify any systemic issues or areas for improvement, enabling timely corrective actions to be taken.

Current Status: Implemented.

Appendix E. 2024-25 Francophone Audit Report

On following page.



FRANCOPHONE CHARTER SCHOOL OF OAKLAND

AUDIT REPORT

**FOR THE YEAR ENDED
JUNE 30, 2025**

**A NONPROFIT PUBLIC BENEFIT CORPORATION
OPERATING THE FOLLOWING CALIFORNIA CHARTER SCHOOL**

Francophone Charter School of Oakland (Charter No. 1708)

FRANCOPHONE CHARTER SCHOOL OF OAKLAND
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FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Francophone Charter School of Oakland
Oakland, California

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Francophone Charter School of Oakland which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Francophone Charter School of Oakland as of June 30, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Francophone Charter School of Oakland and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Francophone Charter School of Oakland's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Francophone Charter School of Oakland's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Francophone Charter School of Oakland's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Local Education Agency Organization Structure but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 11, 2025, on our consideration of Francophone Charter School of Oakland'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 Francophone Charter School of Oakland'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 Francophone Charter School of Oakland's internal control over financial reporting and compliance.

Christy White, Inc.

San Diego, California
December 11, 2025

FRANCOPHONE CHARTER SCHOOL OF OAKLAND
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2025

ASSETS

Current assets	
Cash and cash equivalents	\$ 507,375
Accounts receivable	613,293
Prepaid expenses	33,010
Total current assets	<u>1,153,678</u>
Noncurrent assets	
Deposits	29,485
Right-of-use asset	823,154
Total noncurrent assets	<u>852,639</u>
Total Assets	<u>\$ 2,006,317</u>

LIABILITIES AND NET ASSETS

Liabilities	
Accounts payable	\$ 567,596
Operating lease liability	858,293
Total liabilities	<u>1,425,889</u>
Net assets	
Without donor restrictions	<u>580,428</u>
Total net assets	<u>580,428</u>
Total Liabilities and Net Assets	<u>\$ 2,006,317</u>

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

**FRANCOPHONE CHARTER SCHOOL OF OAKLAND
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025**

	<u>Without Donor Restrictions</u>
SUPPORT AND REVENUES	
Federal and state support and revenues	
Local control funding formula, state aid	\$ 2,421,754
Federal revenues	201,681
Other state revenues	1,045,320
Total federal and state support and revenues	<u>3,668,755</u>
Local support and revenues	
Payments in lieu of property taxes	1,191,543
Grants and donations	328,592
Afterschool childcare fees	451,742
Investment income, net	13,256
Other local revenues	136,324
Total local support and revenues	<u>2,121,457</u>
Total Support and Revenues	<u>5,790,212</u>
EXPENSES	
Program services	4,756,896
Supporting services	
Management and general	793,166
Fundraising	18,408
Total Expenses	<u>5,568,470</u>
CHANGE IN NET ASSETS	221,742
Net Assets - Beginning	<u>358,686</u>
Net Assets - Ending	<u>\$ 580,428</u>

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

**FRANCOPHONE CHARTER SCHOOL OF OAKLAND
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2025**

	Program Services	Supporting Services		Total
		Management and General	Fundraising	
EXPENSES				
Personnel expenses				
Certificated salaries	\$ 1,911,751	\$ 64,818	\$ -	\$ 1,976,569
Non-certificated salaries	874,079	34,171	-	908,250
Payroll taxes	228,419	7,509	-	235,928
Other employee benefits	261,088	10,879	-	271,967
Total personnel expenses	<u>3,275,337</u>	<u>117,377</u>	-	<u>3,392,714</u>
Non-personnel expenses				
Books and supplies	422,004	25,697	-	447,701
Insurance	-	71,138	-	71,138
Facilities	480,169	243,863	-	724,032
Professional services	575,091	298,842	18,408	892,341
Fees to authorizing agency	-	36,131	-	36,131
Other operating expenses	4,295	118	-	4,413
Total non-personnel expenses	<u>1,481,559</u>	<u>675,789</u>	<u>18,408</u>	<u>2,175,756</u>
Total Expenses	<u>\$ 4,756,896</u>	<u>\$ 793,166</u>	<u>\$ 18,408</u>	<u>\$ 5,568,470</u>

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

FRANCOPHONE CHARTER SCHOOL OF OAKLAND
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2025

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in net assets	\$ 221,742
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities	
Lease expense - amortization of right-of-use asset	341
(Increase) decrease in operating assets	
Accounts receivable	(98,036)
Prepaid expenses	2,465
Increase (decrease) in operating liabilities	
Accounts payable	(140,636)
Net cash provided by (used in) operating activities	<u>(14,124)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(14,124)
Cash and cash equivalents - Beginning	<u>521,499</u>
Cash and cash equivalents - Ending	<u>\$ 507,375</u>
SUPPLEMENTAL DISCLOSURE	
Cash paid for interest	<u>\$ -</u>

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

FRANCOPHONE CHARTER SCHOOL OF OAKLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Francophone Charter School of Oakland (the “Charter”) was formed as a nonprofit public benefit corporation on December 12, 2013 for the purpose of operating as a California public school located in Alameda County. The Charter is numbered by the State Board of Education as California Charter No. 1708. The mission of Francophone Charter School of Oakland is to provide a dual-immersion curriculum to a diverse community of students. The goal is to develop bilingual and bi-literate global citizens who are open-minded and value intellectual curiosity, personal integrity, and creativity. During the year ended June 30, 2025, the Charter served grades TK to 8.

Francophone Charter School of Oakland is authorized to operate as a charter school through Oakland Unified School District (the “authorizing agency”). In October 2019, the Board of Directors of Oakland Unified approved a charter petition renewal for a five-year term beginning July 1, 2020 and expiring on June 30, 2025. As a result of AB 130 and SB 114, the charter petition end date is extended to June 30, 2028. Funding sources primarily consist of state apportionments, in lieu of property tax revenues, and grants and donations from the public.

B. Basis of Accounting

The Charter’s policy is to prepare its financial statements on the accrual basis of accounting; consequently, revenues are recognized when earned rather than when cash is received and certain expenses and purchases of assets are recognized when the obligation is incurred rather than when cash is disbursed.

C. Financial Statement Presentation

The financial statements are presented in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958. Francophone Charter School of Oakland reports information regarding its financial position and activities according to two classes of net assets:

Net assets without donor restrictions – These net assets generally result from revenues generated by receiving contributions that have no donor restrictions, providing services, and receiving interest from operating investments, less expenses incurred in providing program-related services, raising contributions, and performing administrative functions.

Net assets with donor restrictions – These assets result from gifts of cash and other assets that are received with donor stipulations that limit the use of the donated assets, either temporarily or permanently, until the donor restriction expires (that is until the stipulated time restriction ends or the purpose of the restriction is accomplished) the net assets are restricted. When a restriction expires, restricted net assets are reclassified to net assets without donor restrictions.

As a public charter school, the Charter also accounts for its financial transactions in accordance with the policies and procedures of the Department of Education’s *California School Accounting Manual* presented in Procedure 810 Charter Schools. Fund accounting is not used in the Charter’s financial statement presentation.

D. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures, such as depreciation expense and the net book value of capital assets. Accordingly, actual results could differ from those estimates.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Contributions

Unconditional contributions are recognized when pledged and recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Gifts of cash and other assets are reported with donor restricted support if they are received with donor stipulations that limit the use of the donated assets.

When a restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported on the statement of activities as “net assets released from restrictions.” Donor-restricted contributions whose restrictions are met in the same reporting period are reported as net assets without donor restriction support. Contributions restricted for the acquisition of land, buildings, and equipment are reported as net assets without restriction upon acquisition of the assets and the assets are placed in service.

Non-cash contributions of goods, materials, and facilities are recorded at fair value at the date of contribution. Contributed services are recorded at fair value at the date of contribution if they are used to create or enhance a non-financial asset or require specialized skills, are provided by someone possessing those skills, and would have to be purchased by the organization if not donated.

F. In Lieu of Property Tax Revenue

Secured property taxes attach as an enforceable lien on property as of March 1. Taxes are payable in two installments on December 10 and April 10. Unsecured property taxes are payable in one installment on or before August 31. The County bills and collects the taxes for the authorizing agency. In lieu of distributing funds out of property tax proceeds, the authorizing agency makes monthly payments to Francophone Charter School of Oakland. Revenues are recognized by the Charter when earned.

G. Functional Expenses

The costs of providing services have been summarized on a functional basis in the statement of activities and detailed in the statement of functional expenses. Certain costs and expenses have been allocated between program and supporting services based on management’s estimates.

H. Cash and Investments

Francophone Charter School of Oakland considers all highly liquid deposits and investments with an original maturity of less than ninety days to be cash equivalents. The Charter’s method of accounting for most investments is the fair value method. Fair value is determined by published quotes when they are readily available. Gains and losses resulting from adjustments to fair values are included in the accompanying statement of activities. Investment return is presented net of any investment fees.

I. Receivables and Allowances

Accounts receivable are stated at the amount management expects to collect from outstanding balances. An allowance for doubtful accounts is established, as necessary, based on past experience and other factors which, in management’s judgment, deserve current recognition in estimating bad debts. Such factors include the relationship of the allowance for doubtful accounts to accounts receivable and current economic conditions. Based on review of these factors, the Charter establishes or adjusts the allowance for specific revenue sources as a whole. At June 30, 2025, an allowance for doubtful accounts was not considered necessary as all accounts receivable were deemed collectible.

FRANCOPHONE CHARTER SCHOOL OF OAKLAND
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2025

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (continued)

J. Capital Assets

Francophone Charter School of Oakland has adopted a policy to capitalize asset purchases over \$5,000. Lesser amounts are expensed. Donations of capital assets are recorded as contributions at their estimated fair value. Such donations are reported as net assets without donor restrictions. Capital assets are depreciated using the straight-line method over the estimated useful lives of the property and equipment or the related lease terms.

K. Deferred Revenue

Deferred revenue arises when potential revenue does not meet the criteria for recognition in the current period and when resources are received by the organization prior to the incurrence of expenses. In subsequent periods, when both revenue recognition criteria are met, the liability for deferred revenue is removed from the statement of financial position and revenue is recognized.

L. Income Taxes

Francophone Charter School of Oakland is a 509(a)(1) publicly supported nonprofit organization that is exempt from income taxes under Section 501(a) and 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation. The Charter is exempt from state franchise or income tax under Section 23701(d) of the California Revenue and Taxation Code. As a school, the Charter is not required to register with the California Attorney General as a charity.

The Charter's management believes all of its significant tax positions would be upheld under examination; therefore, no provision for income tax has been recorded. The Charter's information and/or tax returns are subject to examination by the regulatory authorities for up to four years from the date of filing.

M. Fair Value Measurements

The Fair Value Measurements Topic of the FASB *Accounting Standards Codification* establishes a fair value hierarchy that prioritizes inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The three levels of the fair value hierarchy are described below:

- Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.
- Level 2 Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.
- Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

N. Lease Arrangements

In February 2016, FASB issued ASU No. 2016-02, *Leases (Topic 842)*, a new lease standard effective no later than the fiscal year 2022-23. Under FASB ASC 842, a right-of-use asset and a related lease liability must be recorded on the statement of financial position (balance sheet) for proper recognition of any operating lease. A right-of-use asset is an intangible asset that pertains to the lessee's right to occupy, operate, and hold a leased asset during the agreed rental period. A lease liability is the financial obligation for the payments required by the lease, discounted to present value.

FRANCOPHONE CHARTER SCHOOL OF OAKLAND
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2025

NOTE 2 – CASH AND CASH EQUIVALENTS

Cash and cash equivalents, as of June 30, 2025, consists of the following:

Cash in banks, non-interest bearing	\$ 151,273
Cash in banks, interest bearing	356,102
Total Cash and Cash Equivalents	<u>\$ 507,375</u>

Cash in Banks

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, an organization’s deposits may not be returned to it. Francophone Charter School of Oakland does not have a policy for custodial credit risk for deposits. The FDIC insures up to \$250,000 per depositor per insured bank. As of June 30, 2025, \$325,896 of the Francophone Charter School of Oakland’s bank balance was exposed to custodial credit risk as there were deposits over \$250,000 in accounts held at one or more banks.

NOTE 3 – ACCOUNTS RECEIVABLE

Accounts receivable as of June 30, 2025, consists of the following:

Local control funding sources, state aid	\$ 177,047
Federal sources	66,830
Other state sources	196,464
In lieu property tax payments	151,291
Other local sources	21,661
Total Accounts Receivable	<u>\$ 613,293</u>

NOTE 4 – ACCOUNTS PAYABLE

Accounts payable as of June 30, 2025, consists of the following:

Credential audit penalties	\$ 330,893
Other vendor payables	154,815
Due to grantor government	60,824
Due to authorizing agency	17,159
Credit card liability	3,905
Total Accounts Payable	<u>\$ 567,596</u>

Credential Audit Penalties

In the 2020-21 school year, there was an audit finding to report that three teachers did not possess a valid teaching credential for a portion of the school year. The Charter reached an agreement with the California Education Audit Appeals Panel (EAAP) in 2023 in which the Charter is obligated to repay a sum of \$135,000 over a period of four years, without interest, related to the 2020-21 audit finding. Additionally, in the 2021-22 school year, there was a similar audit finding for teachers that did not hold valid teaching credentials for a portion of the school year. The Charter reached a settlement in 2024 with EAAP to pay a penalty of \$237,000 related to the 2021-22 audit finding. In 2022-23, there was a similar teacher credential audit finding resulting in a questioned cost of \$131,259. The penalty for 2022-23 was reduced to \$124,031 by the EAAP along with an approved 3-year repayment plan. At June 30, 2025, the outstanding balance attributed to all past findings for credential audit penalties was \$330,893.

FRANCOPHONE CHARTER SCHOOL OF OAKLAND
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2025

NOTE 5 – OPERATING LEASES

The Charter holds a lease agreement for the use of copier equipment. The lease agreement covers a term ending in April 1, 2028. During the fiscal year ended June 30, 2025, the Charter paid \$19,281 in lease payments under this operating lease. The Charter has accounted for this lease agreements using an implied discount rate of 4.21%.

The Charter entered into a lease agreement to occupy space located at 2634 Pleasant Street in Oakland, California. The facility is utilized for instructional services in order to meet the goals established by the Charter. The lease called for a security deposit of \$29,485, which has been recorded as a noncurrent asset on the statement of financial position. The lease agreement covers a term ending June 30, 2027. During the fiscal year ended June 30, 2025, the Charter paid \$364,616 in lease payments under this operating lease. The Charter has accounted for its lease agreements using an implied discount rate of 3.04%.

At June 30, 2025, the right-of-use asset was \$823,154 and the operating lease liability was \$858,293. The following table shows the present value of the operating lease liability as the actual lease payments less the implied discount rate and the right-of-use asset as the lease expense over the straight-line basis reduced by the implied discount rate. The associated asset and liability are amortized over the remaining term of the lease as follows:

Fiscal Year Ending June 30,	(a) Lease Expense	(b) Lease Payments	(c) Discount (4.21/3.04%)	(b) - (c) Operating Lease Liability	(a) - (c) Right-of-Use Asset
2026	\$ 416,621	\$ 428,100	\$ 20,453	\$ 407,647	\$ 396,168
2027	416,621	440,280	7,796	432,484	408,825
2028	18,450	18,451	289	18,162	18,161
Total	\$ 851,692	\$ 886,831	\$ 28,538	\$ 858,293	\$ 823,154

NOTE 6 – NET ASSETS

As of June 30, 2025, the Charter did not hold any net assets with donor restrictions. At June 30, 2025, the Charter's net assets without donor restrictions was \$580,428.

NOTE 7 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following table reflects the Charter's financial assets as of June 30, 2025, reduced by amounts not available for general expenditure within one year. Financial assets are considered not available for general use when illiquid or not convertible to cash within one year, consist of assets held for others or are held aside by the governing board for specific contingency reserves. Any board designations could be drawn upon if the board approves that action.

Financial Assets	
Cash and cash equivalents	\$ 507,375
Accounts receivable	613,293
Prepaid expenses	33,010
Financial Assets available to meet cash needs for expenditures within one year	\$ 1,153,678

FRANCOPHONE CHARTER SCHOOL OF OAKLAND
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2025

NOTE 8 – EMPLOYEE RETIREMENT PLAN

In accordance with *California Education Code 47605*, charter schools have the option of participating in such plans if an election to participate is specified within the charter petition. The Charter has not made such election but reserves the option to participate in future periods. As established by federal law, all public sector employees who are not members of their employer's existing retirement plan must be covered by social security or an alternative plan. The Charter offers both social security and a 403(b) employee funded plan. All employees are eligible to participate in the plans. A participant of the 403(b) plan may make an election to defer compensation and have it contributed to this plan.

NOTE 9 – COMMITMENTS AND CONTINGENCIES

Charter School Authorization

As mentioned in Note 1A, Francophone Charter School of Oakland is approved to operate as a public charter school through authorization by the Oakland Unified School District. As such, the Charter is subject to the risk of possible non-renewal or revocation at the discretion of its authorizing agency if certain criteria for student outcomes, management, and/or fiscal solvency are not met.

On July 9, 2021, the Governor of California approved Assembly Bill 130 (AB 130). Effective July 1, 2021, AB 130 added a provision within the California Education Code (EC) whereby all charter schools whose term expires on or between January 1, 2022, and June 30, 2025, inclusive, shall have their term extended by two years. As a result, the charter petition end date was extended to June 30, 2027. Additionally, on July 10, 2023, the Governor of California approved Senate Bill 114 (SB 114), which amended EC 47607.4. The EC was amended to add "all charter schools whose term expires on or between January 1, 2024, and June 30, 2027, inclusive, shall have their term extended by one additional year." As a result, the charter petition end date is extended to June 30, 2028.

The Charter makes payments to the authorizing agency to provide required services for oversight. Fees associated with oversight consisted of 1% of revenue from local control funding formula sources. Total oversight fees amounted to \$36,131 for the fiscal year ending June 30, 2025.

Governmental Funds

Francophone Charter School of Oakland has received state and federal funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate expenditure disallowances under terms of the grants, it is believed that any required reimbursements would not be material; except for the matters previously disclosed. As detailed at Note 4, the Charter had past audit findings related to teacher credentials that has created a liability for credential audit penalties.

Pending or Threatened Litigation

The Charter is involved in various litigation arising from the normal course of business. In the opinion of management and legal counsel, the disposition of all litigation pending is not expected to have a material adverse effect on the overall financial position of the Charter as of June 30, 2025.

NOTE 10 – DONATED GOODS AND SERVICES

During the year, many parents, administrators and other individuals donated significant amounts of time and services to Francophone Charter School of Oakland in an effort to advance the Charter's programs and objectives. These services have not been recorded in the Charter's financial statements because they do not meet the criteria required by generally accepted accounting principles. The Charter did not receive any donated items during the year ended June 30, 2025.

FRANCOPHONE CHARTER SCHOOL OF OAKLAND
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2025

NOTE 11 – SUBSEQUENT EVENTS

Francophone Charter School of Oakland has evaluated subsequent events for the period from June 30, 2025 through December 11, 2025, the date the financial statements were available to be issued. Management did not identify any transactions or events that require disclosure or that would have an impact on the financial statements.

SUPPLEMENTARY INFORMATION

**FRANCOPHONE CHARTER SCHOOL OF OAKLAND
 SCHEDULE OF AVERAGE DAILY ATTENDANCE
 FOR THE YEAR ENDED JUNE 30, 2025**

Average daily attendance (ADA) is a measurement of the number of pupils attending classes of the charter school. The purpose of attendance accounting from a fiscal standpoint is to provide the basis on which apportionments of state funds are made to charter schools. This schedule provides information regarding the attendance of students at various grade levels and in different programs.

	<u>Second Period Report</u>	<u>Annual Report</u>
	<u>Classroom-Based</u>	
Grade Span		
Regular		
Kindergarten* through third	205.17	204.88
Fourth through sixth	80.78	80.28
Seventh through eighth	17.13	17.12
Total Average Daily Attendance - Classroom-Based	<u>303.08</u>	<u>302.28</u>
	<u>Nonclassroom-Based</u>	
Grade Span		
Regular		
Kindergarten* through third	0.16	0.19
Fourth through sixth	-	0.07
Total Average Daily Attendance - Nonclassroom-Based	<u>0.16</u>	<u>0.26</u>
Total Average Daily Attendance	<u>303.24</u>	<u>302.54</u>

*Includes Transitional Kindergarten (TK)

**FRANCOPHONE CHARTER SCHOOL OF OAKLAND
 SCHEDULE OF INSTRUCTIONAL TIME
 FOR THE YEAR ENDED JUNE 30, 2025**

This schedule presents information on the amount of instructional time offered per grade level by the charter school and whether the charter school complied with the provisions of *Education Code Section 47612.5*.

Grade Level	Minutes Requirement	2024-25 Instructional Minutes	2024-25 Number of Days	Status
Kindergarten*	36,000	64,125	180	Complied
Grade 1	50,400	54,900	180	Complied
Grade 2	50,400	54,900	180	Complied
Grade 3	50,400	54,225	180	Complied
Grade 4	54,000	54,225	180	Complied
Grade 5	54,000	54,225	180	Complied
Grade 6	54,000	54,225	180	Complied
Grade 7	54,000	54,225	180	Complied
Grade 8	54,000	54,225	180	Complied

*Includes Transitional Kindergarten (TK)

**FRANCOPHONE CHARTER SCHOOL OF OAKLAND
RECONCILIATION OF FINANCIAL REPORT – ALTERNATIVE FORM WITH AUDITED FINANCIAL
STATEMENTS
JUNE 30, 2025**

This schedule provides the information necessary to reconcile fund balance/net position reported on the Financial Report – Alternative Form (Charter School Unaudited Actuals) to net assets on the audited financial statements.

There were no adjustments to reconcile fund balance/net position reported on the Financial Report – Alternative Form (Charter School Unaudited Actuals) to net assets per the audited financial statements for the year end ended June 30, 2025.

OTHER INFORMATION

**FRANCOPHONE CHARTER SCHOOL OF OAKLAND
 LOCAL EDUCATION AGENCY ORGANIZATION STRUCTURE
 JUNE 30, 2025**

This schedule provides information about the local education agency (LEA or charter school), including the Charter’s authorizing agency, grades served, members of the governing body, and members of the administration.

Francophone Charter School of Oakland, located in Alameda County, was formed as a nonprofit public benefit corporation on December 12, 2013. The charter school operated by the nonprofit, Francophone Charter School of Oakland, is numbered by the State Board of Education as Charter No. 1708. The Charter is authorized to operate as a charter school through Oakland Unified School District. Classes initially began in August 2015. During 2024-25, the Charter served approximately 324 students in grades TK to 8.

BOARD OF DIRECTORS

<u>Name</u>	<u>Office</u>	<u>Term Expiration</u>
Annette Dennet	President	2028
Al Darnell	Chief Financial Officer	2026
Rebecca Sheel	Governance Committee	2026
Stephanie Loventhal-Savy	Facilities Committee	2028
Nichan Najjarian	Finance Committee	2026
Hervé Bruckert	Finance Committee	2027

ADMINISTRATION

Claudia Lee
Executive Director

OTHER INDEPENDENT AUDITORS' REPORTS

**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**Independent Auditors' Report

To the Board of Directors of
Francophone Charter School of Oakland
Oakland, California

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 Francophone Charter School of Oakland (the "Charter") as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Charter's financial statements and have issued our report thereon dated December 11, 2025.

Report on Internal Control Over Financial Reporting

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Charter'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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Christy White, Inc.

San Diego, California
December 11, 2025

**REPORT ON STATE COMPLIANCE AND ON INTERNAL CONTROL
OVER COMPLIANCE FOR STATE PROGRAMS**Independent Auditors' Report

To the Board of Directors of
Francophone Charter School of Oakland
Oakland, California

Report on State Compliance**Opinion on State Compliance**

We have audited Francophone Charter School of Oakland's compliance with the requirements specified in the *2024-25 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, applicable to Francophone Charter School of Oakland's state program requirements for the fiscal year ended June 30, 2025.

In our opinion, Francophone Charter School of Oakland complied, in all material respects, with the laws and regulations of the applicable state programs for the year ended June 30, 2025, as identified in the table in the Auditor's Responsibilities for the Audit of State Compliance section of our report.

Basis for Opinion on State Compliance

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *2024-25 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, prescribed by Title 5, *California Code of Regulations*, section 19810 as regulations (the K-12 Audit Guide). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of State Compliance section of our report.

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

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of internal control over compliance with the requirements of the laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Francophone Charter School of Oakland's state programs.

Auditor's Responsibilities for the Audit for State Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the state compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Francophone Charter School of Oakland's compliance based on our audit.

Auditor’s Responsibilities for the Audit for State Compliance (continued)

Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the K-12 Audit Guide will always detect a material noncompliance when it exists. The risk of not detecting a material noncompliance resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user of the report on compliance about Francophone Charter School of Oakland's compliance with the requirements of the applicable state programs as a whole.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, and the K-12 Audit Guide, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Francophone Charter School of Oakland's compliance with compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Francophone Charter School of Oakland's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the K-12 Audit Guide, but not for the purpose of expressing an opinion on the effectiveness of Francophone Charter School of Oakland's internal control over compliance. Accordingly, no such opinion is expressed; and
- Select and test transactions and records to determine Francophone Charter School of Oakland’s compliance with the state laws and regulations to the following items:

<u>Description</u>	<u>Procedures Performed</u>
School Districts, COEs, and Charter Schools	
Proposition 28 Arts and Music in Schools	Yes
After/Before School Education and Safety Program	Not applicable
Proper Expenditure of Education Protection Account Funds	Yes
Unduplicated Local Control Funding Formula Pupil Counts	Yes
Local Control and Accountability Plan	Yes
Independent Study-Course Based	Not applicable
Immunizations	Yes
Educator Effectiveness	Not applicable
Expanded Learning Opportunities Grant (ELO-G)	Not applicable
Career Technical Education Incentive Grant	Not applicable
Expanded Learning Opportunities Program	Yes
Transitional Kindergarten	Yes
Kindergarten Continuance	Yes
Charter Schools	
Attendance	Yes
Mode of Instruction	Yes
Nonclassroom-Based Instruction/Independent Study	No*
Determination of Funding for Nonclassroom-Based Instruction	Not applicable
Annual Instructional Minutes - Classroom-Based	Yes
Charter School Facility Grant Program	Yes

**We did not perform testing of Nonclassroom-Based Instruction/Independent study because reported ADA was not material.*

“Not applicable” is used in the table above to indicate that the Charter either did not receive program funding or did not otherwise operate the program during the fiscal year.

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

Report on Internal Control Over Compliance

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

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the K-12 Audit Guide. Accordingly, this report is not suitable for any other purpose.

Christy White, Inc.

San Diego, California
December 11, 2025

FINDINGS AND QUESTIONED COSTS SECTION

**FRANCOPHONE CHARTER SCHOOL OF OAKLAND
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE YEAR ENDED JUNE 30, 2025**

PART I – SUMMARY OF AUDITORS’ RESULTS

Financial Statements

Type of auditors' report issued	<u>Unmodified</u>
Internal control over financial reporting:	
Material weakness(es) identified?	<u>No</u>
Significant deficiency(ies) identified not considered to be material weaknesses?	<u>None Reported</u>
Noncompliance material to financial statements noted?	<u>No</u>

Federal Awards

The Charter did not expend more than \$750,000 in federal awards; therefore, a Federal Single Audit under OMB Uniform Grant Guidance is not applicable.

State Awards

Internal control over state programs:	
Material weakness(es) identified?	<u>No</u>
Significant deficiency(ies) identified not considered to be material weaknesses?	<u>None Reported</u>
Any audit findings disclosed that are required to be reported in accordance with <i>2024-25 Guide for Annual Audits of California K-12 Local Education Agencies ?</i>	<u>No</u>
Type of auditors' report issued on compliance for state programs:	<u>Unmodified</u>

All audit year findings, if any, are assigned an appropriate finding code as follows:

<u>FIVE DIGIT CODE</u>	<u>AB 3627 FINDING TYPE</u>
10000	Attendance
20000	Inventory of Equipment
30000	Internal Control
40000	State Compliance
42000	Charter School Facilities Programs
43000	Apprenticeship: Related and Supplemental Instruction
50000	Federal Compliance
60000	Miscellaneous
61000	Classroom Teacher Salaries
62000	Local Control Accountability Plan
70000	Instructional Materials
71000	Teacher Misassignments
72000	School Accountability Report Card

PART II – FINANCIAL STATEMENT FINDINGS

There were no audit findings related to the financial statements for the year ended June 30, 2025.

PART III – STATE AWARD FINDINGS AND QUESTIONED COSTS

There were no audit findings and questioned costs related to state awards for the year ended June 30, 2025.

**FRANCOPHONE CHARTER SCHOOL OF OAKLAND
SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2025**

This section presents the status of actions taken by the Charter on each of the findings and recommendations reported in the prior year audit; however, there were no audit findings reported in the year ended June 30, 2024.

Appendix F. 2025-26 First Interim

On following page.

**CHARTER SCHOOL
INTERIM FINANCIAL REPORT - ALTERNATIVE FORM
First Interim Report Certification**

Charter School Name: Francophone Charter School
(continued) of Oakland
CDS #: 01-61259-0132514
Charter Approving Entity: Oakland Unified School Distri
County: Alameda
Charter #: 1708
Fiscal Year: 2025/26

CERTIFICATION OF FINANCIAL CONDITION

X POSITIVE CERTIFICATION
As the Charter School Official, I certify that based upon current projections this charter will meet its financial obligations for the current fiscal year and subsequent two fiscal years.

___ QUALIFIED CERTIFICATION
As the Charter School Official, I certify that based upon current projections this charter may not meet its financial obligations for the current fiscal year or two subsequent fiscal years.

___ NEGATIVE CERTIFICATION
As the Charter School Official, I certify that based upon current projections this charter will be unable to meet its financial obligations for the remainder of the current fiscal year or for the subsequent fiscal year.

To the entity that approved the charter school:

(X) 2025/26 CHARTER SCHOOL FIRST INTERIM FINANCIAL REPORT -- ALTERNATIVE FORM: This report has been approved, and is hereby filed by the charter school pursuant to *Education Code* Section 47604.33.

Signed: _____ Date: _____
Charter School Official
(Original signature required)

Print Name: Claudia Lee Title: Executive Director

To the County Superintendent of Schools:

(X) 2025/26 CHARTER SCHOOL FIRST INTERIM FINANCIAL REPORT -- ALTERNATIVE FORM: This report is hereby filed with the County Superintendent pursuant to *Education Code* Section 47604.33.

Signed: _____ Date: _____
Authorized Representative of
Charter Approving Entity
(Original signature required)

Print Name: Timothy Ryan-Conner Title: Accounting Manager

For additional information on the First Interim Report, please contact:

<u>For Approving Entity:</u> <u>Timothy Ryan-Conner</u> Name <u>Accounting Manager</u> Title <u>(415) 706-6595</u> Phone <u>timothy.ryan@ousd.org</u> E-mail	<u>For Charter School:</u> <u>Sam Leonard</u> Name <u>School Finance Manager</u> Title <u>341-234-3640</u> Phone <u>sleonard@edtec.com</u> E-mail
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This report has been verified for mathematical accuracy by the County Superintendent of Schools, pursuant to *Education Code* Section 47604.33.

ACOE District Advisor

Date

**CHARTER SCHOOL
INTERIM FINANCIAL REPORT - ALTERNATIVE FORM
First Interim Report - Detail**

Charter School Name: Francophone Charter School
(continued) of Oakland
CDS #: 01-61259-0132514
Charter Approving Entity: Oakland Unified School District
County: Alameda
Charter #: 1708
Fiscal Year: 2025/26

This charter school uses the following basis of accounting:

- Accrual Basis** (Applicable Capital Assets/Interest on Long-Term Debt/Long-Term Liabilities/Net Position objects are 6900, 6910, 6920, 7438, 9400-9489, 9660-9669, 9796, and 9797)
 Modified Accrual Basis (Applicable Capital Outlay/Debt Service/Fund Balance objects are 6100-6170, 6200-6500, 6600, 7438, 7439, and 9711-9789)

Description	Object Code	Adopted Budget - July 1			Actuals thru 10/31			1st Interim Budget		
		Unrestricted	Restricted	Total	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
A. REVENUES										
1. LCFF Sources										
State Aid - Current Year	8011	3,166,842.60		3,166,842.60	473,284.00		473,284.00	3,114,439.08		3,114,439.08
Education Protection Account State Aid - Current Year	8012	70,312.00		70,312.00	15,159.00		15,159.00	68,996.00		68,996.00
State Aid - Prior Years	8019			-			-			-
Transfers to Charter Schools in Lieu of Property Taxes	8096	1,299,622.40		1,299,622.40	405,124.62		405,124.62	1,275,297.92		1,275,297.92
Other LCFF Transfers	8091, 8097			-			-			-
Total, LCFF Sources		4,536,777.00		4,536,777.00	893,567.62		893,567.62	4,458,733.00		4,458,733.00
2. Federal Revenues										
No Child Left Behind/Every Student Succeeds Act	8290		44,102.00	44,102.00		12,109.00	12,109.00		59,237.00	59,237.00
Special Education - Federal	8181, 8182		46,980.00	46,980.00			-		46,980.00	46,980.00
Child Nutrition - Federal	8220		115,000.00	115,000.00		767.43	767.43		115,000.00	115,000.00
Donated Food Commodities	8221			-			-			-
Other Federal Revenues	8110, 8260-8299			-			-			-
Total, Federal Revenues			206,082.00	206,082.00		12,876.43	12,876.43		221,217.00	221,217.00
3. Other State Revenues										
Special Education - State	StateRevSE		350,589.86	350,589.86		62,325.00	62,325.00		345,271.29	345,271.29
All Other State Revenues	StateRevAO	152,697.43	585,652.33	738,349.76		85,705.28	85,705.28	104,227.91	610,481.12	714,709.03
Total, Other State Revenues		152,697.43	936,242.19	1,088,939.62		148,030.28	148,030.28	104,227.91	955,752.41	1,059,980.32
4. Other Local Revenues										
All Other Local Revenues	LocalRevAO	697,645.00		697,645.00	270,325.80		270,325.80	757,645.00		757,645.00
Total, Local Revenues		697,645.00		697,645.00	270,325.80		270,325.80	757,645.00		757,645.00
5. TOTAL REVENUES										
		5,387,119.43	1,142,324.19	6,529,443.62	1,163,893.22	160,906.71	1,324,799.93	5,320,605.91	1,176,969.41	6,497,575.32
B. EXPENDITURES										
1. Certificated Salaries										
Certificated Teachers' Salaries	1100	1,737,276.12	272,518.67	2,009,794.79	523,272.82	41,329.38	564,602.20	1,737,276.12	272,518.67	2,009,794.79
Certificated Pupil Support Salaries	1200			-			-			-
Certificated Supervisors' and Administrators' Salaries	1300	210,000.00	120,000.00	330,000.00	70,000.00	40,000.00	110,000.00	210,000.00	120,000.00	330,000.00
Other Certificated Salaries	1900			-			-			-
Total, Certificated Salaries		1,947,276.12	392,518.67	2,339,794.79	593,272.82	81,329.38	674,602.20	1,947,276.12	392,518.67	2,339,794.79
2. Non-certificated Salaries										
Non-certificated Instructional Aides' Salaries	2100	198,799.63	56,957.21	255,756.84	109,316.92	23,071.66	132,388.58	153,426.26	102,330.58	255,756.84
Non-certificated Support Salaries	2200			-			-			-
Non-certificated Supervisors' and Administrators' Sal.	2300	176,610.00		176,610.00	58,319.18		58,319.18	176,610.00		176,610.00
Clerical and Office Salaries	2400	100,323.61		100,323.61	35,330.92		35,330.92	100,323.61		100,323.61
Other Non-certificated Salaries	2900	211,540.76	157,237.94	368,778.70	70,528.19	60,624.24	131,152.43	211,540.76	157,237.94	368,778.70
Total, Non-certificated Salaries		687,274.00	214,195.15	901,469.15	273,495.21	83,695.90	357,191.11	641,900.63	259,568.52	901,469.15
3. Employee Benefits										
STRS	3101-3102			-			-			-
PERS	3201-3202			-			-			-
OASDI / Medicare / Alternative	3301-3302	199,441.28	46,413.61	245,854.89	60,306.71	8,030.50	68,337.21	195,970.22	49,884.67	245,854.89
Health and Welfare Benefits	3401-3402	358,762.41	42,485.02	401,247.43	97,974.60	(928.25)	97,046.35	349,321.30	51,926.14	401,247.44
Unemployment Insurance	3501-3502	24,858.96	8,337.90	33,196.86	3,603.74	421.58	4,025.32	24,155.11	9,041.75	33,196.86
Workers' Compensation Insurance	3601-3602	35,128.21	8,089.72	43,217.93	18,575.16		18,575.16	34,523.22	8,694.71	43,217.93
OPEB, Allocated	3701-3702			-			-			-
OPEB, Active Employees	3751-3752			-			-			-
Other Employee Benefits	3901-3902			-			-			-
Total, Employee Benefits		618,190.86	105,326.25	723,517.11	180,460.21	7,523.83	187,984.04	603,969.85	119,547.27	723,517.12
4. Books and Supplies										
Approved Textbooks and Core Curricula Materials	4100	70,000.00		70,000.00	33,364.31		33,364.31	63,411.00		63,411.00
Books and Other Reference Materials	4200	5,393.08		5,393.08	5,044.64	25.00	5,069.64	5,239.22	52.92	5,292.14
Materials and Supplies	4300	86,750.00	3,750.00	90,500.00	47,268.00	171.17	47,439.17	89,481.00	3,500.00	92,981.00
Noncapitalized Equipment	4400	75,587.32	7,583.54	83,170.86	44,173.86	276.82	44,450.68	78,773.42	7,912.92	86,686.34
Food	4700	18,299.10	227,630.00	245,929.10	5,286.28	53,703.58	58,989.86	17,956.60	227,630.00	245,586.60
Total, Books and Supplies		256,029.50	238,963.54	494,993.04	135,137.09	54,176.57	189,313.66	254,861.24	239,095.84	493,957.08
5. Services and Other Operating Expenditures										
Subagreements for Services	5100			-			-			-
Travel and Conferences	5200	5,328.14		5,328.14	263.20	773.88	1,037.08	4,554.14	774.00	5,328.14
Dues and Memberships	5300	15,234.00		15,234.00	10,100.00		10,100.00	15,234.00		15,234.00
Insurance	5400	73,272.14		73,272.14	38,997.00		38,997.00	73,272.14		73,272.14
Operations and Housekeeping Services	5500	234,275.04	1,053.28	235,328.32	59,561.06	95.00	59,656.06	234,275.04	1,053.28	235,328.32
Rentals, Leases, Repairs, and Noncap. Improvements	5600	154,688.26	315,000.00	469,688.26	19,026.18	176,442.30	195,468.48	154,688.26	315,000.00	469,688.26
Transfers of Direct Costs	5700-5799			-			-			-
Professional/Consulting Services and Operating Expend.	5800	916,400.63	125,431.41	1,041,832.04	193,014.81	14,152.76	207,167.57	927,791.75	128,747.93	1,056,539.68
Communications	5900	1,688.26		1,688.26	324.86		324.86	1,688.26		1,688.26
Total, Services and Other Operating Expenditures		1,400,886.47	441,484.69	1,842,371.16	321,287.11	191,463.94	512,751.05	1,411,503.59	445,575.21	1,857,078.80
6. Capital Outlay (Objects 6100-6170, 6200-6500, 6600 for modified accrual only)										
Land and Land Improvements	6100-6170			-			-			-
Buildings and Improvements of Buildings	6200			-			-			-
Books and Media for New School Libraries or Major				-			-			-
Expansion of School Libraries	6300			-			-			-
Equipment	6400			-			-			-
Equipment Replacement	6500			-			-			-
Lease Assets	6600			-			-			-
Subscription Assets	6700			-			-			-
Depreciation Expense (for accrual basis only)	6900			-			-			-
Amortization Expense-Lease Assets	6910			-			-			-
Amortization Expense-Subscription Assets	6920			-			-			-
Total, Capital Outlay				-			-			-
7. Other Outgo										
Tuition to Other Schools	7110-7143			-			-			-
Transfers of Pass-through Revenues to Other LEAs	7211-7213			-			-			-
Transfers of Apportionments to Other LEAs - Spec. Ed.	7221-7223SE			-			-			-
Transfers of Apportionments to Other LEAs - All Other	7221-7223AO			-			-			-
All Other Transfers	7281-7299			-			-			-
Transfers of Indirect Costs	7300-7399			-			-			-
Debt Service:				-			-			-
Interest	7438			-			-			-
Principal (for modified accrual basis only)	7439			-			-			-
Total, Other Outgo				-			-			-

**CHARTER SCHOOL
INTERIM FINANCIAL REPORT - ALTERNATIVE FORM
First Interim Report - Detail**

Charter School Name: Francophone Charter School
 (continued) of Oakland
 CDS #: 01-61259-0132514
 Charter Approving Entity: Oakland Unified School District
 County: Alameda
 Charter #: 1708
 Fiscal Year: 2025/26

This charter school uses the following basis of accounting:

- Accrual Basis** (Applicable Capital Assets/Interest on Long-Term Debt/Long-Term Liabilities/Net Position objects are 6900, 6910, 6920, 7438, 9400-9489, 9660-9669, 9796, and 9797)
 Modified Accrual Basis (Applicable Capital Outlay/Debt Service/Fund Balance objects are 6100-6170, 6200-6500, 6600, 7438, 7439, and 9711-9789)

Description	Object Code	Adopted Budget - July 1			Actuals thru 10/31			1st Interim Budget		
		Unrestricted	Restricted	Total	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
8. TOTAL EXPENDITURES		4,909,656.95	1,392,488.30	6,302,145.25	1,503,652.44	418,189.62	1,921,842.06	4,859,511.43	1,456,305.51	6,315,816.94
C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPEND. BEFORE OTHER FINANCING SOURCES AND USES (A5-B8)		477,462.48	(250,164.11)	227,298.37	(339,759.22)	(257,282.91)	(597,042.13)	461,094.48	(279,336.10)	181,758.38
D. OTHER FINANCING SOURCES / USES										
1. Other Sources	8930-8979			-			-			-
2. Less: Other Uses	7630-7699			-			-			-
3. Contributions Between Unrestricted and Restricted Accounts (must net to zero)	8980-8999	(250,164.11)	250,164.11	-	(257,282.91)	257,282.91	-	(279,336.10)	279,336.10	-
4. TOTAL OTHER FINANCING SOURCES / USES		(250,164.11)	250,164.11	-	(257,282.91)	257,282.91	-	(279,336.10)	279,336.10	-
E. NET INCREASE (DECREASE) IN FUND BALANCE (C + D4)		227,298.37	-	227,298.37	(597,042.13)	-	(597,042.13)	181,758.38	-	181,758.38
F. FUND BALANCE, RESERVES										
1. Beginning Fund Balance										
a. As of July 1	9791	310,809.06		310,809.06	580,428.36		580,428.36	580,428.36		580,428.36
b. Adjustments to Beginning Balance	9793, 9795			-			-			-
c. Adjusted Beginning Balance		310,809.06	-	310,809.06	580,428.36	-	580,428.36	580,428.36	-	580,428.36
2. Ending Fund Balance, June 30 (E + F.1.c.)		538,107.43	-	538,107.43	(16,613.77)	-	(16,613.77)	762,186.74	-	762,186.74
Components of Ending Fund Balance :										
a. Nonspendable										
Revolving Cash (equals object 9130)	9711			-			-			-
Stores (equals object 9320)	9712			-			-			-
Prepaid Expenditures (equals object 9330)	9713			-			-			-
All Others	9719			-			-			-
b. Restricted	9740			-			-			-
c. Committed										
Stabilization Arrangements	9750			-			-			-
Other Commitments	9760			-			-			-
d. Assigned										
Other Assignments	9780			-			-			-
e. Unassigned/Unappropriated										
Reserve for Economic Uncertainties	9789	315,107.26		315,107.26	96,092.10		96,092.10	315,790.85		315,790.85
Unassigned/Unappropriated Amount	9790	223,000.17	-	223,000.17	(112,705.87)	-	(112,705.87)	446,395.89	-	446,395.89

**CHARTER SCHOOL
INTERIM FINANCIAL REPORT - ALTERNATIVE FORM
First Interim Report - Summary**

Charter School Name: Francophone Charter School
(continued) of Oakland
CDS #: 01-61259-0132514
Charter Approving Entity: Oakland Unified School District
County: Alameda
Charter #: 1708
Fiscal Year: 2025/26

Description	Object Code	7/1 Adopted Budget (X)	Actuals thru 10/31 (Y)	1st Interim Budget (Z)	1st Interim vs. Adopted Budget Increase, (Decrease)	
					\$ Difference (Z) vs. (X)	% Change (Z) vs. (X)
A. REVENUES						
1. LCFF/Revenue Limit Sources						
State Aid - Current Year	8011	3,166,842.60	473,284.00	3,114,439.08	(52,403.52)	-1.65%
Education Protection Account State Aid - Current Year	8012	70,312.00	15,159.00	68,996.00	(1,316.00)	-1.87%
State Aid - Prior Years	8019	-	-	-	-	-
Transfers to Charter Schools Funding in Lieu of Property Tax	8096	1,299,622.40	405,124.62	1,275,297.92	(24,324.48)	-1.87%
Other LCFF Transfers	8091, 8097	-	-	-	-	-
Total, LCFF Sources		4,536,777.00	893,567.62	4,458,733.00	(78,044.00)	-1.72%
2. Federal Revenues						
No Child Left Behind/Every Student Succeeds Act	8290	44,102.00	12,109.00	59,237.00	15,135.00	34.32%
Special Education - Federal	8181, 8182	46,980.00	-	46,980.00	-	0.00%
Child Nutrition - Federal	8220	115,000.00	767.43	115,000.00	-	0.00%
Donated Food Commodities	8221	-	-	-	-	-
Other Federal Revenues	8110, 8260-8299	-	-	-	-	-
Total, Federal Revenues		206,082.00	12,876.43	221,217.00	15,135.00	7.34%
3. Other State Revenues						
Special Education - State	StateRevSE	350,589.86	62,325.00	345,271.29	(5,318.57)	-1.52%
All Other State Revenues	StateRevAO	738,349.76	85,705.28	714,709.03	(23,640.73)	-3.20%
Total, Other State Revenues		1,088,939.62	148,030.28	1,059,980.32	(28,959.30)	-2.66%
4. Other Local Revenues						
All Other Local Revenues	LocalRevAO	697,645.00	270,325.60	757,645.00	60,000.00	8.60%
Total, Local Revenues		697,645.00	270,325.60	757,645.00	60,000.00	8.60%
5. TOTAL REVENUES		6,529,443.62	1,324,799.93	6,497,575.32	(31,868.30)	-0.49%
B. EXPENDITURES						
1. Certificated Salaries						
Certificated Teachers' Salaries	1100	2,009,794.79	564,602.20	2,009,794.79	-	0.00%
Certificated Pupil Support Salaries	1200	-	-	-	-	-
Certificated Supervisors' and Administrators' Salaries	1300	330,000.00	110,000.00	330,000.00	-	0.00%
Other Certificated Salaries	1900	-	-	-	-	-
Total, Certificated Salaries		2,339,794.79	674,602.20	2,339,794.79	-	0.00%
2. Non-certificated Salaries						
Non-certificated Instructional Aides' Salaries	2100	255,756.84	132,388.58	255,756.84	-	0.00%
Non-certificated Support Salaries	2200	-	-	-	-	-
Non-certificated Supervisors' and Administrators' Sal.	2300	176,610.00	58,319.18	176,610.00	-	0.00%
Clerical and Office Salaries	2400	100,323.61	35,330.92	100,323.61	-	0.00%
Other Non-certificated Salaries	2900	368,778.70	131,152.43	368,778.70	-	0.00%
Total, Non-certificated Salaries		901,469.15	357,191.11	901,469.15	-	0.00%
3. Employee Benefits						
STRS	3101-3102	-	-	-	-	-
PERS	3201-3202	-	-	-	-	-
OASDI / Medicare / Alternative	3301-3302	245,854.89	68,337.21	245,854.89	-	0.00%
Health and Welfare Benefits	3401-3402	401,247.43	97,046.35	401,247.44	0.01	0.00%
Unemployment Insurance	3501-3502	33,196.86	4,025.32	33,196.86	-	0.00%
Workers' Compensation Insurance	3601-3602	43,217.93	18,575.16	43,217.93	-	0.00%
OPEB, Allocated	3701-3702	-	-	-	-	-
OPEB, Active Employees	3751-3752	-	-	-	-	-
Other Employee Benefits	3901-3902	-	-	-	-	-
Total, Employee Benefits		723,517.11	187,984.04	723,517.12	0.01	0.00%
4. Books and Supplies						
Approved Textbooks and Core Curricula Materials	4100	70,000.00	33,364.31	63,411.00	(6,589.00)	-9.41%
Books and Other Reference Materials	4200	5,393.08	5,069.64	5,292.14	(100.94)	-1.87%
Materials and Supplies	4300	90,500.00	47,439.17	92,981.00	2,481.00	2.74%
Noncapitalized Equipment	4400	83,170.86	44,450.68	86,686.34	3,515.48	4.23%
Food	4700	245,929.10	58,989.86	245,586.60	(342.50)	-0.14%
Total, Books and Supplies		494,993.04	189,313.66	493,957.08	(1,035.96)	-0.21%
5. Services and Other Operating Expenditures						
Subagreements for Services	5100	-	-	-	-	-
Travel and Conferences	5200	5,328.14	1,037.08	5,328.14	-	0.00%
Dues and Memberships	5300	15,234.00	10,100.00	15,234.00	-	0.00%

**CHARTER SCHOOL
INTERIM FINANCIAL REPORT - ALTERNATIVE FORM
First Interim Report - Summary**

Charter School Name: Francophone Charter School
(continued) of Oakland
CDS #: 01-61259-0132514
Charter Approving Entity: Oakland Unified School District
County: Alameda
Charter #: 1708
Fiscal Year: 2025/26

Description	Object Code	7/1 Adopted Budget (X)	Actuals thru 10/31 (Y)	1st Interim Budget (Z)	1st Interim vs. Adopted Budget Increase, (Decrease)	
					\$ Difference (Z) vs. (X)	% Change (Z) vs. (X)
Insurance	5400	73,272.14	38,997.00	73,272.14	-	0.00%
Operations and Housekeeping Services	5500	235,328.32	59,656.06	235,328.32	-	0.00%
Rentals, Leases, Repairs, and Noncap. Improvements	5600	469,688.26	195,468.48	469,688.26	-	0.00%
Transfers of Direct Costs	5700-5799	-	-	-	-	-
Professional/Consulting Services and Operating Expend.	5800	1,041,832.04	207,167.57	1,056,539.68	14,707.64	1.41%
Communications	5900	1,688.26	324.86	1,688.26	-	0.00%
Total, Services and Other Operating Expenditures		1,842,371.16	512,751.05	1,857,078.80	14,707.64	0.80%
6. Capital Outlay (Objects 6100-6170, 6200-6500 modified accrual only)						
Land and Land Improvements	6100-6170	-	-	-	-	-
Buildings and Improvements of Buildings	6200	-	-	-	-	-
Books and Media for New School Libraries or Major Expansion of School Libraries	6300	-	-	-	-	-
Equipment	6400	-	-	-	-	-
Equipment Replacement	6500	-	-	-	-	-
Lease Assets	6600	-	-	-	-	-
Subscription Assets	6700	-	-	-	-	-
Depreciation Expense (for accrual basis only)	6900	-	-	-	-	-
Amortization Expense-Lease Assets	6910	-	-	-	-	-
Amortization Expense-Subscription Assets	6920	-	-	-	-	-
Total, Capital Outlay		-	-	-	-	-
7. Other Outgo						
Tuition to Other Schools	7110-7143	-	-	-	-	-
Transfers of Pass-through Revenues to Other LEAs	7211-7213	-	-	-	-	-
Transfers of Apportionments to Other LEAs - Spec. Ed.	7221-7223SE	-	-	-	-	-
Transfers of Apportionments to Other LEAs - All Other	7221-7223AO	-	-	-	-	-
All Other Transfers	7281-7299	-	-	-	-	-
Transfers of Indirect Costs	7300-7399	-	-	-	-	-
Debt Service:						
Interest	7438	-	-	-	-	-
Principal (for modified accrual basis only)	7439	-	-	-	-	-
Total, Other Outgo		-	-	-	-	-
8. TOTAL EXPENDITURES		6,302,145.25	1,921,842.06	6,315,816.94	13,671.69	0.22%
C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPEND. BEFORE OTHER FINANCING SOURCES AND USES (A5-B8)						
		227,298.37	(597,042.13)	181,758.38	(45,539.99)	-20.04%
D. OTHER FINANCING SOURCES / USES						
1. Other Sources	8930-8979	-	-	-	-	-
2. Less: Other Uses	7630-7699	-	-	-	-	-
3. Contributions Between Unrestricted and Restricted Accounts (must net to zero)	8980-8999	-	-	-	-	-
4. TOTAL OTHER FINANCING SOURCES / USES		-	-	-	-	-
E. NET INCREASE (DECREASE) IN FUND BALANCE (C + D4)		227,298.37	(597,042.13)	181,758.38	(45,539.99)	-20.04%
F. FUND BALANCE, RESERVES						
1. Beginning Fund Balance						
a. As of July 1	9791	310,809.06	580,428.36	580,428.36	269,619.30	86.75%
b. Adjustments/Restatements	9793, 9795	-	-	-	-	-
c. Adjusted Beginning Fund Balance		310,809.06	580,428.36	580,428.36		
2. Ending Fund Balance, June 30 (E + F.1.c.)		538,107.43	(16,613.77)	762,186.74		
Components of Ending Fund Balance :						
a. Nonspendable						
Revolving Cash (equals object 9130)	9711	-	-	-	-	-
Stores (equals object 9320)	9712	-	-	-	-	-
Prepaid Expenditures (equals object 9330)	9713	-	-	-	-	-
All Others	9719	-	-	-	-	-
b. Restricted	9740	-	-	-	-	-
c. Committed						
Stabilization Arrangements	9750	-	-	-	-	-
Other Commitments	9760	-	-	-	-	-
d. Assigned						
Other Assignments	9780	-	-	-	-	-

**CHARTER SCHOOL
INTERIM FINANCIAL REPORT - ALTERNATIVE FORM
First Interim Report - Summary**

Charter School Name: Francophone Charter School
 (continued) of Oakland
 CDS #: 01-61259-0132514
 Charter Approving Entity: Oakland Unified School District
 County: Alameda
 Charter #: 1708
 Fiscal Year: 2025/26

Description	Object Code	7/1 Adopted Budget (X)	Actuals thru 10/31 (Y)	1st Interim Budget (Z)	1st Interim vs. Adopted Budget Increase, (Decrease)	
					\$ Difference (Z) vs. (X)	% Change (Z) vs. (X)
e. Unassigned/Unappropriated						
Reserve for Economic Uncertainties	9789	315,107.26	96,092.10	315,790.85	683.58	0.22%
Unassigned/Unappropriated Amount	9790	223,000.17	(112,705.87)	446,395.89	223,395.73	100.18%

**CHARTER SCHOOL
MULTI-YEAR PROJECTION - ALTERNATIVE FORM
First Interim Report - MYP**

Charter School Name: Francophone Charter School
(continued) of Oakland
CDS #: 01-61259-0132514
Charter Approving Entity: Oakland Unified School District
County: Alameda
Charter #: 1708
Fiscal Year: 2025/26

This charter school uses the following basis of accounting:

- Accrual Basis** (Applicable Capital Assets/Interest on Long-Term Debt/Long-Term Liabilities/Net Position objects are 6900, 6910, 6920, 7438, 9400-9489, 9660-9669, 9796 and 9797)
 Modified Accrual Basis (Applicable Capital Outlay/Debt Service/Fund Balance objects are 6100-6170, 6200-6500, 6600, 7438, 7439 and 9711-9789)

Description	Object Code	FY 2025/26			Totals for 2026/27	Totals for 2027/28
		Unrestricted	Restricted	Total		
A. REVENUES						
1. LCFF Sources						
State Aid - Current Year	8011	3,114,439.08	0.00	3,114,439.08	3,562,594.69	3,838,562.80
Education Protection Account State Aid - Current Year	8012	68,996.00	0.00	68,996.00	76,140.00	78,960.00
State Aid - Prior Years	8019	0.00	0.00	0.00	0.00	0.00
Transfers of Charter Schools in Lieu of Property Taxes	8096	1,275,297.92	0.00	1,275,297.92	1,407,345.11	1,459,469.00
Other LCFF Transfers	8091, 8097	0.00	0.00	0.00	0.00	0.00
Total, LCFF Sources		4,458,733.00	0.00	4,458,733.00	5,036,079.80	5,376,991.80
2. Federal Revenues						
Every Student Succeeds Act (Title I - V)	8290	0.00	59,237.00	59,237.00	59,237.00	59,237.00
Special Education - Federal	8181, 8182	0.00	46,980.00	46,980.00	53,215.00	58,725.00
Child Nutrition - Federal	8220	0.00	115,000.00	115,000.00	115,000.00	115,000.00
Donated Food Commodities	8221	0.00	0.00	0.00	0.00	0.00
Other Federal Revenues	8110, 8260-8299	0.00	0.00	0.00	0.00	0.00
Total, Federal Revenues		0.00	221,217.00	221,217.00	227,452.00	232,962.00
3. Other State Revenues						
Special Education - State	StateRevSE	0.00	345,271.29	345,271.29	381,021.45	395,133.35
All Other State Revenues	StateRevAO	104,227.91	610,481.12	714,709.03	1,026,500.62	1,026,834.93
Total, Other State Revenues		104,227.91	955,752.41	1,059,980.32	1,407,522.07	1,421,968.28
4. Other Local Revenues						
All Other Local Revenues	LocalRevAO	757,645.00	0.00	757,645.00	1,165,000.00	765,000.00
Total, Local Revenues		757,645.00	0.00	757,645.00	1,165,000.00	765,000.00
5. TOTAL REVENUES						
		5,320,605.91	1,176,969.41	6,497,575.32	7,836,053.87	7,796,922.08
B. EXPENDITURES						
1. Certificated Salaries						
Certificated Teachers' Salaries	1100	1,737,276.12	272,518.67	2,009,794.79	2,206,108.63	2,340,391.89
Certificated Pupil Support Salaries	1200	0.00	0.00	0.00	0.00	0.00
Certificated Supervisors' and Administrators' Salaries	1300	210,000.00	120,000.00	330,000.00	339,900.00	350,097.00
Other Certificated Salaries	1900	0.00	0.00	0.00	0.00	0.00
Total, Certificated Salaries		1,947,276.12	392,518.67	2,339,794.79	2,546,008.63	2,690,488.89
2. Non-certificated Salaries						
Non-certificated Instructional Aides' Salaries	2100	153,426.26	102,330.58	255,756.84	327,269.54	337,067.63
Non-certificated Support Salaries	2200	0.00	0.00	0.00	0.00	0.00
Non-certificated Supervisors' and Administrators' Sal.	2300	176,610.00	0.00	176,610.00	181,908.30	187,365.55
Clerical and Office Salaries	2400	100,323.61	0.00	100,323.61	103,333.32	106,433.32
Other Non-certificated Salaries	2900	211,540.76	157,237.94	368,778.70	411,762.07	424,114.93
Total, Non-certificated Salaries		641,900.63	259,568.52	901,469.15	1,024,273.23	1,055,001.43

Description	Object Code	FY 2025/26			Totals for 2026/27	Totals for 2027/28
		Unrestricted	Restricted	Total		
3. Employee Benefits						
STRS	3101-3102	0.00	0.00	0.00		
PERS	3201-3202	0.00	0.00	0.00		
OASDI / Medicare / Alternative	3301-3302	195,970.22	49,884.67	245,854.89	271,018.48	284,429.89
Health and Welfare Benefits	3401-3402	349,321.30	51,926.14	401,247.44	475,832.25	547,735.80
Unemployment Insurance	3501-3502	24,155.11	9,041.75	33,196.86	36,561.95	37,187.16
Workers' Compensation Insurance	3601-3602	34,323.22	8,694.71	43,017.93	47,604.95	49,941.12
OPEB, Allocated	3701-3702	0.00	0.00	0.00		
OPEB, Active Employees	3751-3752	0.00	0.00	0.00		
Other Employee Benefits	3901-3902	0.00	0.00	0.00		
Total, Employee Benefits		603,969.86	119,547.27	723,517.12	831,017.63	919,293.97
4. Books and Supplies						
Approved Textbooks and Core Curricula Materials	4100	63,411.00	0.00	63,411.00	65,313.33	67,272.73
Books and Other Reference Materials	4200	51,239.22	52.82	51,292.14	6,015.39	6,425.23
Materials and Supplies	4300	89,481.00	3,500.00	92,981.00	111,625.43	115,725.19
Noncapitalized Equipment	4400	78,773.42	7,912.32	86,685.74	92,576.78	96,033.34
Food	4700	17,956.60	227,630.00	245,586.60	270,410.35	279,301.27
Total, Books and Supplies		254,861.24	239,095.84	493,957.08	545,941.19	564,797.78
5. Services and Other Operating Expenditures						
Subagreements for Services	5100	0.00	0.00	0.00		
Travel and Conferences	5200	4,554.14	774.00	5,328.14	5,487.98	5,652.62
Dues and Memberships	5300	15,234.00	0.00	15,234.00	16,691.02	16,161.75
Insurance	5400	73,272.14	0.00	73,272.14	75,470.30	77,734.41
Operations and Housekeeping Services	5500	234,275.04	1,053.28	235,328.32	242,388.17	249,659.81
Rentals, Leases, Repairs, and Noncap. Improvements	5600	154,686.26	315,000.00	469,686.26	759,978.91	782,778.28
Transfers of Direct Costs	5700-5799	0.00	0.00	0.00		
Professional/Consulting Services and Operating Expend.	5800	927,791.75	128,747.93	1,056,539.68	1,478,450.67	1,100,677.13
Communications	5900	1,688.26	0.00	1,688.26	1,738.91	1,791.08
Total, Services and Other Operating Expenditures		1,411,503.59	445,575.21	1,857,078.80	2,579,205.96	2,234,455.08
6. Capital Outlay (City, 6100-6170, 6200-6500, 6600 for modified accrual)						
Land and Land Improvements	6100-6170	0.00	0.00	0.00		
Buildings and Improvements of Buildings	6200	0.00	0.00	0.00		
Books and Media for New School Libraries or Major Expansion of School Libraries	6300	0.00	0.00	0.00		
Equipment	6400	0.00	0.00	0.00		
Equipment Replacement	6500	0.00	0.00	0.00		
Lease Assets	6600	0.00	0.00	0.00		
Subscription Assets	6700	0.00	0.00	0.00		
Depreciation Expense (for accrual basis only)	6900	0.00	0.00	0.00		
Amortization Expense-Lease Assets	6910	0.00	0.00	0.00		
Amortization Expense-Subscription Assets	6920	0.00	0.00	0.00		
Total, Capital Outlay		0.00	0.00	0.00	0.00	0.00
7. Other Outgo						
Tuition to Other Schools	7110-7143	0.00	0.00	0.00		
Transfers of Pass-through Revenues to Other LEAs	7211-7213	0.00	0.00	0.00		
Transfers of Apportionments to Other LEAs - Spec. Ed.	7221-7223SE	0.00	0.00	0.00		
Transfers of Apportionments to Other LEAs - All Other	7221-7223AO	0.00	0.00	0.00		
All Other Transfers	7300-7399	0.00	0.00	0.00		
Transfers of Indirect Costs	7500-7599	0.00	0.00	0.00		
Debt Service:						
Interest	7438	0.00	0.00	0.00		
Principal (for modified accrual basis only)	7439	0.00	0.00	0.00		
Total, Other Outgo		0.00	0.00	0.00	0.00	0.00
8. TOTAL EXPENDITURES						
		4,859,511.43	1,456,305.51	6,315,816.94	7,526,446.64	7,463,997.13
C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPEND. BEFORE OTHER FINANCING SOURCES AND USES (A5-B8)						
		461,094.48	(279,336.10)	181,758.38	309,607.23	332,924.95

Description	Object Code	FY 2025/26			Totals for 2026/27	Totals for 2027/28
		Unrestricted	Restricted	Total		
D. OTHER FINANCING SOURCES / USES						
1. Other Sources						
Less: Other Uses	7630-7699	0.00	0.00	0.00		
Contributions Between Unrestricted and Restricted Accounts (must net to zero)	8980-8999	(279,336.10)	279,336.10	0.00		
4. TOTAL OTHER FINANCING SOURCES / USES		(279,336.10)	279,336.10	0.00	0.00	0.00
E. NET INCREASE (DECREASE) IN FUND BALANCE (C + D4)						
		181,758.38	0.00	181,758.38	309,607.23	332,924.95
F. FUND BALANCE, RESERVES						
1. Beginning Fund Balance						
a. As of July 1	9791	580,428.36	0.00	580,428.36	762,186.74	1,071,793.97
b. Adjustments/Restatements	9793, 9795	0.00	0.00	0.00		
c. Adjusted Beginning Balance		580,428.36	0.00	580,428.36	762,186.74	1,071,793.97
2. Ending Fund Balance, June 30 (E + F.1.c.)		762,186.74	0.00	762,186.74	1,071,793.97	1,404,718.92
Components of Ending Fund Balance:						
a. Nonspendable						
Revolving Cash (equals object 9130)	9711	0.00	0.00	0.00		
Stores (equals object 9320)	9712	0.00	0.00	0.00		
Prepaid Expenditures (equals object 9330)	9713	0.00	0.00	0.00		
All Others	9719	0.00	0.00	0.00		
b. Restricted						
9740		0.00	0.00	0.00		
c. Committed						
Stabilization Arrangements	9750	0.00	0.00	0.00		
Other Commitments	9760	0.00	0.00	0.00		
d. Assigned						
Other Assignments	9780	0.00	0.00	0.00		
e. Unassigned/Unappropriated						
Reserve for Economic Uncertainties	9789	315,790.85	0.00	315,790.85	376,322.33	373,199.88
Unassigned/Unappropriated Amount	9790	446,395.89	0.00	446,395.89	695,471.64	1,031,519.06