

Aspire College Academy Material Revision Staff Report

October 21, 2025

Recommendation Summary

On August 1, 2025, Aspire College Academy (“ACA” or “Charter School”) submitted a Material Revision to their current charter petition to increase their enrollment. The Charter School indicated that the proposed material revision serves as the final step of the merger between Aspire College Academy and Aspire Triumph Technology Academy (“Triumph Academy”) into a single school. Under the Material Revision, ACA proposes to increase their projected enrollment as detailed in Figure 1 below. Additionally, the Charter School referred to itself with the new name of “Aspire Triumph College Academy” in their Material Revision, which constitutes a change in the name of the school.

Figure 1: ACA’s Proposed Revised Projected Enrollment

ACA’s Revised Projected Enrollment		
School Year	Original Projection	Revised Projection
2026-27	242	362
2027-28	268	382
2028-29	266	410
2029-30	272	416
2030-31	296	416

Source: ACA’s Redline Material Revision Petition

Staff recommends approval of the Material Revision. This approval would be **conditional** on the Charter School’s Charter Management Organization’s (CMO) closure of Triumph Technology Academy, with further details outlined as a benchmark below. This recommendation is based on numerous considerations, including (but not limited to) the following:

- A. *The Charter School’s current location can accommodate its proposed increased enrollment.*
- B. *Most of the Charter School’s proposed future student population is currently co-located with ACA on the same campus. Thus, it is unlikely that the proposed enrollment increase will have an impact on other nearby district schools.*
- C. *If the Aspire CMO invokes closure procedures, as outlined in the benchmark below, there is expected to be minimal community or fiscal impact from the Charter School’s merger and enrollment increase.*

Staff additionally recommends the following benchmark should the Material Revision be approved:

- The Charter School's CMO, Aspire Public Schools, shall complete closure procedures for Aspire Triumph Technology School by fully completing and implementing OUSD's closure checklist¹. Aspire Public Schools shall use June 30, 2026 as the official date of closure action for Triumph Technology Academy.

Background and Analysis Overview

Procedural Background

1. **Material Revision Submission:** ACA submitted the material revision request on August 1, 2025.
2. **OUSD Review of Submission:** OUSD reviewed the material revision request for completeness and deemed the submission to be complete on August 8, 2025.
3. **Initial Public Hearing:** A public hearing was properly noticed and held on September 24, 2025. Representatives from ACA presented.
4. **Decision Hearing:** A Decision Hearing is to be held on October 21, 2025 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):

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 evaluate charter school material revision petitions with the following criteria pursuant to Education Code §47605(c):

¹ <https://www.ousd.org/fs/resource-manager/view/39537f42-c051-419e-b599-be144414ef80>

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
Criterion IV: Is the Charter School Likely to Serve the Interests of the Entire Community in Which the School is Proposing to Locate?	§47605(c)(7-8)	Yes
Criterion V: Is the District Positioned to Absorb the Fiscal Impact of the Proposed Change?	§47605(c)(7-8)	Yes

Education Code §47605(c)(7-8) outlines two additional criteria for material revisions, including whether the charter school is likely to serve the interests of the entire community in which the school is proposing to locate (“Criterion IV”) and whether the District is positioned to absorb the fiscal impact of the proposed change (“Criterion V”). Pursuant to Education Code §47607(a)(4), Criteria IV and V “may [only] be used to deny a proposed expansion constituting a material revision.” Criteria IV and V are considered in this staff report since ACA’s material revision proposes an increase in enrollment.

Criterion I: Does the Charter School Present 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.

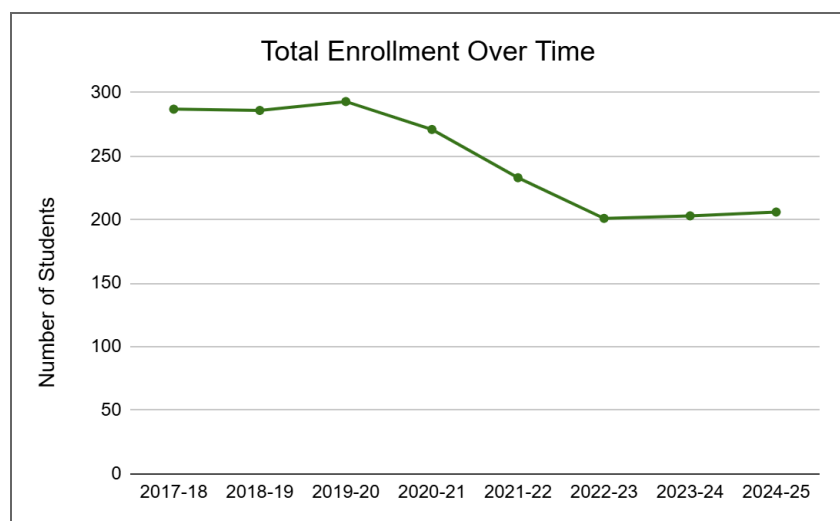
Criterion II: Is the Charter School Demonstrably Likely to Successfully Implement the Proposed Educational Program?

Enrollment Analysis

A. Enrollment Over Time

As shown below in Figure 2, The Charter School experienced a 30% enrollment decrease from 2017-18 to 2022-23. The Charter School’s enrollment has remained stable from 2022-23 to 2024-25.

Figure 2: ACA Total Enrollment Over Time



Source: 2017-18 through 2024-25 Enrollment – CDE Downloadable School Enrollment Data Files

As shown below in Figure 3, in the 2024-25 school year, the Charter School's enrollment for most grade levels remained stable. In 2024-25, the Charter School's enrollment for its first and fourth grade cohorts decreased while second and fifth grade cohorts increased. The grade level with the largest cohort of students, 5th grade, will graduate after the 2025-26 school year.

Figure 3: Aspire College Academy Grade Level Enrollment Over Time

Student Enrollment by Grade Level and Total Enrollment						
Grade	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
TK	0	0	0	0	15	16
K	53	36	29	35	23	23
1	40	44	33	23	36	26
2	51	40	44	27	24	38
3	50	51	36	40	28	29
4	51	52	45	34	43	30
5	48	48	46	42	34	44
Total	293	271	233	201	203	206

Source: 2019-20 through 2024-25 Enrollment – CDE Downloadable School Enrollment Data Files

B. Enrollment Projections

As part of the Material Revision request, ACA provided its projected enrollment, with the merger, as shown in Figure 4.

Figure 4: ACA Projected Enrollment

Projected Student Enrollment by Grade Level and Total Enrollment					
Grade	2026-27	2027-28	2028-29	2029-30	2030-31

TK	40	40	40	40	40
K	48	60	60	60	60
1	52	52	60	60	60
2	54	56	58	60	60
3	56	58	64	64	64
4	56	58	64	64	64
5	56	58	64	64	64
Total	362	382	410	416	416

Source: ACA's Material Revision Petition

C. Current Enrollment Analysis

ACA's and Triumph Academy's current 2025-26 enrollment is shown in Figure 5. Based on ACA's and Triumph Tech's respective attendance reports for the period ending on August 22, 2025, there are 328 total students currently enrolled at the campus between the two schools. Based on this figure, ACA would need an additional 34 students, beyond the students they would gain through a merger with Triumph Academy, to meet their proposed projected enrollment of 362 for the 2026-27 school year.

Figure 5: ACA and Triumph Academy's Current Enrollment

Current Year (2025-26) Campus Enrollment		
ACA	Triumph Academy	Total
194	134	328

Source: ACA's 8/22/2025 Attendance Report Epicenter Submission, Triumph Academy's 8/22/2025 Attendance Report Epicenter Submission

Fiscal Condition

A. Summary

The Charter School's financial condition is fair based on its fiscal health indicators, audit results, and multi-year budget projections. While the school maintains adequate reserves, it has experienced a decline in the ending fund balance due to deficit spending. Additionally, the Charter School's enrollment projections are higher than historical trends and the CMO's most recent audit report contained two material weaknesses.

B. Fiscal Health

The figure below summarizes key fiscal indicators throughout the current charter. As shown below in Figure 6:

- The Charter School has an adequate ending fund balance of \$883,000 as of the 2024-25 2nd interim, although this represents a \$544,706, or 38%, decline over the course of the current charter term.
- Although the debt ratio increased from 0.13 to 0.53, it remains below 1.0, indicating assets still exceed liabilities and the school retains borrowing capacity if needed.
- The Charter School's cash reserves have frequently been below FCMAT's recommended 5% floor, although the CMO's overall cash reserves exceeded the 5% floor.^{2,3}
- The CMO's ending fund balance grew 52% over the course of the charter term, while its debt ratio remained around 0.70.¹

Figure 6: Fiscal Health Summary

Financial Indicator	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25 2nd Interim
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>	(511,209)	(646,704)	650,398	(381,984)	467,766	(400,580)	(233,602)
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>	1,427,640	780,936	1,431,334	1,049,350	1,517,116	1,116,536	882,934
Debt Ratio <i>A ratio less than 1 indicates the school has lower debts than assets, representing a lower level of financial risk.</i>	0.13	0.28	0.36	0.53	0.43	0.53	Unavailable
Budgetary Reserve <i>Given the school's ADA, FCMAT² prescribes a minimum 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.</i>	11%	8%	23%	6%	9%	9%	4%
Cash Reserve <i>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.</i>	2%	0%	0%	-1%	8%	-1%	1%

Source: 2019-20 through 2023-24 Annual Audit Reports; 2024-25 2nd Interim Budget Report

C. Annual Financial Audit Reports

Education Code requires charter schools to submit annual audits by December 15 of each year.⁴ As shown in Figure 7 below:

² CMO Data in Appendix C

³ Financial Crisis and Management Assistance Team

⁴ Education Code 47605(m), 41020(h)

- The Charter School's CMO received unmodified audit opinions throughout the charter term, with no statutory compliance findings specific to ACA in the most recent audit reports, and the most recent two audit reports were submitted by December 15th.
- The latest audit report identified two material weaknesses: a \$2.6 million overstatement of prepaid expenses and accounts payable, and \$2.9 million understatement of federal awards. The CMO reported these had minimal net impact on overall financial statements. OCS sent the CMO a Notice of Concern and the CMO provided a response, including plans for corrective action. See Appendix I for a full response.

Figure 7: Annual Financial Audit Reports Summary

Indicator		2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Timely Audit Submission <i>State law requires annual audits to be submitted by December 15.</i>		Yes	No	No	No	Yes	Yes
Audit Opinion <i>"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.</i>		Unmodified	Unmodified	Unmodified	Unmodified	Unmodified	Unmodified
Material Weakness(es) <i>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.</i>	Number of Findings	-	-	-	1	-	2
	Initial Year of Finding(s)	-	-	-	2021-22	-	2023-24
Significant Deficiency <i>A significant deficiency is a flaw in internal controls that is less severe than a material weakness, but still merits attention.</i>	Number of Findings	-	-	-	-	-	-
	Initial Year of Finding(s)	-	-	-	-	-	-
Statutory Compliance <i>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.</i>	Number of Findings	-	-	-	1	1	-
	Initial Year of Finding(s)	-	-	-	2021-22	2022-23	-

Source: 2019-20 through 2023-24 Annual Audit Reports

D. Attendance and Enrollment in Multi-Year Budget Projections

The enrollment and attendance rate assumptions underlying the Charter School's multi-year budget projections ("MYP") are shown in Figure 8 below. It should be noted that 2026-27, 2027-28, and 2028-29 enrollment figures do not align with the corresponding periods' figures in Element 1 of the material revision petition. As shown in Figure 8:

- Projected attendance rates are generally consistent with the combined charter schools' historical patterns.

- *ACA's projected enrollment appears unrealistic when compared with the combined historical trends for both ACA and Triumph Academy.*

Figure 8: MYP Summary: Projected Enrollment and Attendance Rates

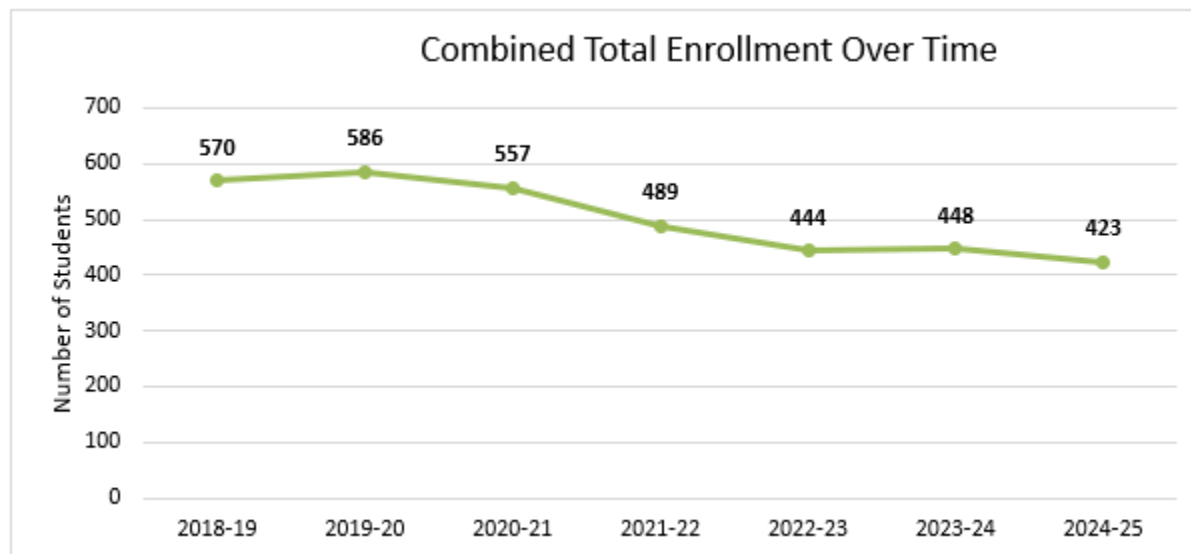
	2025-26	2026-27	2027-28	2028-29
Projected Enrollment	383	374	390	416
Projected Attendance Rate	92.8%	87.7%	88.9%	91.0%

Source: Multiyear Budget Projections submitted with renewal petition

E. Enrollment Over Time

From their peaks in 2019-20 to the 2024-25 school year, ACA and Triumph Academy's combined enrollment decreased by 27.8%, as shown in Figure 9 below.

Figure 9: Total Enrollment Over Time



Source: 2018-19 through 2024-25 Enrollment – CDE Downloadable School Enrollment Data Files

Figure 10 below illustrates the combined projected and actual enrollment over the course of ACA's current charter term in order to illustrate the CMO's historical accuracy in projecting and achieving enrollment targets.

Figure 10: Combined Enrollment Projections vs. Actuals

	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	Enrollment						
Projected	589	565	583	492	445	417	454
Actuals	570	586	557	489	444	448	423
Difference	+19	-21	+26	+3	+1	-31	+31
	Year over Year % Change						
Projected		-4.1%	3.2%	-15.6%	-9.6%	-6.3%	8.9%

Actuals		2.8%	-4.9%	-12.2%	-9.2%	0.9%	-5.6%
Difference		6.9%	-8.1%	3.4%	0.4%	7.2%	-14.5%

Source: 2018-19 through 2024-25 Enrollment – CDE Downloadable School Enrollment Data Files

Figure 11 below illustrates the enrollment underlying the Charter School's Multi-Year Budget Projections included in the material revision petition and the corresponding enrollment growth rates. Although the Charter School's assumed rates of decline for 2025-26 and 2026-27 align with the declines that occurred at both charter schools over ACA's current charter term, the 2027-28 and 2028-29 school years have growth rates that exceed the highest growth rates either Triumph Academy or ACA achieved during the current charter term. Since the highest combined enrollment growth rate of 2.8% occurred when the schools achieved peak enrollment in the 2019-20 school year, growth rates of 4.3% and 6.7% appear unlikely to materialize.

Figure 11: MYP Summary: Projected Enrollment and Attendance Rates

	2025-26⁵	2026-27	2027-28	2028-29
Projected Enrollment	383	374	390	416
Year over Year % Change	-9%	-2.3%	4.3%	6.7%

Source: Multiyear Budget Projections submitted with renewal petition

Facility Plan

A. Building Capacity and Details

According to the blueprints submitted by Aspire, for Triumph Academy's material revision approved by the OUSD Board on June 11, 2025, the campus at 8030 Atherton St, Oakland, CA 94605, has 14 classrooms and four non-classroom spaces. The Charter School indicated in their Community Impact Questionnaire that if the merger is approved, they intend to add two portable classrooms to their campus. The Charter School also stated that their site meets all zoning, occupancy, and safety regulations to accommodate their full proposed projected enrollment of 416 students.

With their 14 existing classrooms and two planned additional portables, ACA will have a total of 16 classrooms on their campus. With their total projected enrollment of 416 students, the site will be able to accommodate a 26 student to classroom ratio.

Criterion III: Is the Petition Reasonably Comprehensive?

The Required Fifteen Elements

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

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

Figure 12: 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)

Other Required Information

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

Figure 13: Other Required Information

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 thru 3540.2.	Yes

Information regarding the proposed operation and potential effects of the charter school on the authorizer, including: - 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)

OUSD-Specified Requirements

Figure 14: OUSD-Specified Requirements

OUSD-Specified Requirement	Included in Submission?
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

Source: Staff analysis of the material revision submission

Criterion IV: Is the Charter School Likely to Serve the Interests of the Entire Community in Which the School is Proposing to Locate?

Community Impact

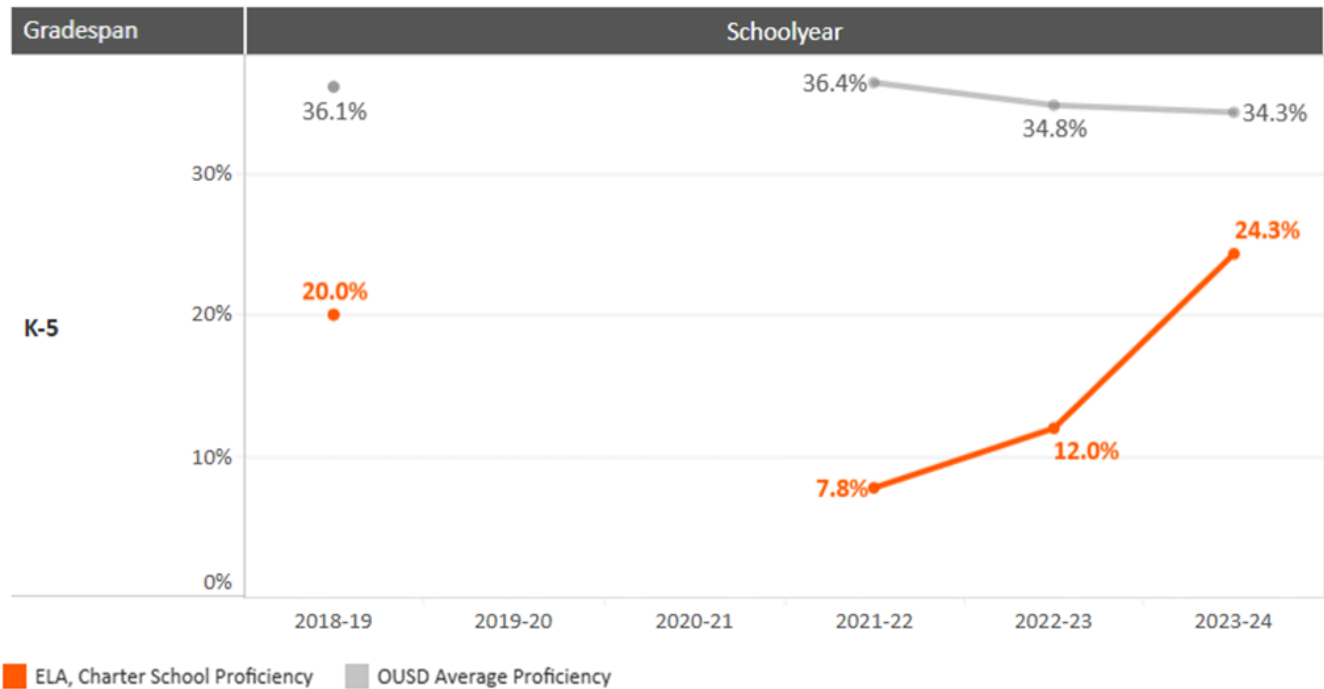
A. Community Impact Questionnaire

The Charter School submitted a community impact questionnaire where they shared about how they engaged the local community and their parents regarding their enrollment increase and associated merger. The Charter School stated that they hosted community meetings, listening sessions, and

Source: California State Dashboard

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

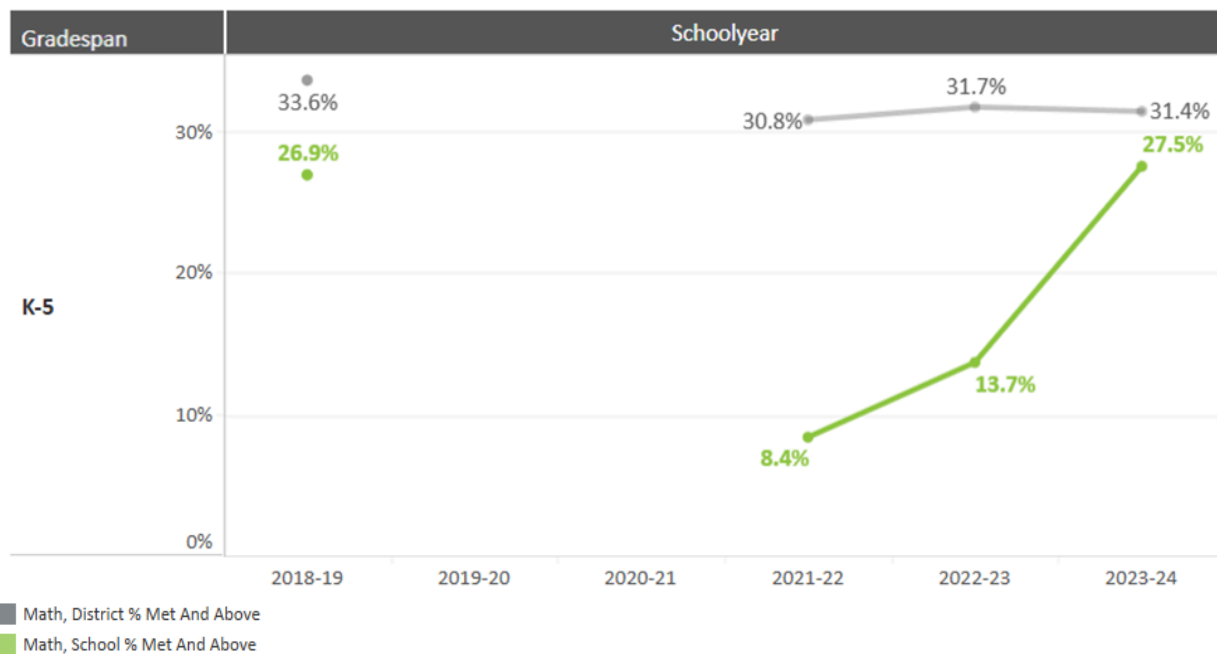
Figure 16: Schoolwide ELA SBAC Proficiency Rates Over Time – ACA and OUSD*



Source: Downloadable CAASPP Research Files

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

Figure 17: Schoolwide Math SBAC Proficiency Rates Over Time - ACA vs. OUSD*



Source: Downloadable CAASPP Research Files

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

B. Enrollment Information

Enrollment Demographics

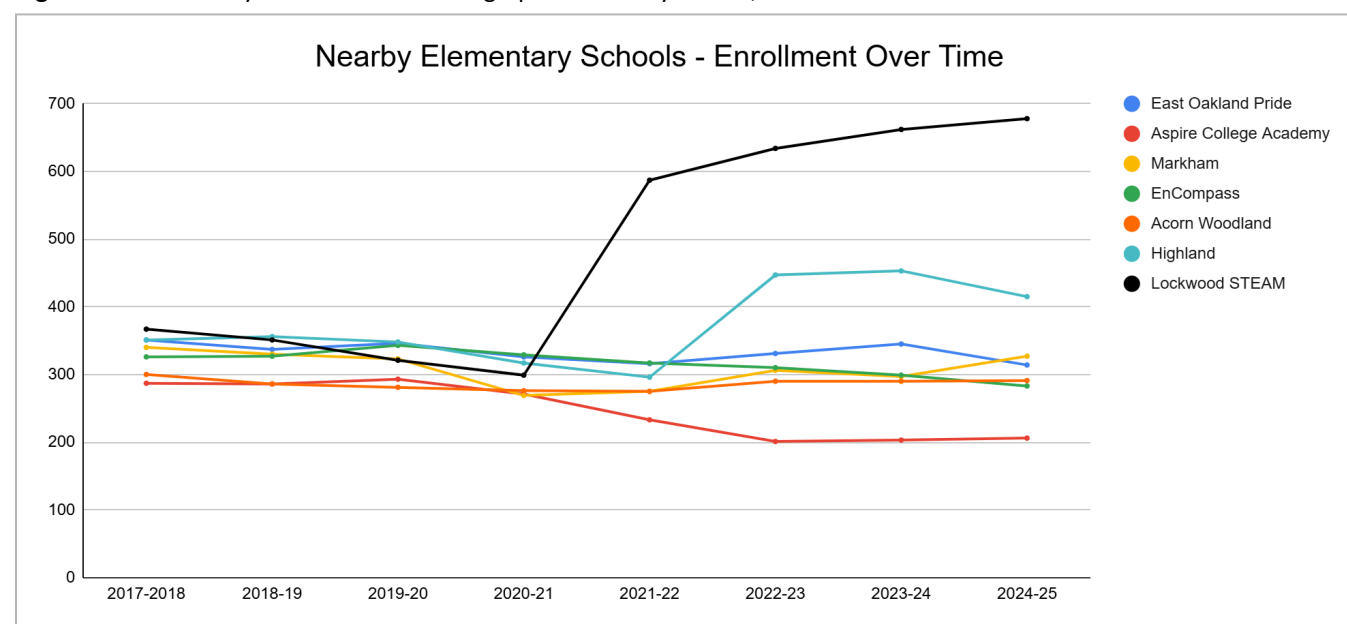
Figure 18: 2024-25 ACA Enrollment Demographics

Student Group Type	Student Group	Charter School
Race/ Ethnicity	Black/African American	21.8%
	American Indian/Alaskan Native	0.5%
	Asian	0.5%
	Filipino	0.0%
	Hispanic/Latino	66.5%
	Pacific Islander	1.5%
	White	0.0%
	Two or More Races	2.4%
	Not Reported	6.8%
Other Student Groups	Socioeconomically Disadvantaged	96.1%
	English Learners	45.6%
	Special Education	14.6%

Source: CDE DataQuest

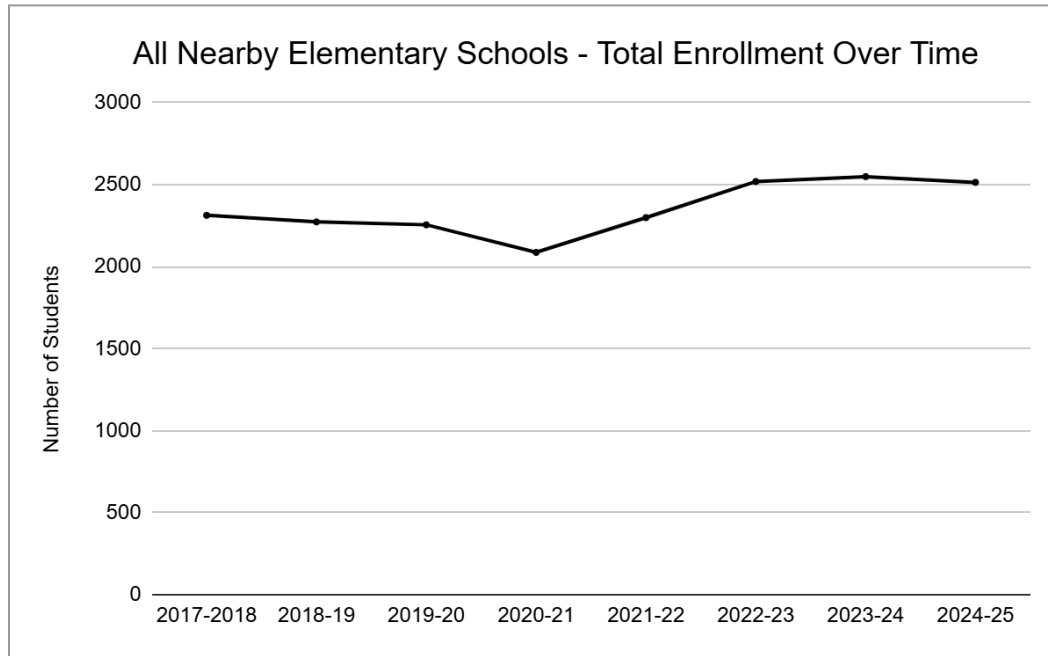
Enrollment Analysis of Nearby Elementary Schools

Figure 19: Elementary Schools in Close Geographic Proximity to ACA, Enrollment Over Time



Source: 2017-18 through 2024-25 Enrollment – CDE Downloadable School Enrollment Data Files

Figure 20: Elementary Schools in Close Geographic Proximity to ACA, Total Enrollment Over Time



Source: 2017-18 through 2024-25 Enrollment – CDE Downloadable School Enrollment Data Files

Enrollment Analysis of Aspire Triumph Academy

Figure 21: Aspire Triumph Technology Academy Grade Level Enrollment Over Time

Student Enrollment by Grade Level and Total Enrollment						
Grade	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
TK	0	0	0	0	11	8
K	47	46	41	44	29	23
1	41	45	40	33	39	31
2	49	44	34	43	34	35
3	51	49	41	40	53	35
4	53	54	49	41	41	45
5	52	48	51	42	38	40
Total	293	286	256	243	245	204

Source: 2019-20 through 2024-25 Enrollment – CDE Downloadable School Enrollment Data Files

C. Charter Management Organization's Key Fiscal Indicators

Financial Indicator	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
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Staff Report - Aspire College Academy Material Revision

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>	(10,014,593)	(9,731,501)	33,256,941	4,962,938	35,033,374	(18,965,452)
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>	84,871,238	75,139,737	108,396,678	113,359,616	148,392,990	129,427,538
Debt Ratio <i>A ratio less than 1 indicates the school has lower debts than assets, representing a lower level of financial risk.</i>	0.68	0.71	0.69	0.73	0.68	0.70
Budgetary Reserve <i>Given the school's ADA, FCMAT² prescribes a minimum 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.</i>	31%	28%	45%	37%	32%	27%
Cash Reserve <i>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.</i>	16%	11%	16%	21%	34%	25%

Source: 2019-20 through 2023-24 Annual Audit Reports

D. 2021-22 Aspire Audit Report

On following page.

ASPIRE PUBLIC SCHOOLS
CONSOLIDATED FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITOR'S REPORT
YEARS ENDED
JUNE 30, 2022 AND 2021

ASPIRE PUBLIC SCHOOLS

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INDEPENDENT AUDITOR'S REPORT

**To the Board of Directors
Aspire Public Schools
Oakland, California**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Aspire Public Schools, a non-profit public benefit corporation, and affiliates (collectively, the Organization), which comprises the consolidated statements of financial position as of June 30, 2022, and 2021, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of June 30, 2022, and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits 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 *2021-22 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 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 the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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 the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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 consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the consolidated 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 consolidated 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; *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *2021-22 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, published by the Education Audit Appeals Panel 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 consolidated financial statements.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the *2021-22 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 misstatement of the consolidated 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 consolidated 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 Organization'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization'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 consolidated financial statements as a whole. The accompanying Supplementary Information, as listed in the Table of Contents, as required by the *2021-22 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, published by the Education Audit Appeals Panel, and as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* are presented for purposes of additional analysis and are not a required

part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 28, 2023, on our consideration of the Organization'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 Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

Gilbert CPAs

**GILBERT CPAs
Sacramento, California**

February 28, 2023

ASPIRE PUBLIC SCHOOLS

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION JUNE 30, 2022 AND 2021

ASSETS		
	<u>2022</u>	<u>2021</u>
CURRENT ASSETS:		
Cash and cash equivalents	\$ 54,294,755	\$ 34,034,990
Restricted cash and cash equivalents	11,758,404	4,017,527
Accounts receivable	67,289,808	77,091,363
Contributions receivable	665,279	375,108
Prepaid expenses and deposits	<u>1,271,463</u>	<u>1,271,254</u>
Total current assets	135,279,709	116,790,242
NON-CURRENT ASSETS:		
Restricted cash and cash equivalents	70,712,495	38,402,463
Investments	50,980	50,980
Property and equipment, net	200,295,215	172,680,300
Right-of-use assets – operating leases	<u>17,321,281</u>	<u>16,528,639</u>
TOTAL ASSETS	<u>\$ 423,659,680</u>	<u>\$ 344,452,624</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
Accounts payable	\$ 12,672,356	\$ 13,260,618
Accrued expenses and other liabilities	16,669,898	15,280,435
Deferred revenue	5,087,510	1,546,381
Line of credit	10,000,000	15,000,000
Debt, current	3,046,611	2,636,460
Lease liabilities - operating leases, current	<u>2,644,011</u>	<u>2,961,429</u>
Total current liabilities	50,120,386	50,685,323
LONG-TERM LIABILITIES:		
Debt, net	244,421,197	170,864,791
Lease liabilities - operating leases, net	<u>15,758,481</u>	<u>14,505,832</u>
Total liabilities	<u>310,300,064</u>	<u>236,055,946</u>
NET ASSETS:		
Without donor restrictions	94,123,087	96,696,786
With donor restrictions	<u>19,236,529</u>	<u>11,699,892</u>
Total net assets	<u>113,359,616</u>	<u>108,396,678</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 423,659,680</u>	<u>\$ 344,452,624</u>

The accompanying notes are an integral part of these consolidated financial statements.

ASPIRE PUBLIC SCHOOLS

CONSOLIDATED STATEMENTS OF ACTIVITIES YEARS ENDED JUNE 30, 2022 AND 2021

NET ASSETS WITHOUT DONOR RESTRICTIONS:	<u>2022</u>	<u>2021</u>
SUPPORT, REVENUE AND GAINS:		
Private grants and contributions	\$ 2,901,141	\$ 2,509,938
Federal revenue	40,114,910	33,362,922
California state revenue:		
State aid portion of general purpose funding	91,103,459	88,299,922
All other state revenue	18,196,052	14,976,990
Local revenue:		
Cash in-lieu of property taxes	34,278,492	39,880,642
Interest income	136,401	41,718
All other local revenue	3,315,943	2,417,445
Gain on sale of school site	-	7,611,677
Other gains	800,090	1,269,489
Other revenues	35,808	593,482
Subtotal	<u>190,882,296</u>	<u>190,964,225</u>
Net assets released from restrictions	<u>59,637,038</u>	<u>53,043,505</u>
Total support, revenue and gains	<u>250,519,334</u>	<u>244,007,730</u>
EXPENSES AND LOSSES:		
PROGRAM EXPENSES:		
Educational programs	<u>233,254,633</u>	<u>194,137,185</u>
SUPPORTING SERVICES:		
Site support	12,153,487	10,753,475
Development and expansion	548,829	387,401
Fundraising	2,842,575	2,071,787
Administration and general	4,236,646	4,037,998
Total supporting services	<u>19,781,537</u>	<u>17,250,661</u>
Total expenses	253,036,170	211,387,846
Contributions to others	-	3,933,972
Return of grant funds	56,863	377,249
Total expenses and losses	<u>253,093,033</u>	<u>215,699,067</u>
Increase (Decrease) in Net Assets without Donor Restrictions	<u>(2,573,699)</u>	<u>28,308,663</u>
NET ASSETS WITH DONOR RESTRICTIONS:		
Private grants and contributions	634,200	5,229,034
State revenue	66,539,475	54,815,662
Return of grant funds	-	(2,052,913)
Net assets released from restrictions	<u>(59,637,038)</u>	<u>(53,043,505)</u>
Increase in Net Assets with Donor Restrictions	<u>7,536,637</u>	<u>4,948,278</u>
INCREASE IN NET ASSETS	4,962,938	33,256,941
NET ASSETS - Beginning of Year	<u>108,396,678</u>	<u>75,139,737</u>
NET ASSETS - End of Year	<u>\$ 113,359,616</u>	<u>\$ 108,396,678</u>

The accompanying notes are an integral part of these consolidated financial statements.

ASPIRE PUBLIC SCHOOLS

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES YEAR ENDED JUNE 30, 2022

	Program Expenses	Supporting Services				
	Educational programs	Site support	Development and expansion	Fundraising	Administration and general	Total
Salaries and wages	\$ 122,682,326	\$ 4,976,695	\$ 378,763	\$ 1,164,538	\$ 1,557,888	\$ 130,760,210
Employee benefits	40,233,585	1,869,456	124,205	352,350	574,751	43,154,347
Books and supplies	17,534,624	1,319,555	17,001	947,624	348,773	20,167,577
Professional services	21,815,367	3,024,124	15,130	305,833	898,017	26,058,471
Rents and occupancy	15,994,719	711,415	-	72,230	719,440	17,497,804
Depreciation and amortization	7,908,163	56,511	-	-	56,505	8,021,179
Bonds and loan interest	5,846,168	42,909	-	-	12,260	5,901,337
Travel and meetings	1,020,763	88,121	13,730	-	49,164	1,171,778
Other expenses	<u>218,918</u>	<u>64,701</u>	<u>-</u>	<u>-</u>	<u>19,848</u>	<u>303,467</u>
Total	<u><u>\$ 233,254,633</u></u>	<u><u>\$ 12,153,487</u></u>	<u><u>\$ 548,829</u></u>	<u><u>\$ 2,842,575</u></u>	<u><u>\$ 4,236,646</u></u>	<u><u>\$ 253,036,170</u></u>

The accompanying notes are an integral part of these consolidated financial statements.

ASPIRE PUBLIC SCHOOLS

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES YEAR ENDED JUNE 30, 2021

	Program Expenses	Supporting Services				
	<u>Educational programs</u>	<u>Site support</u>	<u>Development and expansion</u>	<u>Fundraising</u>	<u>Administration and general</u>	<u>Total</u>
Salaries and wages	\$ 102,400,975	\$ 4,397,759	\$ 216,334	\$ 852,384	\$ 1,309,894	\$ 109,177,346
Employee benefits	35,723,635	1,672,954	68,921	275,832	525,295	38,266,637
Books and supplies	15,233,353	1,052,573	38,602	601,833	425,274	17,351,635
Professional services	13,189,969	2,690,954	61,073	201,072	793,640	16,936,708
Rents and occupancy	12,301,228	757,878	-	140,666	773,508	13,973,280
Depreciation and amortization	8,220,968	63,313	-	-	63,311	8,347,592
Bonds and loan interest	5,911,940	-	-	-	-	5,911,940
Travel and meetings	595,946	53,786	2,471	-	21,591	673,794
Other expenses	<u>559,171</u>	<u>64,258</u>	<u>-</u>	<u>-</u>	<u>125,485</u>	<u>748,914</u>
Total	<u><u>\$ 194,137,185</u></u>	<u><u>\$ 10,753,475</u></u>	<u><u>\$ 387,401</u></u>	<u><u>\$ 2,071,787</u></u>	<u><u>\$ 4,037,998</u></u>	<u><u>\$ 211,387,846</u></u>

The accompanying notes are an integral part of these consolidated financial statements.

ASPIRE PUBLIC SCHOOLS

CONSOLIDATED STATEMENTS OF CASH FLOWS YEARS ENDED JUNE 30, 2022 AND 2021

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES:		
Increase in net assets	\$ 4,962,938	\$ 33,256,941
Adjustments to reconcile to net cash provided by operating activities:		
Depreciation	8,021,179	8,347,592
Loss on disposal of property and equipment	-	24,831,023
Return of grant funds through addition to other liabilities	-	2,052,913
Amortization of long-term debt costs	(504,815)	(2,486,091)
Extinguishment of debt through transfer of assets	-	(4,313,958)
Non-cash operating lease expense	176,781	1,309,206
(Increase) decrease in assets:		
Accounts receivable	9,801,555	(44,420,403)
Contributions receivable	(290,171)	1,222,608
Prepaid expenses and deposits	(209)	(114,335)
Increase (decrease) in liabilities:		
Accounts payable	(5,903,889)	1,990,197
Accrued expenses and other liabilities	1,389,465	2,517,987
Deferred revenue	3,541,127	1,389,619
Deferred rent	-	(914,586)
Lease liabilities - operating leases	(34,192)	(370,581)
Net cash provided by operating activities	<u>21,159,769</u>	<u>24,298,132</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds on sale of property and equipment	-	11,145,176
Purchases of property and equipment	(30,320,467)	(36,514,932)
Net cash used by investing activities	<u>(30,320,467)</u>	<u>(25,369,756)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from line of credit	10,000,000	15,000,000
Payments on line of credit	(15,000,000)	(3,500,000)
Proceeds from debt	79,253,717	55,483,576
Payments of debt issuance costs	(2,266,713)	(1,419,769)
Principal payments on capital lease	-	(17,937,179)
Principal payments on debt	(2,515,632)	(9,451,931)
Net cash provided by financing activities	<u>69,471,372</u>	<u>38,174,697</u>
Net increase in cash and cash equivalents	60,310,674	37,103,073
Cash and cash equivalents, beginning of year	<u>76,454,980</u>	<u>39,351,907</u>
Cash and cash equivalents, end of year	<u>\$ 136,765,654</u>	<u>\$ 76,454,980</u>
Cash and cash equivalents	\$ 54,294,755	\$ 34,034,990
Restricted cash and cash equivalents	<u>82,470,899</u>	<u>42,419,990</u>
Total	<u>\$ 136,765,654</u>	<u>\$ 76,454,980</u>
NON-CASH INVESTING AND FINANCING ACTIVITIES:		
Property and equipment financed through accounts payable	\$ 5,315,627	\$ 455,506
Additions to other liabilities due to return of grant funds	\$ -	\$ 2,052,913
Extinguishment of debt through transfer of assets	\$ -	\$ 4,313,958
Right-of-use asset acquired through operating lease liability	\$ 969,423	\$ 768,227
CASH PAID FOR INTEREST (net of capitalized amount)	\$ 6,919,419	\$ 7,776,061
The accompanying notes are an integral part of these consolidated financial statements.		

ASPIRE PUBLIC SCHOOLS

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022 AND 2021

1. OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES

Aspire Public Schools, a non-profit public benefit corporation (the Organization), was formed to manage, guide, direct, and promote charter schools that provide quality education to youth in primary and secondary grades. The Organization was founded in 1998. The Organization's support is derived primarily from public education monies, individual and foundation contributions, and government agency grants.

In addition to managing school operations, Aspire Public Schools controls three affiliated organizations that were created to facilitate ownership of certain school facilities and support development of charter schools. The facilities are owned and managed by two single-member limited liability companies, College for Certain, LLC (CFC LLC), and College for Certain II, LLC (CFC II LLC). The sole member of both LLCs is College for Certain, Inc. (CFC INC) which was created as a supporting organization of Aspire Public Schools to facilitate and support the development of charter schools. CFC INC is controlled by, and for the benefit of, Aspire Public Schools. CFC LLC and CFC II LLC are disregarded entities for federal income tax purposes.

Aspire Public Schools TN, LLC (TN LLC) is a Tennessee non-profit limited liability company created in July 2013, whose sole member is Aspire Public Schools. TN LLC incorporated pursuant to the Tennessee Nonprofit Corporation Act and is a disregarded entity for federal income tax purposes. TN LLC was formed to manage, guide, direct, and promote charter schools that provide quality education to Tennessee youth in primary and secondary grades. TN LLC's support is derived primarily from State of Tennessee public education monies, foundation contributions, and various government agency grants. The Aspire Public Schools' board determined in December 2018 that it was in the best interest of the four Tennessee based schools to become an independently operated Tennessee-based charter management organization (CMO) entity with an effective date of July 1, 2020.

The Organization entered into an agreement with Journey Community Schools, Inc., a Tennessee nonprofit corporation (Journey) to transition the Tennessee charter schools to a Tennessee-based operator with a local board of directors. Journey was formed on June 10, 2019, to assume operation of the charter schools. Journey currently has a five-member board of directors, is exempt from federal taxation under section 501(c)(3) of the Internal Revenue Code, and its charitable purposes stated in its Charter of Incorporation are to create, operate, and manage public charter schools in the State of Tennessee. Under the agreement, Journey assumed responsibility for and control of the charter schools as of July 1, 2020, and Journey's board of directors will serve as the charter schools' governing board. The transition was approved by the charter schools' authorizers and Tennessee Department of Education to reflect Journey as the operator as of the transition date. As of June 30, 2020, the Organization transferred cash balances totaling \$3,505,000 to Journey. Prior to October 31, 2020, the Organization transferred the remaining net assets of the charter schools to Journey, including the remaining cash balance and any deposits or reimbursements that the Organization received on behalf of the charter schools after the transition date that totaled \$3,933,972 and are reflected as contributions to others on the Consolidated Statements of Activities for the year ended June 30, 2021.

Aspire Public Schools Foundation (the Foundation) was formed in July 2019 as a supporting non-profit public benefit corporation to Aspire Public Schools. The Foundation is controlled by, and for the benefit of, Aspire Public Schools. The Foundation's support is derived primarily from private donations and foundation grants.

ASPIRE PUBLIC SCHOOLS

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022 AND 2021

For financial reporting purposes, CFC LLC, CFC II LLC, CFC INC, TN LLC, and the Foundation, are consolidated with Aspire Public Schools.

Principles of Consolidation – The accompanying consolidated financial statements include the accounts of Aspire Public Schools and its controlled affiliated organizations, collectively the “Organization”. All significant intercompany accounts and transactions have been eliminated in consolidation. Listed below are the affiliated organizations included in these financial statements:

- **Aspire Public Schools** – Aspire Public Schools operates thirty-seven schools in California under thirty-five charters which are chartered by twelve charter authorizers (sponsoring districts) in seven counties. Charters were granted for each school for up to five years, with an opportunity for renewal. Charters may be revoked by the sponsoring district for material violations of the charter, failure to meet or make progress toward student outcomes identified in the charter, failure to meet generally accepted standards of fiscal management, or violation of any provision of the law. As of June 30, 2022, the charter schools operated by Aspire Public Schools were as follows:

<u>Charter School Name</u>	<u>Charter School Number</u>	<u>Sponsoring District</u>	<u>*Charter Granted/Renewed</u>	<u>Charter Expiration</u>	<u>**Revised AB 130 Charter Expiration</u>
Aspire Alexander Twilight College Preparatory Academy	1554	San Juan Unified	Nov 2015	6/30/26	6/30/26
Aspire Alexander Twilight Secondary Academy	1555	San Juan Unified	Nov 2015	6/30/26	6/30/26
Aspire Antonio Maria Lugo Academy	694	Los Angeles County Office of Education	April 2019	6/30/24	6/30/26
Aspire APEX Academy	1552	Stockton Unified	Jan 2018	6/30/23	6/30/25
Aspire Benjamin Holt College Preparatory Academy	565	Lodi Unified	Oct 2017	6/30/23	6/30/25
Aspire Benjamin Holt Middle School	1782	Lodi Unified	Nov 2015	6/30/28	6/30/28
Aspire Berkley Maynard Academy	726	Oakland Unified	Jan 2015	6/30/25	6/30/27
Aspire Capitol Heights Academy	598	Sacramento City Unified	Apr 2018	6/30/23	6/30/25
Aspire Centennial College Preparatory Academy	1436	Los Angeles Unified	Nov 2017	6/30/23	6/30/25
Aspire College Academy	1577	Oakland Unified	Jan 2018	6/30/23	6/30/25
Aspire East Palo Alto Charter***	125	Ravenswood City	Aug 2018	6/30/24	6/30/26
Aspire ERES Academy****	1115	Oakland Unified	Nov 2018	6/30/24	Closed****
Aspire Firestone Academy	1214	Los Angeles Unified	Oct 2014	6/30/25	6/30/27
Aspire Gateway Academy	1213	Los Angeles Unified	Oct 2014	6/30/25	6/30/27
Aspire Golden State College Preparatory Academy	1023	Oakland Unified	Jan 2018	6/30/23	6/30/25
Aspire Inskip Academy	1332	Los Angeles Unified	Oct 2015	6/30/26	6/30/26
Aspire Junior Collegiate Academy	1551	Los Angeles Unified	Nov 2017	6/30/23	6/30/25
Aspire Langston Hughes Academy	1048	Stockton Unified	Jan 2018	6/30/23	6/30/25
Aspire Lionel Wilson College Preparatory Academy	465	Oakland Unified	Dec 2016	6/30/22	6/30/24
Aspire Monarch Academy	252	Oakland Unified	Nov 2018	6/30/24	6/30/26

ASPIRE PUBLIC SCHOOLS

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022 AND 2021

<u>Charter School Name</u>	<u>Charter School Number</u>	<u>Sponsoring District</u>	<u>*Charter Granted/Renewed</u>	<u>Charter Expiration</u>	<u>**Revised AB 130 Charter Expiration</u>
		Los Angeles County			
Aspire Ollin University Prep Academy	693	Office of Education	April 2019	6/30/24	6/30/26
Aspire Pacific Academy	1230	Los Angeles Unified	Oct 2014	6/30/25	6/30/27
Aspire Port City Academy	1553	Stockton Unified	Jan 2018	6/30/23	6/30/25
Aspire Richmond California College Preparatory Academy	1739	West Contra Costa Unified	June 2019	6/30/25	6/30/27
Aspire Richmond Technology Academy	1740	West Contra Costa Unified	Dec 2019	6/30/25	6/30/27
Aspire River Oaks Charter School	364	Lodi Unified	Feb 2016	6/30/21	6/30/23
Aspire Stockton Secondary Academy	2064	Stockton Unified	Aug 2020	6/30/25	6/30/27
Aspire Arts & Sciences Academy	2063	Stockton Unified	Aug 2020	6/30/25	6/30/27
Aspire Rosa Parks Academy	554	Stockton Unified	Jan 2015	6/30/25	6/30/27
Aspire Slauson Academy	1330	Los Angeles Unified	Oct 2015	6/30/26	6/30/26
Aspire Summit Charter Academy	812	Ceres Unified	Jan 2016	6/30/26	6/30/26
Aspire Tate Academy	1331	Los Angeles Unified	Oct 2015	6/30/26	6/30/26
Aspire Titan Academy	1550	Los Angeles Unified	Nov 2017	6/30/23	6/30/25
Aspire Triumph Technology Academy	1663	Oakland Unified	Nov 2018	6/30/24	6/30/26
Aspire University Charter School	1963	Modesto City Schools	Jan 2018	6/30/23	6/30/25
Aspire Vanguard College Preparatory Academy	1125	Modesto City Schools	Dec 2018	6/30/24	6/30/26
Aspire Vincent Shalvey Academy	178	Lodi Unified	Dec 2018	6/30/24	6/30/26

* Charter issuance date or the most recent renewal date.

** 2021-2022 Education Trailer Bill AB 130 Sec 58 established a new Education Code Section 47607.7, in which all charter schools whose term expires on or between January 1, 2022, and June 2025 shall have their term extended by two years. The Organization is in the process of obtaining official revisions to its MOUs and charter petitions with the oversight agencies for this revision.

*** On April 22, 2021, CFC LLC entered into an agreement with KIPP Bay Area Schools (KIPP). KIPP agreed to purchase the East Palo Alto Academy (EPAPA) property for \$20,200,000. The gain on the sale totaling \$7,611,677, net of the cost of transferring the related assets, is reflected on the Consolidated Statements of Activities for the year ended June 30, 2021.

**** On March 25, 2021, the Organization's board of directors voted to close Aspire ERES Academy after negotiations with Oakland Unified School District were unsuccessful. This closure was effective as of June 30, 2021.

All sponsoring districts receive up to 1% of the annual charter revenue for supervisory oversight. Ravenswood City School District, the sponsoring district for Aspire East Palo Alto Charter receives up to 3% for supervisory oversight because the district provides facilities substantially rent-free.

ASPIRE PUBLIC SCHOOLS

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022 AND 2021

Through June 30, 2022, the Organization had separately negotiated with all sponsoring districts for administrative fees and other services. Additionally, for some schools, transportation expenses and/or special education encroachment are paid by the Organization to the sponsoring districts.

- **Aspire Public Schools TN, LLC** – TN LLC operated four schools under four charters in Shelby County, Tennessee. Charters were granted for each school for ten years, with an opportunity for renewal. Journey Community Schools, Inc., a Tennessee nonprofit corporation (Journey) assumed responsibility for and control of the charter schools as of July 1, 2020.
- **College for Certain, LLC** – CFC LLC holds title to properties that are financed through the CSFA Charter School Revenue Refunding Bonds Series 2016 (2016 Bonds) where Aspire Public Schools operates ten charter schools (seven locations) and manages, operates, and leases the properties.
- **College for Certain II, LLC** – CFC II LLC holds title to properties that are financed through the CSFA Charter School Revenue Refunding Bonds Series 2015 (2015 Bonds) where Aspire Public Schools operates three charter schools (two locations) and manages, operates, and leases the properties.
- **College for Certain, Inc.** – CFC INC is a supporting organization of Aspire Public Schools in that it facilitates and supports the development of charter schools for Aspire Public Schools. CFC INC is the sole member of CFC LLC and CFC II LLC and is the named borrower of the 2015 and 2016 Bonds outstanding.
- **Aspire Public Schools Foundation** – The Foundation is a supporting organization of Aspire Public Schools in that it performs fundraising activities and provides other supporting services to Aspire Public Schools.

Basis of presentation – The financial statements are prepared on the accrual basis of accounting and in conformity with professional standards applicable to not-for-profit entities. The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Cash and cash equivalents – For financial statement purposes, the Organization considers investments with maturity at purchase of three months or less to be cash equivalents.

Accounts receivable represent consideration from state and local government agencies, of which the Organization has an unconditional right to receive. Accounts receivables are stated at the amount management expects to be collected from the outstanding balance.

Contributions receivable – Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in more than one year are recorded at fair value, which is measured as the present value of their future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. In subsequent years, amortization of the discounts is included in contribution revenue. In the absence of donor stipulations to the contrary, promises with payments due in future periods are restricted to use after the due date. Management determines the allowance for uncollectable contributions receivable based on historical experience, an assessment of economic conditions, and a review of subsequent collections and are written off when deemed uncollectable. Management has determined that no allowance is deemed necessary as of June 30, 2022, and 2021.

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Investments – Investments with readily determinable fair values are stated at fair value and held for long-term purposes. Other investments without readily determinable fair values are valued using the measurement alternative approach, which is cost, minus any impairment, plus or minus any changes resulting from observable prices changes in an orderly transaction for an identical or similar investment of the same issuer.

Property and equipment with a value greater than \$5,000 are capitalized at cost or fair market value on the date of receipt, in the case of donated property, and depreciated using the straight-line method over their estimated useful lives, which range from two to thirty years. Leasehold improvements are depreciated over the lease term (including options) or the useful life. Major additions are capitalized, and repairs and maintenance that do not improve or extend the life of the assets are expensed. When assets are sold or retired, their cost and related accumulated depreciation are removed from the accounts, with the resulting gain or loss reflected in the Consolidated Statements of Activities.

Leases – The Organization determines if an arrangement is or contains a lease at inception. Leases are included in right-of-use (ROU) assets and lease liabilities in the consolidated statements of financial position. ROU assets and lease liabilities reflect the present value of the future minimum lease payments over the lease term, and ROU assets also include prepaid or accrued rent. Operating lease expense is recognized on a straight-line basis over the lease term. The Organization does not report ROU assets and leases liabilities for its short-term leases (leases with a term of 12 months or less). Instead, the lease payments of those leases are reported as lease expense on a straight-line basis over the lease term. Lease terms may include options to extend or terminate certain leases. The value of a lease is reflected in the valuation if it is reasonably certain management will exercise an option to extend or terminate a lease.

Revenue recognition – The Organization's revenue from government grants is derived from cost-reimbursable federal or state grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue in the applicable period in which the qualifying expenses are incurred in compliance with specific grant provisions. Funds received in excess of expenses incurred are recorded as deferred revenue. At June 30, 2022 and 2021, \$5,087,510 and \$1,546,381, respectively, of grant funds are included in deferred revenue to be recognized in future periods.

Contributions are recognized when cash, or other assets, or an unconditional promise to give is received. Conditional promises to give - that is, those with a measurable performance or other barrier and a right of return - are not recognized until the conditions on which they depend have been met.

The Organization receives grant funds that are considered conditional contributions and are not recorded or recognized until the applicable condition has been met, generally expenditure on costs allowable under the grant agreement, or satisfaction of performance obligations. As of June 30, 2022, and 2021, the Organization had \$1,200,000 and \$1,400,000, respectively, of conditional contributions available to be recognized in revenue in future periods under such grants. In some cases, the Organization may not be able to access the full amount available under the agreement based on its activities and level of expenditures.

Donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities as net assets released from

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restrictions. Restricted contributions that were initially classified as conditional due to a qualifying expense barrier are recognized as net assets without donor restrictions since the restriction is met simultaneously when the condition is released, and the revenue is recognized.

Contributions of property and equipment are reported as net assets with donor restrictions if the donor restricted the use of the property or equipment to a particular program, as are contributions of cash restricted to the purchase of property and equipment. Donor restrictions on contributions of property and equipment or assets restricted for purchase of property and equipment are considered to expire when the assets are placed in service.

Other revenues consist of amounts from constituents for sales revenue from student stores, after school programs, lunch income, and ticket income for events. Funds received in advance of earning are deferred to the applicable period in which the related service are performed. See Note 13 for additional disclosures for revenue from contracts with customers.

Donated equipment, materials, services, and facilities – In-kind contributions of equipment, materials, and services are recorded at their estimated fair values at the date of donation. Donated services are recorded when they create or enhance non-financial assets or require a specialized skill that the Organization would otherwise need to purchase. During the years ended June 30, 2022, and 2021, no in-kind contributions were received.

Income taxes – The Organization (with the exception of the Foundation) has been granted tax-exempt status as provided by Internal Revenue Code Section 501(c)(3) and Section 23701(d) of the California Revenue and Taxation Code. In addition, the Internal Revenue Service has determined the Organization is not a private foundation within the meaning of Section 509(a) of the Internal Revenue Code. Accordingly, no provision for income taxes has been reflected in these financial statements. The Foundation is currently in the process of filing for its exempt status.

Functional allocation of expenses – The cost of providing educational programs and other activities has been summarized on a functional basis in the consolidated statement of activities. The consolidated statement of functional expenses presents the natural classification of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The expenses that are allocated include rent and occupancy and depreciation, which are allocated on a square footage basis, as well as salaries and wages, employee benefits, professional services, and other, which are allocated on the basis of estimates of time and effort.

Program development and expansion – The Organization continually explores potential opportunities for expansion and growth; thus, costs are incurred to research the possibility of establishing new sites. The Organization capitalizes these preacquisition costs into ‘Construction in progress’ (Note 8) at the time incurred. If it is determined that a formal contractual commitment will not be entered into, the expenses are included in program development and expansion in the period that the determination is made.

Fair value measurements – Fair value is a market-based measurement, not an entity-specific measurement. For some assets and liabilities, observable market transactions or market information might be available. For other assets and liabilities, observable market transactions and market information might not be available. However, the objective of a fair value measurement in both cases is the same—to estimate the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions (that is, an exit price at the measurement date from the perspective of a market participant that holds the asset or owes the liability).

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In order to increase consistency and comparability in fair value measurements, a fair value hierarchy that prioritizes observable and unobservable inputs is used to measure fair value into three broad levels, as follows:

Level 1 Inputs	Unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities.
Level 2 Inputs	Inputs other than quoted prices in active markets that are observable either directly or indirectly.
Level 3 Inputs	Unobservable inputs for the asset or liability.

When a price for an identical asset or liability is not observable, a reporting entity measures fair value using another valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs. Because fair value is a market-based measurement, it is measured using the assumptions that market participants would use when pricing the asset or liability, including assumptions about risk. As a result, a reporting entity's intention to hold an asset or to settle or otherwise fulfill a liability is not relevant when measuring fair value.

Use of estimates – Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. On an ongoing basis, management evaluates the estimates and assumptions based on new information. Management believes that the estimates and assumptions are reasonable in the circumstances; however, actual results could differ from those estimates.

Subsequent events have been reviewed through February 28, 2023, the date the consolidated financial statements were available to be issued. Management concluded that no material subsequent events have occurred since June 30, 2022, that require recognition or disclosure in the financial statements.

2. LIQUIDITY AND AVAILABILITY OF RESOURCES

The Organization's financial assets available within one year of the statements of financial position date for general expenditure are as follows at June 30:

	<u>2022</u>	<u>2021</u>
Cash and cash equivalents	\$ 54,294,755	\$ 34,034,990
Accounts receivable	67,289,808	77,091,363
Contributions receivable	<u>665,279</u>	<u>375,108</u>
Total financial assets, available within one year	122,249,842	111,501,461
Less:		
Amounts unavailable for general expenditures within one year, due to:		
Restrictions by donors for purpose	<u>(16,291,526)</u>	<u>(8,672,300)</u>
Total financial assets available for general expenditures within one year	<u>\$ 105,958,316</u>	<u>\$ 102,829,161</u>

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The Organization's goal is to maintain or exceed financial assets at a level sufficient to protect its schools against program cuts arising from unanticipated state revenue or enrollment shortfalls, unexpected cost increases, and economic uncertainties, such that it can meet 5-6 weeks of operating expenses (approximately \$23.0 million) and its bond covenants. As part of its liquidity plan, school sites also have target reserves to cover repairs, maintenance, and minor capital improvements. The Organization has a \$20,500,000 line of credit available to meet cash flow needs.

3. CONCENTRATIONS OF CASH

The Organization maintains its cash in bank deposit accounts that at times may exceed federally insured limits. The Organization has not experienced any losses in such accounts. Management believes the Organization is not exposed to any significant credit risk related to cash. The Organization held deposits with four financial institutions in excess of federal depository insurance limits of \$134,896,101 and \$75,098,577 as of June 30, 2022, and 2021, respectively. The Organization has not experienced any losses in such accounts and Management believes the Organization is not exposed to any significant credit risk related to cash.

4. RESTRICTED CASH

Restricted cash consists of amounts that are required to be held for debt service reserves and for principal and interest payments with respect to the bond outstanding; and contributions restricted to investment in property and equipment. The total restricted cash at June 30, 2022 and 2021 was \$82,470,899 and \$42,419,990, respectively. The current portion of \$11,758,404 and \$4,017,527 as of June 30, 2022, and 2021, respectively, was restricted for current bond debt obligations. The noncurrent portion of \$70,712,495 at June 30, 2022 consisted of \$68,179,214 for debt service reserves and \$2,533,281 for investment in property and equipment. The noncurrent portion of \$38,402,463 at June 30, 2021 consisted of \$35,374,871 for debt service reserves and \$3,027,592 for investment in property and equipment.

5. ACCOUNTS RECEIVABLE

Accounts receivable balances at June 30, 2022 and 2021 were \$67,289,808 and \$77,091,363, respectively, and were due entirely from grantor government agencies. Management deems all receivables to be collectible as of June 30, 2022, and June 30, 2021.

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NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022 AND 2021

6. CONTRIBUTIONS RECEIVABLE

The Organization recognizes unconditional contributions receivable at their estimated fair value using estimated prevailing interest rates, on a nonrecurring basis, at the time the pledge is made. Fair value is determined by calculating the net present value of the estimated future cash flows. The discount rate used in determining the net present value of new pledges receivable was 0% at June 30, 2022 and 2021 as all were deemed current contributions receivable at the time of donation. All contributions receivables are deemed to be collectible by management, and were as follows as of June 30:

	<u>2022</u>	<u>2021</u>
Gross contributions receivable	\$ 665,279	\$ 375,108
Less: Unamortized discount	<u>-</u>	<u>-</u>
Contributions receivable, net	<u>\$ 665,279</u>	<u>\$ 375,108</u>

Contributions receivables are due to be collected as follows:

	<u>2022</u>	<u>2021</u>
Within one year	\$ 665,279	\$ 375,108
One to five years	<u>-</u>	<u>-</u>
Contributions receivable, net	<u>\$ 665,279</u>	<u>\$ 375,108</u>

7. INVESTMENTS

Investments consist of the following at June 30:

	<u>2022</u>	<u>2021</u>
Equity securities invested in education technology	\$ 6,098	\$ 6,098
Pooled funds with community foundation	<u>44,882</u>	<u>44,882</u>
Investments	<u>\$ 50,980</u>	<u>\$ 50,980</u>

Equity securities are invested with a privately held business and are recorded using the measurement alternative approach and are excluded from the fair value hierarchy. Pooled funds are classified as Level 2 of the fair value hierarchy, as the fair value is quoted by the community foundation and based on prices in active markets for the pooled investments as a whole.

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NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022 AND 2021

8. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at June 30:

	<u>2022</u>	<u>2021</u>
Land	\$ 36,590,744	\$ 35,367,894
Buildings and improvements	171,618,817	167,015,117
Construction in progress	43,804,026	13,916,075
Leasehold improvements	13,724,093	14,398,749
Equipment	10,497,952	9,901,703
Automobiles	81,091	81,091
Subtotal	276,316,723	240,680,629
Less accumulated depreciation	(76,021,508)	(68,000,329)
Property and equipment, net	<u>\$ 200,295,215</u>	<u>\$ 172,680,300</u>

Depreciation expense was \$8,021,179 and \$8,347,592 for the years ended June 30, 2022, and 2021, respectively. Various components of the land, buildings, and schools under construction shown above are pledged as collateral for the debt disclosed in Note 9, and the operating leases disclosed in Note 11.

9. DEBT

	<u>2022</u>	<u>2021</u>
College for Certain Series 2016 School Facility Revenue Refunding Bonds (2016 Bonds) in the amount of \$83,170,000 were issued effective February 1, 2016; with 4 bonds and bearing interest rates ranging from 2.00% - 5.00%. The bond proceeds were used for the refunding of the outstanding principal of the College for Certain Series 2010 School Facility Revenue Bonds. Associated with this bond is a premium of \$10,618,415 and debt issuance costs of \$1,410,454, which are being amortized to interest expense over the term of the bonds. Principal and interest payments are due annually. In April 2021, the Organization partially defeased the 2016 Bonds. See note below regarding the escrow agreement. Final maturity is in August 2046.	\$ 68,600,000	\$ 69,940,000
College for Certain Series 2015 School Facility Revenue Refunding Bonds (2015 Bonds) in the amount of \$20,535,000 were issued effective December 1, 2015; with 4 bonds and bearing interest rates ranging from 2.00% - 5.00%. The bond proceeds were used for the payoff of a capital lease. Associated with this bond is a premium of \$2,005,317 and debt issuance costs of \$767,482, which are being amortized to interest expense over the term of the bonds. Principal and interest payments are due annually. Final maturity is in August 2045.	18,680,000	19,075,000

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NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
California School Finance Authority \$4,758,509 loan, effective June 27, 2007, bearing interest at 2.202%, for the construction of Rosa Parks Academy campus in Stockton under Proposition 47. Interest only payments of varying amounts are due annually. Principal and interest payments totaling \$231,795 are due annually. Final maturity is in 2037.	2,933,879	3,097,468
California School Finance Authority \$9,834,913 loan (\$457,251 issued in 2009/10, \$5,262,400 issued in 2010/11, and \$4,115,262 issued in 2012/13), bearing interest at 2%, for the construction of Aspire Ollin University College Preparatory campus in Los Angeles under Proposition 55. Interest only payments of varying amounts are due annually. In addition, a principal and interest payment of \$462,139 is due annually. Final maturity is in 2042.	7,143,730	7,431,977
California School Finance Authority \$8,229,438 loan (\$3,459,764 issued in 2013/14 and \$4,769,674 issued in 2015/16), bearing interest at 2%, for the construction of the Aspire Antonio Maria Lugo Academy campus in Los Angeles under Proposition 1D. Beginning July 2017, interest, and principal payments of \$376,730 are due annually. Final Maturity is in 2045.	6,827,762	7,056,561
California School Finance Authority \$3,706,191 loan issued in 2015/16 for a new campus to be built for Aspire ERES Academy in Oakland under Proposition 1D. The interest rate is 2% and payments for interest and principal were expected to begin at completion of the facility. In 2020, the Organization determined the campus project would not be completed and determined that in addition to the loan proceeds of \$3,706,191, \$2,490,993 of unspent grant funding would need to be repaid, totaling \$6,197,184. The repayment terms have not yet been finalized with California School Finance Authority.	6,197,184	6,197,184
California School Finance Authority Charter School Revolving Fund Program \$250,000 loan, effective September 25, 2017, for supporting the operations of Aspire Richmond Technology Academy. Interest rate is 1.12%, due annually. Principal payments of \$50,000 are due annually. Final maturity is 2023.	50,008	100,006
California School Finance Authority Charter School Revolving Fund Program \$250,000 loan, effective September 25, 2017, for supporting the operations of Aspire Richmond California College Preparatory Academy. Interest rate is 1.12%, due annually. Principal payments of \$50,000 are due annually. Final maturity is 2023.	50,008	100,006

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NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
In August 2020, the Organization was approved and executed a Memorandum of Understanding for funding under the California Charter School Facilities State Prop 1D Program for Aspire Berkley Maynard Academy. The terms of the agreements provide that 50% of the Prop 1D funding consists of a grant, and the remaining 50% is a local match which will be repaid to the State as a loan. The Organization began receiving the funds during fiscal year 2021 and is not required to make repayments on the match until the completion of the facility project, at which point the repayment terms will be determined. As of June 30, 2022, the Organization had received \$1,020,554 in match funding. This balance is included on the statement of financial position as debt as of June 30, 2022.	1,020,555	1,020,554
California School Finance Authority Charter School Revenue Bonds (Aspire Public Schools – Obligated Group – Issue No. 3), Series 2020A and Series 2020B (Taxable) in the amount of \$37,435,000 were issued effective December 8, 2020; with 2 bonds and bearing interest rates ranging from 3.00% - 5.00%. The bond proceeds were used for the payoff of a capital lease and to finance costs of acquisition, construction, improvement equipping and furnishing of school facilities. Associated with this bond is a premium of \$5,875,672 and debt issuance costs of \$1,200,351, which are being amortized to interest expense over the term of the bonds. Principal and interest payments are due annually. Final maturity is in August 2059.	37,435,000	37,435,000
Aspire Public Schools Obligated Group Corporate Taxable Bonds, Series 2021 (Capitol Heights Academy Project) in the amount of \$11,265,000 were issued effective March 1, 2021 and bearing interest rates at 4.80%. The bond proceeds were used for the purchase and construction of facilities for Aspire Capitol Heights Academy. Associated with this bond is a discount of \$112,650 and debt issuance costs of \$219,418, which are being amortized to interest expense over the term of the bonds. Principal and interest payments are due annually. Final maturity is in June 2060.	11,265,000	11,265,000
California School Finance Authority Charter School Revenue Bonds (Aspire Public Schools – Obligated Group – Issue No. 5), Series 2021A and Series 2021B (Taxable) in the amount of \$29,785,000 were issued effective November 5, 2021; with 2 bonds and bearing interest rates ranging from 2.125% - 4.00%. The bond proceeds were used to finance costs of acquisition, construction, improvement equipping and furnishing of school facilities. Associated with this bond is a premium of \$2,678,895 and debt issuance costs of \$989,826, which are being amortized to interest expense over the term of the bonds. Principal and interest payments are due annually. Final maturity is in August 2061.	29,785,000	

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NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
California School Finance Authority Charter School Revenue Bonds (Aspire Public Schools – Obligated Group – Issue No. 6), Series 2022A and Series 2022B (Taxable) in the amount of \$43,815,000 were issued effective April 26, 2022; with 2 bonds and bearing interest at 5.00%. The bond proceeds were used to finance costs of acquisition, construction, improvement equipping and furnishing of school facilities. Associated with this bond is a premium of \$974,822 and debt issuance costs of \$1,276,887, which are being amortized to interest expense over the term of the bonds. Included in this issuance was a \$2,000,000 grant from the California School Finance Authority’s (CSFA) Charter Access to Bank Loan Enhancement Program (Charter ABLE). Charter ABLE funds shall be applied towards funding the primary debt service reserve requirement for debt associated with the renovation and/or construction of charter school facilities. The grant award is held in trust by CSFA or a CSFA approved financial institution solely for authorized purposes and shall not be released to the Organization without the CSFA’s or trustee’s approval. As deemed appropriate by CSFA, conditions for release of the Program funds throughout the term of the financing will be determined by CSFA, in collaboration with all lending parties, prior to closing of the financing. Principal and interest payments are due annually. Final maturity is in August 2061.	45,815,000	
Subtotal	235,803,126	162,718,756
Unamortized premiums, discounts, and debt issuance costs	11,664,682	10,782,495
Less current portions	<u>(3,046,611)</u>	<u>(2,636,460)</u>
Total Long-Term Debt	<u>\$ 244,421,197</u>	<u>\$ 170,864,791</u>

In April 2021, in association with the sale of Aspire East Palo Alto Academy described in Note 1, the Organization partially defeased the 2016 Bonds. The Organization used cash from the sale to decrease principal of \$6,610,000 and interest of \$1,419,500, totaling \$8,029,500. The unamortized portion of premium and debt issuance costs totaling \$653,238 was written off. Under the escrow agreement, cash totaling \$8,029,500 will be held in escrow with an agent. The Escrow Agent will pay the debt service requirements of the Defeased Bonds on each scheduled payment date through and including August 1, 2025, and will redeem those Defeased Bonds, including additional principal of \$5,900,000 at a redemption price equal to 100% of par, on August 1, 2025, which is the first optional redemption date for these bonds.

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NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022 AND 2021

Future payments relating to debt are as follows as of June 30, 2022:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 3,046,611	\$ 8,411,792	\$ 11,458,403
2024	3,178,889	10,340,370	13,519,259
2025	3,698,454	10,207,311	13,905,765
2026	4,263,316	10,219,143	14,482,459
2027	4,633,487	10,165,602	14,799,089
Thereafter	216,982,369	180,672,031	397,654,400
Total	<u>\$ 235,803,126</u>	<u>\$ 230,016,249</u>	<u>\$ 465,819,375</u>

Revolving Line of Credit

On October 28, 2014, the Organization obtained a \$10,000,000 revolving line of credit. Advances on the credit line were payable on demand and carried an interest rate equal to the greater of the Prime Rate or 3.25%. On December 12, 2016, the Organization modified the line of credit to \$15,000,000, with the interest rate modified to the greater of the Prime Rate or 3.5%, and a maturity date of October 31, 2017. The maturity date was extended to January 2019. In September 2018, the line was amended to increase the maximum borrowing amount to \$20,000,000 and extend the maturity date to October 2019 with a onetime option to extend the line by a further six months should the financing be needed to support specific facility projects. In November 2019, the Organization extended the \$20,000,000 line of credit to a maturity date of January 31, 2021. In February 2021, the line was amended to increase the maximum borrowing amount to \$20,500,000 and extend the maturity date to January 31, 2022. The line of credit carries an interest rate equal to the Prime Rate. The interest rate was 3.25% at June 30, 2022 and 2021. The line had an outstanding balance of \$10,00,000 and \$15,000,000 as of June 30, 2022, and 2021, respectively. The credit line is secured by school revenues of select schools which are not already secured by other debt. In January 2022, the line was amended to extend the maturity date to April 29, 2022. In April 2022, the line was amended to extend the maturity to April 28, 2023.

10. CAPITALIZATION OF CONSTRUCTION DEBT INTEREST

While a facility is under construction, a portion of interest is capitalized into its cost. In summary, the capitalization of interest is applicable to the amount of interest that could have been avoided had the Organization not undertaken the building of a capital asset. The Organization evaluates capitalization of interest at the individual site level since the cash from one site would not be used to pay down the debt on another site.

The amount of capitalizable interest is determined by applying the debt interest rate to the average amount of accumulated expenditures for the building during the year. Interest costs of \$6,406,153 and \$8,400,403 were incurred related to debt during the years ended June 30, 2022, and 2021, respectively. During the years ended June 30, 2022, and 2021, interest totaling \$1,870,274 and \$400,510, respectively, was capitalized into the cost of the project.

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NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022 AND 2021

11. LEASES

Operating leases

The Organization leases buildings for administrative offices in Oakland, Huntington Park, and Stockton and leases land and buildings for school sites in Berkeley, East Palo Alto, Empire, Los Angeles, Modesto, Oakland, Sacramento, and Stockton under various operating leases. The Organization also leases copiers at various school sites. The operating lease agreements range from two to thirty-five years. For the year ended June 30, 2022, total operating lease costs were \$2,556,599, including variable lease costs totaling \$39,064. For the year ended June 30, 2021, total operating lease costs were \$3,110,696, including variable lease costs totaling \$74,210. The Organization has one variable lease where the monthly rate is based upon the number of students served in the respective school year.

The Organization has made an accounting policy election to use a risk-free rate in lieu of its incremental borrowing rate to discount future lease payments. The weighted-average discount rate applied to calculate lease liabilities as of June 30, 2022, and 2021, was .41% and .30%, respectively.

As of June 30, 2022, and 2021, the weighted-average remaining lease term for all operating leases is 14.58 and 15.98 years, respectively.

Future payments due under these leases as of June 30, 2022, are as follows:

Year Ending June 30,	
2023	\$ 2,644,011
2024	2,353,673
2025	2,230,961
2026	1,011,615
2026	708,412
Thereafter	<u>9,857,991</u>
Total lease payments	18,806,663
Less: present value discount	<u>(404,171)</u>
Total lease obligations	<u>\$ 18,402,492</u>
Lease liabilities, operating leases, current	\$ 2,644,011
Lease liabilities, operating leases, net	<u>15,758,481</u>
Total operating lease liabilities	<u><u>\$ 18,402,492</u></u>

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NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022 AND 2021

12. RETIREMENT PLANS

Qualified employees are covered under multiple employer defined benefit pension plans maintained by agencies of the State of California. Classified employees in California are members of the California Public Employees' Retirement System (CalPERS), and certificated employees working at California Schools are members of the California State Teachers' Retirement System (CalSTRS).

California Public Employees' Retirement System (CalPERS)

Plan name:	California Public Employees' Retirement System (CalPERS) State & Schools
Plan's EIN:	94-6207465
Market value of assets:	\$86,523
Actuarial accrued liability:	\$106,857
Funded status:	At least 80% funded

The actuarial value of assets and accrued liability are expressed in millions and are valued as of June 30, 2021, the most recent information available.

Plan Description

The Organization participates in the Schools Pool (the CalPERS Plan), a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalPERS. CalPERS acts as a common investment and administrative agent for participating entities within the State of California. CalPERS issues a publicly available financial report that includes financial statements and required supplementary information for this plan. This report is available online at www.calpers.ca.gov.

Benefits Provided

The benefits for the CalPERS Plan are established by contract, in accordance with the provisions of the California Public Employees' Retirement Law (PERL). The benefits are based on members' years of service, age, final compensation, and benefit formula. Benefits are provided for disability, death, and survivors of eligible members or beneficiaries. The California Public Employees' Pension Reform Act of 2013 (PEPRA) made significant changes to the benefit structure that primarily affect members first hired to perform CalPERS creditable activities on or after January 1, 2013. As a result of PEPRA, the CalPERS Plan has two benefit structures: 1) CalPERS 2% at 55 – Members first hired on or before December 31, 2012, to perform CalPERS creditable activities, and 2) CalPERS 2% at 62 – Members first hired on or after January 1, 2013, to perform CalPERS creditable activities. To be eligible for service retirement, members hired prior to January 1, 2013, must be at least age 50 with a minimum of five years of CalPERS-credited service, while members hired after January 1, 2013, must be at least age 52 with a minimum of five years of service.

Contributions

Section 20814© of the PERL requires that the employer contribution rates for all employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Contribution rates for the CalPERS Plan are determined annually on an actuarial basis as of June 30 by CalPERS. The CalPERS Plan's actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an

ASPIRE PUBLIC SCHOOLS

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022 AND 2021

additional amount to finance any unfunded accrued liability. Classic plan members, defined as a member who joined CalPERS prior to January 1, 2013, are required to contribute 7% of their salary (7% of monthly salary over \$133.33 if the member participates in Social Security). New members who joined CalPERS for the first time on or after January 1, 2013, are required to contribute 7% of their salary. The required employer contribution rate for fiscal years ended June 30, 2022, and 2021 were 22.91% and 20.70% of annual payroll, respectively. The contribution requirements of the plan members are established by state statute. For the fiscal year 2023, the Organization is required to contribute 25.37% of annual payroll.

California State Teachers' Retirement System (CalSTRS):

Plan name:	California State Teachers' Retirement System (CalSTRS)
Plan's EIN:	94-6291617
Actuarial value of assets:	\$242,353
Actuarial accrued liability:	\$332,082
Funded status:	65-80% funded

The actuarial value of assets and accrued liability are expressed in millions and are valued as of June 30, 2021, the most recent actuarial valuation date.

Plan Description

The Organization participates in the State Teachers' Retirement Plan (the CalSTRS Plan), a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalSTRS. CalSTRS acts as a common investment and administrative agent for participating entities within the State of California. CalSTRS issues a publicly available financial report that includes financial statements and required supplementary information for this plan. This report is available online at www.calstrs.com.

Benefits Provided

The benefits for the CalSTRS Plan are established by contract, in accordance with the provisions of the State Teachers' Retirement Law. Benefits are based on members' years of service, age, final compensation, and a benefit formula. Benefits are provided for disability, death, and survivors of eligible members or beneficiaries. The California Public Employees' Pension Reform Act of 2013 (PEPRA) made significant changes to the benefit structure that primarily affect members first hired to perform CalSTRS creditable activities on or after January 1, 2013. As a result of PEPRA, the CalSTRS Plan has two benefit structures: 1) CalSTRS 2% at 60 – Members first hired on or before December 31, 2012, to perform CalSTRS creditable activities, and 2) CalSTRS 2% at 62 – Members first hired on or after January 1, 2013, to perform CalSTRS creditable activities. The 2 percent, also known as the age factor, refers to the percentage of final compensation received as a retirement benefit for each year of service credit. To be eligible for service retirement, members hired prior to January 1, 2013, must be at least age 60 with a minimum of five years of CalSTRS-credited service, while members hired after January 1, 2013, must be at least age 62 with five years of service.

ASPIRE PUBLIC SCHOOLS

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022 AND 2021

Contributions

Assembly Bill 1469 (AB 1469), signed into law as a part of the State of California's (the State) 2014-15 budget, increases contributions to the CalSTRS Plan from members, employers, and the State over seven years, effective July 1, 2014. School employer contributions will increase from 8.25% to a total of 19.10% of covered payroll over the seven-year period. Active plan members are required to contribute 10.205% or 10.25 % of their salary, depending on when they were hired. The required employer contribution rates for the fiscal years ended June 30, 2022, and 2021 were 16.92% and 16.15% of annual payroll, respectively. For the fiscal year 2023, the Organization is required to contribute approximately 19.10% of annual payroll.

The Organization's contributions to these employee benefits plans were as follows:

	<u>2022</u>	<u>2021</u>
CalPERS	\$ 6,369,996	\$ 5,183,755
CalSTRS	\$ 14,288,647	\$ 12,417,870

Contributions to all plans equal 100% of the required contributions for each year.

Other Defined Contribution Plans:

The Organization offers a 403(b) retirement plan for California classified employees who are not eligible to participate in CalPERS, the Aspire Public Schools 403(b) CA Plan (CA Plan). Classified employees of Aspire Junior Collegiate Academy, Aspire Titan Academy, Aspire Centennial College Preparatory Academy, Aspire Richmond California College Preparatory Academy, and Aspire Richmond Technology Academy working 20 or more hours per week, and not eligible for CalSTRS, CalPERS or covered by another retirement plan, are eligible to receive discretionary employer contributions, determined on an annual basis. The Organization contributed \$0 and \$89,941 to the CA Plan in the years ended June 30, 2022, and 2021, respectively.

The Organization also offers a 403(b) plan, the Aspire Public Schools 403(b) Plan, for all employees working 20 or more hours per week, and who are not already participating in another 403(b) Plan within the Organization. This plan does not require employer contributions.

13. REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue from contracts with customers consists of sales revenue from student stores, after school programs, lunch income, and ticket income for events. Revenue is earned at a point in time when goods or services are provided, or the events occur.

This revenue totaled \$35,808 and \$593,482 for years ended June 30, 2022, and 2021, respectively.

The Organization has determined that the nature, amount, timing, and uncertainty of revenue and cash flows are affected by the limited geographical area from which their schools draw their student enrollment. Adverse changes in the local economy may have an adverse impact on the ability of families to pay for these goods, services, or events.

ASPIRE PUBLIC SCHOOLS

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022 AND 2021

A contract asset is recorded when the Organization satisfies a performance obligation of a contract but is not yet entitled to payment. When the Organization becomes entitled to payment, the contract asset is classified as a receivable, whether invoiced or not.

The balances of receivables from contracts with customers are as follows as of June 30:

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Accounts receivable	\$ -	\$ -	\$ 138,241

Funds received in advance of being earned are recorded as deferred revenue, which represents a contract liability. Contract liabilities totaled \$0 at June 30, 2022, 2021 and 2020.

14. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consisted of unexpended grants and contributions restricted for the following purposes at June 30:

	<u>2022</u>	<u>2021</u>
Expanded Learning Opportunities Grant	\$ 8,523,603	\$ 5,230,154
Educator Effectiveness Block Grant	3,570,770	
Construction of facilities	2,945,003	3,110,968
A-G Completion Improvement Grant	1,912,191	-
Expanded Learning Opportunities Grant:	-	
Paraprofessional staff	804,065	1,109,148
COVID-19 Family Relief Fund	-	537,881
Central Valley schools	169,061	400,000
Bay Area schools	-	375,000
SB 117 COVID-19 Response Funds	-	243,476
School improvement programs and other	1,311,836	693,265
Total	<u>\$ 19,236,529</u>	<u>\$ 11,699,892</u>

15. RISKS AND CONTINGENCIES

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

The Organization has various outstanding claims and litigation. However, based on consultation with legal counsel, management believes that the ultimate resolution of these matters will not have a material adverse effect on the Organization's financial position or results of operations.

SUPPLEMENTARY INFORMATION

ASPIRE PUBLIC SCHOOLS

ORGANIZATION, GOVERNING BOARD, AND ADMINISTRATION YEAR ENDED JUNE 30, 2022

ORGANIZATION

Aspire Public Schools (the Organization) was formed to manage, guide, direct, and promote charter schools that provide quality education to youth in pre-K, primary, and secondary grades. The Organization was founded in California in 1998. See Note 1 of the Notes to Financial Statements for a list of charter schools managed by Aspire Public Schools.

GOVERNING BOARD

<u>Name</u>	<u>Office</u>	<u>Term Expires</u>
Beth Hunkapiller	Board Chair	2024
Kay Hong	Member	2024
Nisa Frank	Member	2024
Anthony Barkett	Member	2024
Carol J. Ornelas	Member	2024
Ay'Anna Moody	Member	2024
Lorea Martinez	Member	2024
Christina Laster	Member	2024
Julissa Arce	Member	2024

ADMINISTRATION

Mala Batra
Chief Executive Officer

Mary Cha-Caswell
Chief Operating Officer

Michael Wimbish
Chief Financial Officer

ASPIRE PUBLIC SCHOOLS

SCHEDULE OF AVERAGE DAILY ATTENDANCE YEAR ENDED JUNE 30, 2022

	<u>Second Period Report</u>	<u>Annual Report</u>
Classroom-based ADA:		
Aspire Monarch Academy:		
Grades K through 3	236.26	237.99
Grades 4 through 6	<u>112.33</u>	<u>114.20</u>
Total	<u>348.59</u>	<u>352.19</u>
Aspire Lionel Wilson College Preparatory Academy:		
Grades 4 through 6	56.29	56.76
Grades 7 and 8	122.70	121.36
Grades 9 through 12	<u>261.13</u>	<u>260.09</u>
Total	<u>440.15</u>	<u>438.21</u>
Aspire East Palo Alto Charter School:		
Grades K through 3	231.91	234.65
Grades 4 through 6	169.36	171.88
Grades 7 and 8	<u>103.78</u>	<u>102.94</u>
Total	<u>505.05</u>	<u>509.47</u>
Aspire Triumph Technology Academy:		
Grades K through 3	129.14	128.57
Grades 4 through 6	<u>83.74</u>	<u>83.33</u>
Total	<u>212.88</u>	<u>211.90</u>
Aspire Berkley Maynard Academy:		
Grades K through 3	235.89	236.65
Grades 4 through 6	167.11	166.05
Grades 7 and 8	<u>84.86</u>	<u>86.29</u>
Total	<u>487.86</u>	<u>488.99</u>
Aspire Richmond California College Preparatory Academy:		
Grade 6	83.07	84.24
Grades 7 and 8	170.85	171.03
Grades 9 through 12	<u>292.91</u>	<u>293.93</u>
Total	<u>546.83</u>	<u>549.20</u>

ASPIRE PUBLIC SCHOOLS

SCHEDULE OF AVERAGE DAILY ATTENDANCE YEAR ENDED JUNE 30, 2022

	<u>Second Period Report</u>	<u>Annual Report</u>
Aspire Golden State College Preparatory Academy:		
Grades 4 through 6	64.35	65.06
Grades 7 and 8	141.12	140.78
Grades 9 through 12	<u>263.70</u>	<u>264.83</u>
Total	<u><u>469.17</u></u>	<u><u>470.67</u></u>
Aspire College Academy:		
Grades K through 3	117.89	117.61
Grades 4 through 6	<u>79.28</u>	<u>79.14</u>
Total	<u><u>197.17</u></u>	<u><u>196.75</u></u>
Aspire Richmond Technology Academy:		
Grades K through 3	313.12	315.06
Grades 4 through 6	<u>121.68</u>	<u>122.20</u>
Total	<u><u>434.80</u></u>	<u><u>437.26</u></u>
Aspire Vincent Shalvey Academy:		
Grades K through 3	287.13	287.04
Grades 4 through 6	<u>117.08</u>	<u>116.79</u>
Total	<u><u>404.21</u></u>	<u><u>403.83</u></u>
Aspire University Charter School:		
Grades K through 3	245.86	247.04
Grades 4 through 6	<u>111.41</u>	<u>111.97</u>
Total	<u><u>357.27</u></u>	<u><u>359.01</u></u>
Aspire Summit Charter Academy:		
Grades K through 3	222.27	221.74
Grades 4 through 6	<u>112.15</u>	<u>111.25</u>
Total	<u><u>334.42</u></u>	<u><u>332.99</u></u>
Aspire River Oaks Charter School:		
Grades K through 3	278.98	280.16
Grades 4 through 6	<u>127.08</u>	<u>127.90</u>
Total	<u><u>406.06</u></u>	<u><u>408.06</u></u>

ASPIRE PUBLIC SCHOOLS

SCHEDULE OF AVERAGE DAILY ATTENDANCE YEAR ENDED JUNE 30, 2022

	<u>Second Period Report</u>	<u>Annual Report</u>
Aspire Benjamin Holt Middle School:		
Grades 4 through 6	172.97	173.86
Grades 7 and 8	<u>344.06</u>	<u>345.24</u>
Total	<u>517.03</u>	<u>519.10</u>
Aspire Benjamin Holt College Preparatory Academy:		
Grades 9 through 12	<u>579.92</u>	<u>580.85</u>
Total	<u>579.92</u>	<u>580.85</u>
Aspire Capitol Heights Academy:		
Grades K through 3	104.16	104.03
Grades 4 through 6	<u>71.60</u>	<u>71.41</u>
Total	<u>175.76</u>	<u>175.44</u>
Aspire Rosa Parks Academy:		
Grades K through 3	239.78	240.63
Grades 4 through 6	<u>101.18</u>	<u>101.62</u>
Total	<u>340.96</u>	<u>342.25</u>
Aspire Langston Hughes Academy:		
Grades 4 through 6	103.27	103.81
Grades 7 and 8	228.36	228.15
Grades 9 through 12	<u>356.05</u>	<u>355.65</u>
Total	<u>687.68</u>	<u>687.61</u>
Aspire Port City Academy:		
Grades K through 3	267.69	268.20
Grades 4 through 6	<u>112.11</u>	<u>111.92</u>
Total	<u>379.80</u>	<u>380.12</u>
Aspire Vanguard College Preparatory Academy:		
Grades 4 through 6	87.87	87.58
Grades 7 and 8	202.84	201.71
Grades 9 through 12	<u>236.47</u>	<u>235.16</u>
Total	<u>527.18</u>	<u>524.45</u>

ASPIRE PUBLIC SCHOOLS

SCHEDULE OF AVERAGE DAILY ATTENDANCE YEAR ENDED JUNE 30, 2022

	<u>Second Period Report</u>	<u>Annual Report</u>
Aspire Alexander Twilight College Preparatory Academy:		
Grades K through 3	260.91	261.01
Grades 4 through 6	<u>112.07</u>	<u>111.40</u>
Total	<u>372.98</u>	<u>372.41</u>
Aspire Alexander Twilight Secondary Academy:		
Grades 4 through 6	74.26	74.24
Grades 7 and 8	167.94	167.39
Grades 9 through 12	<u>224.09</u>	<u>222.83</u>
Total	<u>466.29</u>	<u>464.46</u>
Aspire APEX Academy:		
Grades K through 3	167.48	167.81
Grades 4 through 6	<u>92.77</u>	<u>93.16</u>
Total	<u>260.25</u>	<u>260.97</u>
Aspire Arts & Sciences Academy		
Grades K through 3	<u>81.38</u>	<u>81.81</u>
Total	<u>81.38</u>	<u>81.81</u>
Aspire Stockton Secondary Academy		
Grades 4 through 6	34.15	35.46
Grades 7 through 8	<u>38.03</u>	<u>37.92</u>
Total	<u>72.18</u>	<u>73.38</u>
Aspire Antonio Maria Lugo Academy:		
Grades K through 3	248.14	249.68
Grades 4 through 6	<u>119.23</u>	<u>118.44</u>
Total	<u>367.37</u>	<u>368.12</u>
Aspire Ollin College Preparatory Academy:		
Grade 6	62.55	62.89
Grades 7 and 8	126.60	126.76
Grades 9 through 12	<u>320.91</u>	<u>319.04</u>
Total	<u>510.06</u>	<u>508.69</u>

ASPIRE PUBLIC SCHOOLS

SCHEDULE OF AVERAGE DAILY ATTENDANCE YEAR ENDED JUNE 30, 2022

	<u>Second Period Report</u>	<u>Annual Report</u>
Aspire Junior Collegiate Academy:		
Grades K through 3	190.38	190.69
Grades 4 through 6	<u>100.42</u>	<u>100.81</u>
Total	<u>290.80</u>	<u>291.50</u>
Aspire Titan Academy:		
Grades K through 3	182.05	182.72
Grades 4 through 6	<u>106.95</u>	<u>107.42</u>
Total	<u>289.00</u>	<u>290.14</u>
Aspire Pacific Academy:		
Grades 4 through 6	59.42	58.49
Grades 7 and 8	155.30	155.82
Grades 9 through 12	<u>288.77</u>	<u>284.71</u>
Total	<u>503.49</u>	<u>499.02</u>
Aspire Firestone Academy:		
Grades K through 3	209.65	210.26
Grades 4 through 6	<u>96.47</u>	<u>96.42</u>
Total	<u>306.12</u>	<u>306.68</u>
Aspire Gateway Academy:		
Grades K through 3	188.02	189.60
Grades 4 through 6	<u>119.90</u>	<u>120.26</u>
Total	<u>307.92</u>	<u>309.86</u>
Aspire Tate Academy:		
Grades K through 3	190.15	190.95
Grades 4 through 6	<u>134.04</u>	<u>133.53</u>
Total	<u>324.19</u>	<u>324.48</u>
Aspire Inskip Academy:		
Grades K through 3	161.11	160.18
Grades 4 through 6	<u>152.33</u>	<u>151.27</u>
Total	<u>313.44</u>	<u>311.45</u>

ASPIRE PUBLIC SCHOOLS

SCHEDULE OF AVERAGE DAILY ATTENDANCE YEAR ENDED JUNE 30, 2022

	<u>Second Period Report</u>	<u>Annual Report</u>
Aspire Slauson Academy:		
Grades K through 3	166.36	168.41
Grades 4 through 6	<u>122.41</u>	<u>123.29</u>
Total	<u>288.77</u>	<u>291.70</u>
Aspire Centennial College Preparatory Academy:		
Grades 4 through 6	109.37	109.91
Grades 7 through 8	<u>343.11</u>	<u>343.80</u>
Total	<u>452.48</u>	<u>453.71</u>
Combined Totals:		
Grades K through 3	4,956.06	4,972.49
Grades 4 through 6	3550.27	3,557.96
Grades 7 and 8	2,229.55	2,229.19
Grades 9 through 12	<u>2,823.98</u>	<u>2,817.09</u>
Total	<u>13,559.86</u>	<u>13,576.73</u>

ASPIRE PUBLIC SCHOOLS
SCHEDULE OF INSTRUCTIONAL TIME
YEAR ENDED JUNE 30, 2022

	Required Minutes	2021-2022 Minutes Offered	Required Number of Instructional Days	Actual Number of Instructional Days Offered	Status
Aspire Berkley Maynard Academy (BMA):					
Grade K	36,000	52,715	175	181	In Compliance
Grade 1-3	50,400	58,120	175	181	In Compliance
Grades 4-8	54,000	58,120	175	181	In Compliance
Aspire College Academy (ACA):					
Grade K	36,000	62,505	175	181	In Compliance
Grade 1-3	50,400	59,775	175	181	In Compliance
Grades 4-8	54,000	59,775	175	181	In Compliance
Aspire East Palo Alto Charter School (EPACS):					
Grade K	36,000	57,610	175	181	In Compliance
Grade 1-3	50,400	59,170	175	181	In Compliance
Grades 4-8	54,000	59,170	175	181	In Compliance
Aspire Golden State College Preparatory Academy (GSP):					
Grades 6-8	54,000	60,130	175	181	In Compliance
Grades 9-12	64,800	65,710	175	181	In Compliance
Aspire Lionel Wilson College Preparatory Academy (LWP):					
Grades 6-8	54,000	59,438	175	181	In Compliance
Grades 9-12	64,800	64,844	175	181	In Compliance
Aspire Monarch Academy (MON):					
Grade K	36,000	57,325	175	181	In Compliance
Grade 1-3	50,400	60,980	175	181	In Compliance
Grades 4-8	54,000	60,980	175	181	In Compliance
Aspire Richmond California College Preparatory Academy (RCAL):					
Grades 6-8	54,000	57,714	175	181	In Compliance
Grades 9-12	64,800	64,816	175	181	In Compliance

ASPIRE PUBLIC SCHOOLS
SCHEDULE OF INSTRUCTIONAL TIME
YEAR ENDED JUNE 30, 2022

	Required Minutes	2021-2022 Minutes Offered	Required Number of Instructional Days	Actual Number of Instructional Days Offered	Status
Aspire Richmond Technology Academy (RTA):					
Grade K	36,000	47,700	175	181	In Compliance
Grade 1	50,400	55,400	175	181	In Compliance
Grade 2	50,400	55,360	175	181	In Compliance
Grade 3	50,400	57,175	175	181	In Compliance
Grades 4-8	54,000	57,175	175	181	In Compliance
Aspire Triumph Technology Academy (ATTA):					
Grade K	36,000	56,815	175	181	In Compliance
Grade 1-3	50,400	55,940	175	181	In Compliance
Grades 4-8	54,000	56,815	175	181	In Compliance
Aspire Alexander Twilight College Preparatory Academy (ATCPA):					
Grade K	36,000	59,530	175	184	In Compliance
Grade 1	50,400	60,730	175	184	In Compliance
Grades 2-3	50,400	61,650	175	184	In Compliance
Grades 4-5	54,000	63,795	175	184	In Compliance
Aspire Alexander Twilight Secondary Academy (ATSA):					
Grades 6-8	54,000	65,040	175	184	In Compliance
Grades 9-12	64,800	65,040	175	184	In Compliance
Aspire APEX Academy (APEX):					
Grade K	36,000	51,930	175	175	In Compliance
Grade 1	50,400	53,370	175	175	In Compliance
Grades 2-3	50,400	55,320	175	175	In Compliance
Grades 4-5	54,000	55,320	175	175	In Compliance
Aspire Benjamin Holt College Preparatory Academy (BHA):					
Grades 9-10	64,800	65,280	175	184	In Compliance
Grades 11-12	64,800	65,280	175	184	In Compliance

ASPIRE PUBLIC SCHOOLS
SCHEDULE OF INSTRUCTIONAL TIME
YEAR ENDED JUNE 30, 2022

	Required Minutes	2021-2022 Minutes Offered	Required Number of Instructional Days	Actual Number of Instructional Days Offered	Status
Aspire Benjamin Holt Middle School (BHM):					
Grade 6	54,000	64,760	175	184	In Compliance
Grades 7-8	54,000	65,010	175	184	In Compliance
Aspire Capitol Heights Academy (CHA):					
Grades K	36,000	52,740	175	180	In Compliance
Grade 1-3	50,400	55,470	175	180	In Compliance
Grades 4-6	54,000	55,470	175	180	In Compliance
Aspire Langston Hughes Academy (LHA):					
Grades 6-8	54,000	66,160	175	189	In Compliance
Grades 9-12	64,800	66,160	175	189	In Compliance
Aspire Port City Academy (PCA):					
Grade K	36,000	57,355	175	184	In Compliance
Grade 1	50,400	57,355	175	184	In Compliance
Grades 2-3	50,400	59,380	175	184	In Compliance
Grades 4-5	54,000	59,625	175	184	In Compliance
Aspire River Oaks Charter School (ROCS):					
Grade K	36,000	55,370	175	184	In Compliance
Grades 1-3	50,400	59,040	175	184	In Compliance
Grades 4-5	54,000	60,000	175	184	In Compliance
Aspire Rosa Parks Academy (RPA):					
Grade K	36,000	50,215	175	184	In Compliance
Grades 1-3	50,400	52,915	175	184	In Compliance
Grades 4-5	54,000	54,245	175	184	In Compliance
Aspire Summit Charter Academy (SCA):					
Grade K	36,000	57,200	175	184	In Compliance
Grades 1-3	50,400	58,040	175	184	In Compliance
Grade 4-5	54,000	58,040	175	184	In Compliance

ASPIRE PUBLIC SCHOOLS

SCHEDULE OF INSTRUCTIONAL TIME YEAR ENDED JUNE 30, 2022

	Required Minutes	2021-2022 Minutes Offered	Required Number of Instructional Days	Actual Number of Instructional Days Offered	Status
Aspire University Charter School (UCS):					
Grade K	36,000	59,180	175	184	In Compliance
Grades 1-3	50,400	60,300	175	184	In Compliance
Grade 4-5	54,000	60,300	175	184	In Compliance
Aspire Vanguard College Preparatory Academy (VCPA):					
Grades 6-8	54,000	65,960	175	184	In Compliance
Grades 9-12	64,800	65,960	175	184	In Compliance
Aspire Vincent Shalvey Academy (VSA):					
Grade K	36,000	51,615	175	184	In Compliance
Grade 1	50,400	52,875	175	184	In Compliance
Grades 2-3	50,400	55,575	175	184	In Compliance
Grades 4-5	54,000	55,575	175	184	In Compliance
Aspire Stockton Secondary Academy (ASSA):					
Grades 6-8	54,000	55,825	175	183	In Compliance
Aspire Stockton Elementary / Aspire Arts & Sciences Academy (ASE):					
Grade K	36,000	56,775	175	184	In Compliance
Grade 1	50,400	59,565	175	184	In Compliance
Aspire Antonio Maria Lugo Academy (AMLA):					
Grade K	36,000	61,735	175	180	In Compliance
Grades 1-3	50,400	62,450	175	180	In Compliance
Grades 4-5	54,000	62,450	175	180	In Compliance
Aspire Centennial College Preparatory Academy (CCPA2):					
Grade 6-7	54,000	62,316	175	180	In Compliance
Grade 8	54,000	62,460	175	180	In Compliance

ASPIRE PUBLIC SCHOOLS

SCHEDULE OF INSTRUCTIONAL TIME

YEAR ENDED JUNE 30, 2022

	Required Minutes	2021-2022 Minutes Offered	Required Number of Instructional Days	Actual Number of Instructional Days Offered	Status
Aspire Firestone Academy (AFA):					
Grade K	36,000	57,900	175	180	In Compliance
Grades 1-3	50,400	57,900	175	180	In Compliance
Grades 4-5	54,000	57,900	175	180	In Compliance
Aspire Gateway Academy (AGA):					
Grade K	36,000	57,900	175	180	In Compliance
Grades 1-3	50,400	57,900	175	180	In Compliance
Grades 4-5	54,000	57,900	175	180	In Compliance
Aspire Inskeep Academy (AIA):					
Grades K	36,000	60,950	175	180	In Compliance
Grades 1-3	50,400	60,950	175	180	In Compliance
Grades 4-6	54,000	60,950	175	180	In Compliance
Aspire Junior Collegiate Academy (JCA):					
Grades K	36,000	47,290	175	180	In Compliance
Grade 1	50,400	60,285	175	180	In Compliance
Grades 2-3	50,400	61,045	175	180	In Compliance
Grades 4-6	54,000	61,045	175	180	In Compliance
Aspire Olin University Preparatory Academy (OUP):					
Grades 6-8	54,000	65,600	175	180	In Compliance
Grades 9-12	64,800	65,600	175	180	In Compliance
Aspire Pacific Academy (APA):					
Grades 6-8	54,000	65,000	175	180	In Compliance
Grades 9-12	64,800	65,200	175	180	In Compliance
Aspire Slauson Academy (ASA):					
Grades K	36,000	61,140	175	180	In Compliance
Grades 1-3	50,400	61,140	175	180	In Compliance
Grades 4-6	54,000	61,140	175	180	In Compliance

ASPIRE PUBLIC SCHOOLS

SCHEDULE OF INSTRUCTIONAL TIME YEAR ENDED JUNE 30, 2022

	Required Minutes	2021-2022 Minutes Offered	Required Number of Instructional Days	Actual Number of Instructional Days Offered	Status
Aspire Tate Academy (ATA):					
Grades K	36,000	61,140	175	180	In Compliance
Grades 1-3	50,400	61,140	175	180	In Compliance
Grades 4-6	50,400	61,140	175	180	In Compliance
Aspire Titan Academy (TTN):					
Grades K	36,000	58,345	175	180	In Compliance
Grades 1-3	50,400	58,345	175	180	In Compliance
Grades 4-5	54,000	58,345	175	180	In Compliance

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF FINANCIAL POSITION, BY REGION JUNE 30, 2022

Page 1 of 2

	School Operations				Administration	
	Bay Area Schools	Central Valley Schools	LA Schools	Tennessee Schools	National Office	Total School Activity
CURRENT ASSETS:						
Cash and cash equivalents	\$ 11,470,703	\$ 15,268,654	\$ 18,776,351	\$ -	\$ 3,312,628	\$ 48,828,336
Restricted cash and cash equivalents	-	-	-	-	-	-
Accounts receivable	20,543,729	27,588,400	19,235,637	-	(291,684)	67,076,082
Contributions receivable	378,033	-	-	-	108	378,141
Prepaid expenses and deposits	178,668	339,164	196,758	-	556,873	1,271,463
Intercompany receivable	1,314,247	3,193,066	3,276,337	-	12,385,592	20,169,242
Total current assets	33,885,380	46,389,284	41,485,083	-	15,963,517	137,723,264
NON-CURRENT ASSETS:						
Restricted cash and cash equivalents	2,533,281	-	-	-	-	2,533,281
Investments	-	-	-	-	50,980	50,980
Deferred rent	206,663	489,909	149,567	-	-	846,139
Property and equipment, net	13,250,423	43,783,238	29,495,748	-	276,136	86,805,545
Right-of-use assets – operating leases	3,888,256	3,730,275	9,513,215	-	189,535	17,321,281
TOTAL ASSETS	<u>\$ 53,764,003</u>	<u>\$ 94,392,706</u>	<u>\$ 80,643,613</u>	<u>\$ -</u>	<u>\$ 16,480,168</u>	<u>\$ 245,280,490</u>
CURRENT LIABILITIES:						
Accounts payable	\$ 1,607,633	\$ 7,803,958	\$ 1,001,304	\$ -	\$ 2,006,550	\$ 12,419,445
Accrued expenses and other liabilities	3,299,327	2,263,540	5,036,811	66	3,310,063	13,909,807
Deferred revenue	1,864,076	1,394,604	1,828,830	-	-	5,087,510
Line of credit	-	-	-	-	10,000,000	10,000,000
Debt, current	100,000	167,191	544,420	-	-	811,611
Lease liabilities - operating leases, current	1,467,598	438,974	546,780	-	190,659	2,644,011
Intercompany payable	9,892,462	33,657,556	2,278,565	-	14,051,085	59,879,668
Total current liabilities	18,231,096	45,725,823	11,236,710	66	29,558,357	104,752,052
LONG-TERM LIABILITIES:						
Deferred rent	3,697	2,339,470	169,019	-	-	2,512,186
Debt, net	7,217,754	2,766,688	13,427,071	-	-	23,411,513
Lease liabilities - operating leases, net	2,533,404	3,291,223	9,933,854	-	-	15,758,481
Total liabilities	27,985,951	54,123,204	34,766,654	66	29,558,357	146,434,232
NET ASSETS:						
Without donor restrictions	18,455,751	34,514,279	40,030,271	(66)	(13,090,152)	79,910,083
With donor restrictions	7,322,301	5,755,223	5,846,688	-	11,963	18,936,175
Total net assets	25,778,052	40,269,502	45,876,959	(66)	(13,078,189)	98,846,258
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 53,764,003</u>	<u>\$ 94,392,706</u>	<u>\$ 80,643,613</u>	<u>\$ -</u>	<u>\$ 16,480,168</u>	<u>\$ 245,280,490</u>

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF FINANCIAL POSITION, BY REGION

JUNE 30, 2022

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	CFC, Inc.	Aspire Foundation	Eliminations	Total Consolidated
CURRENT ASSETS:				
Cash and cash equivalents	\$ -	\$ 5,466,419	\$ -	\$ 54,294,755
Restricted cash and cash equivalents	11,758,404	-	-	11,758,404
Accounts receivable	213,726	-	-	67,289,808
Contributions receivable	-	287,138	-	665,279
Prepaid expenses and deposits	-	-	-	1,271,463
Intercompany receivable	48,036,768	472,168	(68,678,178)	-
Total current assets	60,008,898	6,225,725	(68,678,178)	135,279,709
NON-CURRENT ASSETS:				
Restricted cash and cash equivalents	68,179,214	-	-	70,712,495
Investments	-	-	-	50,980
Deferred rent	1,666,047	-	(2,512,186)	-
Property and equipment, net	114,482,328	39,470	(1,032,128)	200,295,215
Right-of-use assets – operating leases	-	-	-	17,321,281
TOTAL ASSETS	<u>\$ 244,336,487</u>	<u>\$ 6,265,195</u>	<u>\$ (72,222,492)</u>	<u>\$ 423,659,680</u>
CURRENT LIABILITIES:				
Accounts payable	\$ 234,552	\$ 18,359	\$ -	\$ 12,672,356
Accrued expenses and other liabilities	2,754,256	5,835	-	16,669,898
Deferred revenue	-	-	-	5,087,510
Line of credit	-	-	-	10,000,000
Debt, current	2,235,000	-	-	3,046,611
Lease liabilities - operating leases, current	-	-	-	2,644,011
Intercompany payable	5,840,896	2,957,614	(68,678,178)	-
Total current liabilities	11,064,704	2,981,808	(68,678,178)	50,120,386
LONG-TERM LIABILITIES:				
Deferred rent	-	-	(2,512,186)	-
Debt, net	221,009,684	-	-	244,421,197
Lease liabilities - operating leases, net	-	-	-	15,758,481
Total liabilities	<u>232,074,388</u>	<u>2,981,808</u>	<u>(71,190,364)</u>	<u>310,300,064</u>
NET ASSETS:				
Without donor restrictions	12,262,099	2,983,033	(1,032,128)	94,123,087
With donor restrictions	-	300,354	-	19,236,529
Total net assets	<u>12,262,099</u>	<u>3,283,387</u>	<u>(1,032,128)</u>	<u>113,359,616</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 244,336,487</u>	<u>\$ 6,265,195</u>	<u>\$ (72,222,492)</u>	<u>\$ 423,659,680</u>

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF ACTIVITIES, BY REGION YEAR ENDED JUNE 30, 2022

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	School Operations			Administration		
	Bay Area Schools	Central Valley Schools	LA Schools	Tennessee Schools	National Office	Total School Activity
NET ASSETS WITHOUT DONOR RESTRICTIONS:						
SUPPORT, REVENUE AND GAINS:						
Private grants and contributions	\$ 378,033	\$ 2,001	\$ -	\$ -	\$ 569	\$ 380,603
Federal revenue	9,826,717	14,827,614	15,382,571	-	78,008	40,114,910
California state revenue:						
State aid portion of general purpose funding	26,928,044	36,015,667	28,159,748	-	-	91,103,459
All other state revenue	5,106,096	9,114,280	3,974,841	-	835	18,196,052
Local revenue:						
Cash in-lieu of property taxes	9,787,783	11,966,424	12,524,285	-	-	34,278,492
Interest income	45,799	13,954	-	-	8,114	67,867
All other local revenue	1,683,535	1,080,482	496,478	-	55,448	3,315,943
Other gains and (losses)	(564)	800,654	-	-	-	800,090
Other revenues	(4,196)	4,289	-	-	7,431	7,524
Subtotal	53,751,247	73,825,365	60,537,923	-	150,405	188,264,940
Net assets released from restrictions	13,578,330	25,408,508	15,968,133	-	2,867,008	57,821,979
Total support, revenue and gains	67,329,577	99,233,873	76,506,056	-	3,017,413	246,086,919
EXPENSES AND LOSSES:						
PROGRAM EXPENSES:						
Educational programs	65,388,732	91,764,628	70,118,166	66	6,471,496	233,743,088
SUPPORTING SERVICES:						
Site support	147,300	74,749	133,060	-	11,798,378	12,153,487
Development and expansion	-	-	-	-	548,829	548,829
Fundraising	-	-	-	-	-	-
Administration and general	147,300	74,749	133,059	1,362	3,553,580	3,910,050
Cost allocations	4,326,682	6,380,387	5,000,839	-	(15,707,908)	-
Total supporting services	4,621,282	6,529,885	5,266,958	1,362	192,879	16,612,366
Total expenses	70,010,014	98,294,513	75,385,124	1,428	6,664,375	250,355,454
Return of grant funds	-	56,863	-	-	-	56,863
Total expenses and losses	70,010,014	98,351,376	75,385,124	1,428	6,664,375	250,412,317
Increase (Decrease) in Net Assets without Donor Restrictions	(2,680,437)	882,497	1,120,932	(1,428)	(3,646,962)	(4,325,398)
NET ASSETS WITH DONOR RESTRICTIONS:						
Private grants and contributions	-	-	-	-	-	-
State revenue	16,785,832	29,430,292	20,323,351	-	-	66,539,475
Interfund transfers	(777,713)	(1,259,426)	(836,220)	-	2,873,359	-
Net assets released from restrictions	(13,578,330)	(25,408,508)	(15,968,133)	-	(2,867,008)	(57,821,979)
Increase (Decrease) in Net Assets with Donor Restrictions	2,429,789	2,762,358	3,518,998	-	6,351	8,717,496
INCREASE (DECREASE) IN NET ASSETS	(250,648)	3,644,855	4,639,930	(1,428)	(3,640,611)	4,392,098
NET ASSETS - Beginning of Year	26,028,700	36,624,647	41,237,029	1,362	(9,437,578)	94,454,160
NET ASSETS - End of Year	\$ 25,778,052	\$ 40,269,502	\$ 45,876,959	\$ (66)	\$ (13,078,189)	\$ 98,846,258

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF ACTIVITIES, BY REGION YEAR ENDED JUNE 30, 2022

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	CFC, Inc.	Aspire Foundation	Eliminations	Total Consolidated
NET ASSETS WITHOUT DONOR RESTRICTIONS:				
SUPPORT, REVENUE AND GAINS:				
Private grants and contributions	\$ -	\$ 2,520,538	\$ -	\$ 2,901,141
Federal revenue	-	-	-	40,114,910
California state revenue:				
State aid portion of general purpose funding	-	-	-	91,103,459
All other state revenue	-	-	-	18,196,052
Local revenue:				
Cash in-lieu of property taxes	-	-	-	34,278,492
Interest income	68,534	-	-	136,401
All other local revenue	-	-	-	3,315,943
Other gains and (losses)	-	-	-	800,090
Other revenues	10,429,867	28,284	(10,429,867)	35,808
Subtotal	10,498,401	2,548,822	(10,429,867)	190,882,296
Net assets released from restrictions	-	1,815,059	-	59,637,038
Total support, revenue and gains	10,498,401	4,363,881	(10,429,867)	250,519,334
EXPENSES AND LOSSES:				
PROGRAM EXPENSES:				
Educational programs	9,569,450	371,962	(10,429,867)	233,254,633
SUPPORTING SERVICES:				
Site support	-	-	-	12,153,487
Development and expansion	-	-	-	548,829
Fundraising	-	2,842,575	-	2,842,575
Administration and general	-	326,596	-	4,236,646
Cost allocations	-	-	-	-
Total supporting services	-	3,169,171	-	19,781,537
Total expenses	9,569,450	3,541,133	(10,429,867)	253,036,170
Return of grant funds	-	-	-	56,863
Total expenses and losses	9,569,450	3,541,133	(10,429,867)	253,093,033
Increase (Decrease) in Net Assets without Donor Restrictions	928,951	822,748	-	(2,573,699)
NET ASSETS WITH DONOR RESTRICTIONS:				
Private grants and contributions	-	634,200	-	634,200
State revenue	-	-	-	66,539,475
Interfund transfers	-	-	-	-
Net assets released from restrictions	-	(1,815,059)	-	(59,637,038)
Increase (Decrease) in Net Assets with Donor Restrictions	-	(1,180,859)	-	7,536,637
INCREASE (DECREASE) IN NET ASSETS	928,951	(358,111)	-	4,962,938
NET ASSETS - Beginning of Year	11,333,148	3,641,498	(1,032,128)	108,396,678
NET ASSETS - End of Year	\$ 12,262,099	\$ 3,283,387	\$ (1,032,128)	\$ 113,359,616

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF FINANCIAL POSITION JUNE 30, 2022

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	Aspire Monarch Academy	Aspire Lionel Wilson College Prep Academy	Aspire East Palo Alto Charter Schools	Aspire Triumph Technology Academy	Aspire Berkley Maynard Academy	Aspire Richmond California College Prep Academy	Aspire Richmond Technology Academy	Aspire Golden State College Prep Academy	Aspire ERES Academy	Aspire College Academy
CURRENT ASSETS:										
Cash and cash equivalents	\$ 1,160,386	\$ 1,888,426	\$ 553,236	\$ (135,324)	\$ 1,229,618	\$ 446,406	\$ 65,091	\$ 2,727,884	\$ 3,141,624	\$ (30,546)
Restricted cash and cash equivalents	-	-	-	-	-	-	-	-	-	-
Accounts receivable	1,888,698	1,795,908	3,029,351	1,705,481	2,517,089	2,699,835	2,525,576	2,525,612	802,963	1,053,825
Contributions receivable	-	-	378,033	-	-	-	-	-	-	-
Prepaid expenses and deposits	24,787	11,339	67,523	17,046	11,635	8,641	11,619	8,259	715	16,285
Intercompany receivable	36,813	67,031	-	71,000	78,336	20,249	15,044	62,146	82,189	33,986
Total current assets	3,110,684	3,762,704	4,028,143	1,658,203	3,836,678	3,175,131	2,617,330	5,323,901	4,027,491	1,073,550
NON-CURRENT ASSETS:										
Restricted cash and cash equivalents	-	-	-	410,000	437,779	-	-	-	1,275,502	410,000
Investments	-	-	-	-	-	-	-	-	-	-
Deferred rent	-	83,983	-	-	-	-	-	122,680	-	-
Property and equipment, net	88,414	538,057	8,293,500	3,579	1,382,519	74,805	729,931	2,134,782	4,836	-
Right-of-use assets – operating leases	1,453,086	-	582,664	975,806	1,189	57,913	45,538	-	8,937	763,123
TOTAL ASSETS	\$ 4,652,184	\$ 4,384,744	\$12,904,307	\$ 3,047,588	\$ 5,658,165	\$ 3,307,849	\$ 3,392,799	\$ 7,581,363	\$ 5,316,766	\$ 2,246,673
CURRENT LIABILITIES:										
Accounts payable	\$ 111,435	\$ 193,175	\$ 494,046	\$ 40,205	\$ 205,810	\$ 115,991	\$ 168,674	\$ 203,249	\$ 3,344	\$ 93,026
Accrued expenses and other liabilities	381,336	274,164	413,979	191,320	263,148	678,639	451,380	293,036	193,179	114,987
Deferred revenue	202,629	219,542	216,150	248,822	139,410	106,543	172,018	345,646	-	197,217
Line of credit	-	-	-	-	-	-	-	-	-	-
Debt, current	-	-	-	-	-	50,000	50,000	-	-	-
Lease liabilities - operating leases, current	460,299	-	353,712	308,999	1,189	57,500	44,500	-	-	241,399
Intercompany payable	-	-	8,646,551	-	250,000	-	939,509	56,402	-	-
Total current liabilities	1,155,699	686,881	10,124,438	789,346	859,557	1,008,673	1,826,081	898,333	196,523	646,629
LONG-TERM LIABILITIES:										
Deferred rent	-	-	3,697	-	-	-	-	-	-	-
Debt, net	-	-	-	-	1,020,554	8	8	-	6,197,184	-
Lease liabilities - operating leases, net	1,050,852	-	221,781	703,834	1,189	-	-	-	5,054	550,694
Total liabilities	2,206,551	686,881	10,349,916	1,493,180	1,881,300	1,008,681	1,826,089	898,333	6,398,761	1,197,323
NET ASSETS:										
Without donor restrictions	1,882,966	3,284,810	1,822,191	766,421	2,514,881	1,813,994	982,994	6,236,325	(2,357,487)	276,027
With donor restrictions	562,667	413,053	732,200	787,987	1,261,984	485,174	583,716	446,705	1,275,492	773,323
Total net assets	2,445,633	3,697,863	2,554,391	1,554,408	3,776,865	2,299,168	1,566,710	6,683,030	(1,081,995)	1,049,350
TOTAL LIABILITIES AND NET ASSETS	\$ 4,652,184	\$ 4,384,744	\$12,904,307	\$ 3,047,588	\$ 5,658,165	\$ 3,307,849	\$ 3,392,799	\$ 7,581,363	\$ 5,316,766	\$ 2,246,673

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF FINANCIAL POSITION JUNE 30, 2022

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	Bay Area Regional Office	Total Bay Area Region	Aspire Vincent Shalvey Academy	Aspire University Charter School	Aspire Summit Charter Academy	Aspire River Oaks Charter School	Aspire Benjamin Holt College Prep Academy	Aspire Benjamin Holt Middle School	Aspire Capitol Heights Academy
CURRENT ASSETS:									
Cash and cash equivalents	\$ 423,902	\$11,470,703	\$ 271,571	\$ 477,934	\$ 2,613,899	\$ 1,351,332	\$ 270,179	\$ 2,931,470	\$ 204,083
Restricted cash and cash equivalents	-	-	-	-	-	-	-	-	-
Accounts receivable	(609)	20,543,729	1,511,471	2,081,190	(418,390)	1,509,140	3,035,522	661,643	2,098,431
Contributions receivable	-	378,033	-	-	-	-	-	-	-
Prepaid expenses and deposits	819	178,668	38,554	9,390	22,880	9,762	9,400	8,156	12,401
Intercompany receivable	847,453	1,314,247	169	1,784	1,076	1,349	3,439	309,005	489
Total current assets	1,271,565	33,885,380	1,821,765	2,570,298	2,219,465	2,871,583	3,318,540	3,910,274	2,315,404
NON-CURRENT ASSETS:									
Restricted cash and cash equivalents	-	2,533,281	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-
Deferred rent	-	206,663	-	-	-	205,951	-	-	-
Property and equipment, net	-	13,250,423	861,163	201,063	233,591	492,049	1,859,156	106,455	9,520,215
Right-of-use assets – operating leases	-	3,888,256	2,626,067	-	1,084,465	19,743	17,061	(17,061)	-
TOTAL ASSETS	<u>\$ 1,271,565</u>	<u>\$53,764,003</u>	<u>\$ 5,308,995</u>	<u>\$ 2,771,361</u>	<u>\$ 3,537,521</u>	<u>\$ 3,589,326</u>	<u>\$ 5,194,757</u>	<u>\$ 3,999,668</u>	<u>\$11,835,619</u>
CURRENT LIABILITIES:									
Accounts payable	\$ (21,322)	\$ 1,607,633	\$ 72,350	\$ (1,160)	\$ 102,083	\$ 173,147	\$ 521,283	\$ 78,744	\$ 818,424
Accrued expenses and other liabilities	44,159	3,299,327	99,569	93,292	105,890	182,988	162,790	192,174	143,881
Deferred revenue	16,099	1,864,076	66,957	109,441	108,909	235,712	59,572	131,472	-
Line of credit	-	-	-	-	-	-	-	-	-
Debt, current	-	100,000	-	-	-	-	-	-	-
Lease liabilities - operating leases, current	-	1,467,598	145,700	-	273,629	19,645	-	-	-
Intercompany payable	-	9,892,462	-	4,310	-	-	779,213	-	11,655,879
Total current liabilities	38,936	18,231,096	384,576	205,883	590,511	611,492	1,522,858	402,390	12,618,184
LONG-TERM LIABILITIES:									
Deferred rent	-	3,697	-	53,331	-	-	436,244	144,186	859,030
Debt, net	-	7,217,754	-	-	-	-	-	-	-
Lease liabilities - operating leases, net	-	2,533,404	2,480,367	-	810,856	-	-	-	-
Total liabilities	38,936	27,985,951	2,864,943	259,214	1,401,367	611,492	1,959,102	546,576	13,477,214
NET ASSETS:									
Without donor restrictions	1,232,629	18,455,751	2,194,850	2,171,956	1,822,383	2,685,742	2,895,384	3,260,542	(2,149,440)
With donor restrictions	-	7,322,301	249,202	340,191	313,771	292,092	340,271	192,550	507,845
Total net assets	1,232,629	25,778,052	2,444,052	2,512,147	2,136,154	2,977,834	3,235,655	3,453,092	(1,641,595)
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,271,565</u>	<u>\$53,764,003</u>	<u>\$ 5,308,995</u>	<u>\$ 2,771,361</u>	<u>\$ 3,537,521</u>	<u>\$ 3,589,326</u>	<u>\$ 5,194,757</u>	<u>\$ 3,999,668</u>	<u>\$11,835,619</u>

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

JUNE 30, 2022

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	Aspire Rosa Parks Academy	Aspire Langston Hughes Academy	Aspire Port City Academy	Aspire Vanguard College Prep Academy	Aspire Alexander Twilight College Prep Academy	Aspire Alexander Twilight Secondary Academy	Aspire APEX Academy	Aspire Arts & Sciences Academy	Aspire Stockton Secondary Academy
CURRENT ASSETS:									
Cash and cash equivalents	\$ 2,350,781	\$ 2,274,223	\$ 1,124,385	\$ 26,139	\$ 362,782	\$ 319,083	\$ 154,483	\$ 163,507	\$ 229,129
Restricted cash and cash equivalents	-	-	-	-	-	-	-	-	-
Accounts receivable	1,616,158	2,709,910	2,108,583	1,696,692	1,241,167	3,665,720	2,437,793	677,070	814,293
Contributions receivable	-	-	-	-	-	-	-	-	-
Prepaid expenses and deposits	8,801	11,375	34,901	8,666	15,926	7,956	7,120	2,871	8,979
Intercompany receivable	3,052	1,594,872	118,634	134,641	3,225	1,547	1,342	391,601	405,666
Total current assets	3,978,792	6,590,380	3,386,503	1,866,138	1,623,100	3,994,306	2,600,738	1,235,049	1,458,067
NON-CURRENT ASSETS:									
Restricted cash and cash equivalents	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-
Deferred rent	-	102,763	90,919	-	90,276	-	-	-	-
Property and equipment, net	7,719,487	456,459	211,032	3,278,556	426,765	1,759,942	120,782	8,506,287	8,009,764
Right-of-use assets – operating leases	-	-	-	-	-	-	-	-	-
TOTAL ASSETS	\$11,698,279	\$ 7,149,602	\$ 3,688,454	\$ 5,144,694	\$ 2,140,141	\$ 5,754,248	\$ 2,721,520	\$ 9,741,336	\$ 9,467,831
CURRENT LIABILITIES:									
Accounts payable	\$ 147,077	\$ 308,758	\$ 139,793	\$ 62,982	\$ 168,226	\$ 889,555	\$ 110,569	\$ 986,639	\$ 3,120,507
Accrued expenses and other liabilities	114,423	169,629	168,464	163,278	186,062	202,875	97,134	32,982	38,997
Deferred revenue	132,965	247,936	105,740	39,610	11,912	47,460	86,209	10,103	606
Line of credit	-	-	-	-	-	-	-	-	-
Debt, current	167,191	-	-	-	-	-	-	-	-
Lease liabilities - operating leases, current	-	-	-	-	-	-	-	-	-
Intercompany payable	-	-	162,066	2,712,624	156,388	1,874,996	1,300,000	8,497,388	6,514,692
Total current liabilities	561,656	726,323	576,063	2,978,494	522,588	3,014,886	1,593,912	9,527,112	9,674,802
LONG-TERM LIABILITIES:									
Deferred rent	-	-	-	78,639	-	107,219	-	660,821	-
Debt, net	2,766,688	-	-	-	-	-	-	-	-
Lease liabilities - operating leases, net	-	-	-	-	-	-	-	-	-
Total liabilities	3,328,344	726,323	576,063	3,057,133	522,588	3,122,105	1,593,912	10,187,933	9,674,802
NET ASSETS:									
Without donor restrictions	7,678,603	5,806,213	2,776,031	1,678,235	1,021,977	2,277,685	754,472	(522,834)	(272,781)
With donor restrictions	691,332	617,066	336,360	409,326	595,576	354,458	373,136	76,237	65,810
Total net assets	8,369,935	6,423,279	3,112,391	2,087,561	1,617,553	2,632,143	1,127,608	(446,597)	(206,971)
TOTAL LIABILITIES AND NET ASSETS	\$11,698,279	\$ 7,149,602	\$ 3,688,454	\$ 5,144,694	\$ 2,140,141	\$ 5,754,248	\$ 2,721,520	\$ 9,741,336	\$ 9,467,831

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

JUNE 30, 2022

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	Central Valley Regional Office	Total Central Valley Region	Aspire Antonio Maria Lugo Academy	Aspire Ollin University Preparatory Academy	Aspire Junior Collegiate Academy	Aspire Titan Academy	Aspire Pacific Academy	Aspire Firestone Academy	Aspire Gateway Academy
CURRENT ASSETS:									
Cash and cash equivalents	\$ 143,674	\$15,268,654	\$ 1,228,004	\$ 1,961,042	\$ 1,827,718	\$ 852,292	\$ 2,058,897	\$ 1,141,376	\$ 1,652,321
Restricted cash and cash equivalents	-	-	-	-	-	-	-	-	-
Accounts receivable	142,007	27,588,400	1,675,281	2,790,869	1,118,053	1,656,402	2,442,925	1,549,044	1,655,553
Contributions receivable	-	-	-	-	-	-	-	-	-
Prepaid expenses and deposits	122,026	339,164	9,395	8,371	69,247	21,860	15,160	20,787	8,270
Intercompany receivable	221,175	3,193,066	772,205	1,197,767	-	196,170	4,483	65,847	-
Total current assets	628,882	46,389,284	3,684,885	5,958,049	3,015,018	2,726,724	4,521,465	2,777,054	3,316,144
NON-CURRENT ASSETS:									
Restricted cash and cash equivalents	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-
Deferred rent	-	489,909	-	-	73,865	75,702	-	-	-
Property and equipment, net	20,472	43,783,238	13,339,676	14,543,829	391,186	259,271	277,464	92,827	97,910
Right-of-use assets – operating leases	-	3,730,275	-	427	3,218	3,219	1,200	-	-
TOTAL ASSETS	\$ 649,354	\$94,392,706	\$17,024,561	\$20,502,305	\$ 3,483,287	\$ 3,064,916	\$ 4,800,129	\$ 2,869,881	\$ 3,414,054
CURRENT LIABILITIES:									
Accounts payable	\$ 104,981	\$ 7,803,958	\$ 169,599	\$ 153,938	\$ 77,131	\$ 29,450	\$ 69,530	\$ 51,215	\$ 58,125
Accrued expenses and other liabilities	109,112	2,263,540	595,571	548,164	329,685	295,645	318,097	410,066	422,151
Deferred revenue	-	1,394,604	334,169	283,042	151,075	60,152	215,047	-	56,230
Line of credit	-	-	-	-	-	-	-	-	-
Debt, current	-	167,191	233,413	311,007	-	-	-	-	-
Lease liabilities - operating leases, current	-	438,974	-	-	-	-	4,483	-	-
Intercompany payable	-	33,657,556	514,813	1,381,135	-	-	-	94,948	81,361
Total current liabilities	214,093	45,725,823	1,847,565	2,677,286	557,891	385,247	607,157	556,229	617,867
LONG-TERM LIABILITIES:									
Deferred rent	-	2,339,470	-	-	-	-	169,019	-	-
Debt, net	-	2,766,688	6,594,348	6,832,723	-	-	-	-	-
Lease liabilities - operating leases, net	-	3,291,223	-	427	3,218	3,219	1,200	-	-
Total liabilities	214,093	54,123,204	8,441,913	9,510,436	561,109	388,466	777,376	556,229	617,867
NET ASSETS:									
Without donor restrictions	435,261	34,514,279	7,965,480	10,415,812	2,342,788	2,107,059	3,582,065	1,783,425	2,250,369
With donor restrictions	-	5,755,223	617,168	576,057	579,390	569,391	440,688	530,227	545,818
Total net assets	435,261	40,269,502	8,582,648	10,991,869	2,922,178	2,676,450	4,022,753	2,313,652	2,796,187
TOTAL LIABILITIES AND NET ASSETS	\$ 649,354	\$94,392,706	\$17,024,561	\$20,502,305	\$ 3,483,287	\$ 3,064,916	\$ 4,800,129	\$ 2,869,881	\$ 3,414,054

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

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	Aspire Tate Academy	Aspire Inskeep Academy	Aspire Slauson Academy	Aspire Centennial College Preparatory Academy	LA Regional Office	Total LA Region	National Office	Total Aspire Public Schools	Aspire Hanley Middle
CURRENT ASSETS:									
Cash and cash equivalents	\$ 1,021,986	\$ 1,378,170	\$ 1,042,280	\$ 2,878,647	\$ 1,733,618	\$ 18,776,351	\$ 3,312,628	\$ 48,828,336	\$ -
Restricted cash and cash equivalents	-	-	-	-	-	-	-	-	-
Accounts receivable	1,473,410	1,221,551	1,751,404	1,901,718	(573)	19,235,637	(291,684)	67,076,082	-
Contributions receivable	-	-	-	-	-	-	108	378,141	-
Prepaid expenses and deposits	8,346	8,012	7,419	7,521	12,370	196,758	556,873	1,271,463	-
Intercompany receivable	35,906	-	-	-	1,003,959	3,276,337	12,385,592	20,169,242	-
Total current assets	2,539,648	2,607,733	2,801,103	4,787,886	2,749,374	41,485,083	15,963,517	137,723,264	-
NON-CURRENT ASSETS:									
Restricted cash and cash equivalents	-	-	-	-	-	-	-	2,533,281	-
Investments	-	-	-	-	-	-	50,980	50,980	-
Deferred rent	-	-	-	-	-	149,567	-	846,139	-
Property and equipment, net	69,360	49,453	76,281	296,651	1,840	29,495,748	276,136	86,805,545	-
Right-of-use assets – operating leases	-	3,083	3,083	8,956,777	542,208	9,513,215	189,535	17,321,281	-
TOTAL ASSETS	<u>\$ 2,609,008</u>	<u>\$ 2,660,269</u>	<u>\$ 2,880,467</u>	<u>\$14,041,314</u>	<u>\$ 3,293,422</u>	<u>\$80,643,613</u>	<u>\$16,480,168</u>	<u>\$245,280,490</u>	<u>\$ -</u>
CURRENT LIABILITIES:									
Accounts payable	\$ 112,381	\$ 103,251	\$ 63,271	\$ 100,098	\$ 13,315	\$ 1,001,304	\$ 2,006,550	\$ 12,419,445	\$ -
Accrued expenses and other liabilities	465,205	488,642	391,076	696,383	76,126	5,036,811	3,310,063	13,909,741	-
Deferred revenue	72,389	194,749	198,123	263,854	-	1,828,830	-	5,087,510	-
Line of credit	-	-	-	-	-	-	10,000,000	10,000,000	-
Debt, current	-	-	-	-	-	544,420	-	811,611	-
Lease liabilities - operating leases, current	-	-	-	430,942	111,355	546,780	190,659	2,644,011	-
Intercompany payable	77,217	65,272	63,819	-	-	2,278,565	14,051,085	59,879,668	-
Total current liabilities	727,192	851,914	716,289	1,491,277	200,796	11,236,710	29,558,357	104,751,986	-
LONG-TERM LIABILITIES:									
Deferred rent	-	-	-	-	-	169,019	-	2,512,186	-
Debt, net	-	-	-	-	-	13,427,071	-	23,411,513	-
Lease liabilities - operating leases, net	-	3,083	3,083	9,476,262	443,362	9,933,854	-	15,758,481	-
Total liabilities	727,192	854,997	719,372	10,967,539	644,158	34,766,654	29,558,357	146,434,166	-
NET ASSETS:									
Without donor restrictions	1,319,529	1,240,145	1,656,113	2,718,222	2,649,264	40,030,271	(13,090,152)	79,910,149	-
With donor restrictions	562,287	565,127	504,982	355,553	-	5,846,688	11,963	18,936,175	-
Total net assets	1,881,816	1,805,272	2,161,095	3,073,775	2,649,264	45,876,959	(13,078,189)	98,846,324	-
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 2,609,008</u>	<u>\$ 2,660,269</u>	<u>\$ 2,880,467</u>	<u>\$14,041,314</u>	<u>\$ 3,293,422</u>	<u>\$80,643,613</u>	<u>\$16,480,168</u>	<u>\$245,280,490</u>	<u>\$ -</u>

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF FINANCIAL POSITION JUNE 30, 2022

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	Aspire Hanley Elementary	Aspire Coleman Elementary	Aspire East Academy	Tennessee Regional Office	Total Aspire TN, LLC	CFC, Inc.	Aspire Foundation	Eliminations	Total Consolidated
CURRENT ASSETS:									
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,466,419	\$ -	\$ 54,294,755
Restricted cash and cash equivalents	-	-	-	-	-	11,758,404	-	-	11,758,404
Accounts receivable	-	-	-	-	-	213,726	-	-	67,289,808
Contributions receivable	-	-	-	-	-	-	287,138	-	665,279
Prepaid expenses and deposits	-	-	-	-	-	-	-	-	1,271,463
Intercompany receivable	-	-	-	-	-	48,036,768	472,168	(68,678,178)	-
Total current assets	-	-	-	-	-	60,008,898	6,225,725	(68,678,178)	135,279,709
NON-CURRENT ASSETS:									
Restricted cash and cash equivalents	-	-	-	-	-	68,179,214	-	-	70,712,495
Investments	-	-	-	-	-	-	-	-	50,980
Deferred rent	-	-	-	-	-	1,666,047	-	(2,512,186)	-
Property and equipment, net	-	-	-	-	-	114,482,328	39,470	(1,032,128)	200,295,215
Right-of-use assets – operating leases	-	-	-	-	-	-	-	-	17,321,281
TOTAL ASSETS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$244,336,487</u>	<u>\$ 6,265,195</u>	<u>\$ (72,222,492)</u>	<u>\$423,659,680</u>
CURRENT LIABILITIES:									
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 234,552	\$ 18,359	\$ -	\$ 12,672,356
Accrued expenses and other liabilities	-	66	-	-	66	2,754,256	5,835	-	16,669,898
Deferred revenue	-	-	-	-	-	-	-	-	5,087,510
Line of credit	-	-	-	-	-	-	-	-	10,000,000
Debt, current	-	-	-	-	-	2,235,000	-	-	3,046,611
Lease liabilities - operating leases, current	-	-	-	-	-	-	-	-	2,644,011
Intercompany payable	-	-	-	-	-	5,840,896	2,957,614	(68,678,178)	-
Total current liabilities	-	66	-	-	66	11,064,704	2,981,808	(68,678,178)	50,120,386
LONG-TERM LIABILITIES:									
Deferred rent	-	-	-	-	-	-	-	(2,512,186)	-
Debt, net	-	-	-	-	-	221,009,684	-	-	244,421,197
Lease liabilities - operating leases, net	-	-	-	-	-	-	-	-	15,758,481
Total liabilities	-	66	-	-	66	232,074,388	2,981,808	(71,190,364)	310,300,064
NET ASSETS:									
Without donor restrictions	-	(66)	-	-	(66)	12,262,099	2,983,033	(1,032,128)	94,123,087
With donor restrictions	-	-	-	-	-	-	300,354	-	19,236,529
Total net assets	-	(66)	-	-	(66)	12,262,099	3,283,387	(1,032,128)	113,359,616
TOTAL LIABILITIES AND NET ASSETS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$244,336,487</u>	<u>\$ 6,265,195</u>	<u>\$ (72,222,492)</u>	<u>\$423,659,680</u>

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF ACTIVITIES YEAR ENDED JUNE 30, 2022

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	Aspire Monarch Academy	Aspire Lionel Wilson College Prep Academy	Aspire East Palo Alto Charter School	Aspire Triumph Technology Academy	Aspire Berkley Maynard Academy	Aspire Richmond California College Prep Academy	Aspire Richmond Technology Academy	Aspire Golden State College Prep Academy	Aspire ERES Academy	Aspire College Academy
NET ASSETS WITHOUT DONOR RESTRICTIONS:										
SUPPORT, REVENUE AND GAINS:										
Private grants and contributions	\$ -	\$ -	\$ 378,033	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal revenue	1,080,813	1,090,900	1,569,226	698,209	1,429,259	923,484	947,187	1,336,198	1,024	750,417
California state revenue:										
State aid portion of general purpose funding	2,310,100	2,703,600	4,108,486	1,992,412	2,616,974	4,679,902	3,728,932	2,978,219	-	1,809,419
All other state revenue	548,776	714,743	587,530	405,695	327,858	679,424	711,696	769,462	-	360,912
Local revenue:										
Cash in-lieu of property taxes	1,091,083	1,377,665	-	666,312	1,526,997	1,693,522	1,346,567	1,468,497	-	617,140
Interest income	-	-	45,799	-	-	-	-	-	-	-
All other local revenue	113,222	248,928	106,556	67,869	239,705	188,871	221,711	434,400	(81)	57,776
Other gains and (losses)	-	-	-	-	-	-	-	(84)	-	(480)
Other revenues	65	-	109	-	185	-	(4,650)	75	-	20
Subtotal	5,144,059	6,135,836	6,795,739	3,830,497	6,140,978	8,165,203	6,951,443	6,986,767	943	3,595,204
Net assets released from restrictions	1,468,258	2,198,448	3,063,512	401,347	2,274,232	867,034	629,762	2,296,442	3,744	375,551
Total support, revenue and gains	6,612,317	8,334,284	9,859,251	4,231,844	8,415,210	9,032,237	7,581,205	9,283,209	4,687	3,970,755
EXPENSES AND LOSSES:										
PROGRAM EXPENSES:										
Educational programs	5,918,427	7,551,111	9,675,278	4,345,313	7,784,823	8,137,001	7,062,137	8,611,667	305,674	4,236,562
SUPPORTING SERVICES:										
Site support	-	-	-	-	-	-	-	-	-	-
Development and expansion	-	-	-	-	-	-	-	-	-	-
Fundraising	-	-	-	-	-	-	-	-	-	-
Administration and general	-	-	-	-	-	-	-	-	-	-
Cost allocations	664,486	791,647	946,896	423,639	793,974	870,452	761,243	855,125	-	392,962
Total supporting services	664,486	791,647	946,896	423,639	793,974	870,452	761,243	855,125	-	392,962
Total expenses	6,582,913	8,342,758	10,622,174	4,768,952	8,578,797	9,007,453	7,823,380	9,466,792	305,674	4,629,524
Return of grant funds	-	-	-	-	-	-	-	-	-	-
Total expenses and losses	6,582,913	8,342,758	10,622,174	4,768,952	8,578,797	9,007,453	7,823,380	9,466,792	305,674	4,629,524
Increase (Decrease) in Net Assets without Donor Restrictions	<u>29,404</u>	<u>(8,474)</u>	<u>(762,923)</u>	<u>(537,108)</u>	<u>(163,587)</u>	<u>24,784</u>	<u>(242,175)</u>	<u>(183,583)</u>	<u>(300,987)</u>	<u>(658,769)</u>
NET ASSETS WITH DONOR RESTRICTIONS:										
Private grants and contributions										-
Federal										
State	1,932,002	2,466,432	3,614,394	736,567	2,400,961	1,223,685	1,131,446	2,583,589	-	696,756
Federal and state revenue	1,932,002	2,466,432	3,614,394	736,567	2,400,961	1,223,685	1,131,446	2,583,589	-	696,756
Interfund transfers	(75,771)	(91,079)	(110,302)	(47,406)	(103,023)	(110,676)	(92,199)	(102,837)	-	(44,420)
Net assets released from restrictions	(1,468,258)	(2,198,448)	(3,063,512)	(401,347)	(2,274,232)	(867,034)	(629,762)	(2,296,442)	(3,744)	(375,551)
Increase (Decrease) in Net Assets with Donor Restrictions	<u>387,973</u>	<u>176,905</u>	<u>440,580</u>	<u>287,814</u>	<u>23,706</u>	<u>245,975</u>	<u>409,485</u>	<u>184,310</u>	<u>(3,744)</u>	<u>276,785</u>
INCREASE (DECREASE) IN NET ASSETS	<u>417,377</u>	<u>168,431</u>	<u>(322,343)</u>	<u>(249,294)</u>	<u>(139,881)</u>	<u>270,759</u>	<u>167,310</u>	<u>727</u>	<u>(304,731)</u>	<u>(381,984)</u>
NET ASSETS - Beginning of Year	<u>2,028,256</u>	<u>3,529,432</u>	<u>2,876,734</u>	<u>1,803,702</u>	<u>3,916,746</u>	<u>2,028,409</u>	<u>1,399,400</u>	<u>6,682,303</u>	<u>(777,264)</u>	<u>1,431,334</u>
NET ASSETS - End of Year	<u>\$ 2,445,633</u>	<u>\$ 3,697,863</u>	<u>\$ 2,554,391</u>	<u>\$ 1,554,408</u>	<u>\$ 3,776,865</u>	<u>\$ 2,299,168</u>	<u>\$ 1,566,710</u>	<u>\$ 6,683,030</u>	<u>\$ (1,081,995)</u>	<u>\$ 1,049,350</u>

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2022

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	Bay Area Regional Office	Total Bay Area Region	Aspire Vincent Shalvey Academy	Aspire University Charter School	Aspire Summit Charter Academy	Aspire River Oaks Charter School	Aspire Benjamin Holt College Prep Academy	Aspire Benjamin Holt Middle School	Aspire Capitol Heights Academy
NET ASSETS WITHOUT DONOR RESTRICTIONS:									
SUPPORT, REVENUE AND GAINS:									
Private grants and contributions	\$ -	\$ 378,033	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal revenue	-	9,826,717	574,452	1,042,479	730,130	904,383	650,582	771,802	1,396,547
California state revenue:									
State aid portion of general purpose funding	-	26,928,044	1,652,737	3,857,150	2,129,322	2,289,409	2,769,196	3,865,919	1,005,919
All other state revenue	-	5,106,096	331,046	646,307	580,087	643,888	681,310	659,680	367,511
Local revenue:									
Cash in-lieu of property taxes	-	9,787,783	867,928	481,786	378,630	871,900	1,245,216	1,110,177	434,694
Interest income	-	45,799	992	1,333	773	1,134	489	2,210	-
All other local revenue	4,578	1,683,535	150,212	38,147	35,275	61,551	104,553	63,891	31,967
Other gains and (losses)	-	(564)	-	320,261	-	-	-	-	-
Other revenues	-	(4,196)	-	25	652	708	380	225	-
Subtotal	4,578	53,751,247	3,577,367	6,387,488	3,854,869	4,772,973	5,451,726	6,473,904	3,236,638
Net assets released from restrictions	-	13,578,330	1,794,410	510,117	1,926,001	1,708,598	2,824,393	313,021	862,360
Total support, revenue and gains	4,578	67,329,577	5,371,777	6,897,605	5,780,870	6,481,571	8,276,119	6,786,925	4,098,998
EXPENSES AND LOSSES:									
PROGRAM EXPENSES:									
Educational programs	1,760,739	65,388,732	4,427,093	5,411,368	4,802,366	5,075,107	7,405,217	5,465,323	5,433,746
SUPPORTING SERVICES:									
Site support	147,300	147,300	-	-	-	-	-	-	-
Development and expansion	-	-	-	-	-	-	-	-	-
Fundraising	-	-	-	-	-	-	-	-	-
Administration and general	147,300	147,300	-	-	-	-	-	-	-
Cost allocations	(2,173,742)	4,326,682	550,463	618,236	573,478	682,738	863,352	680,062	322,316
Total supporting services	(1,879,142)	4,621,282	550,463	618,236	573,478	682,738	863,352	680,062	322,316
Total expenses	(118,403)	70,010,014	4,977,556	6,029,604	5,375,844	5,757,845	8,268,569	6,145,385	5,756,062
Return of grant funds	-	-	-	-	-	56,863	-	-	-
Total expenses and losses	(118,403)	70,010,014	4,977,556	6,029,604	5,375,844	5,814,708	8,268,569	6,145,385	5,756,062
Increase (Decrease) in Net Assets without Donor Restrictions	122,981	(2,680,437)	394,221	868,001	405,026	666,863	7,550	641,540	(1,657,064)
NET ASSETS WITH DONOR RESTRICTIONS:									
Private grants and contributions	-	-	-	-	-	-	-	-	-
Federal									
State	-	16,785,832	1,969,485	754,805	2,162,719	1,954,956	3,062,435	410,264	1,095,641
Federal and state revenue	-	16,785,832	1,969,485	754,805	2,162,719	1,954,956	3,062,435	410,264	1,095,641
Interfund transfers	-	(777,713)	(82,493)	(76,894)	(69,989)	(83,800)	(116,275)	(104,517)	(38,261)
Net assets released from restrictions	-	(13,578,330)	(1,794,410)	(510,117)	(1,926,001)	(1,708,598)	(2,824,393)	(313,021)	(862,360)
Increase (Decrease) in Net Assets with Donor Restrictions	-	2,429,789	92,582	167,794	166,729	162,558	121,767	(7,274)	195,020
INCREASE (DECREASE) IN NET ASSETS	122,981	(250,648)	486,803	1,035,795	571,755	829,421	129,317	634,266	(1,462,044)
NET ASSETS - Beginning of Year	1,109,648	26,028,700	1,957,249	1,476,352	1,564,399	2,148,413	3,106,338	2,818,826	(179,551)
NET ASSETS - End of Year	\$ 1,232,629	\$ 25,778,052	\$ 2,444,052	\$ 2,512,147	\$ 2,136,154	\$ 2,977,834	\$ 3,235,655	\$ 3,453,092	\$ (1,641,595)

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF ACTIVITIES YEAR ENDED JUNE 30, 2022

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	Aspire Rosa Parks Academy	Aspire Langston Hughes Academy	Aspire Port City Academy	Aspire Vanguard College Prep Academy	Aspire Alexander Twilight College Prep Academy	Aspire Alexander Twilight Secondary Academy	Aspire APEX Academy	Aspire Arts & Sciences Academy	Aspire Stockton Secondary Academy
NET ASSETS WITHOUT DONOR RESTRICTIONS:									
SUPPORT, REVENUE AND GAINS:									
Private grants and contributions	\$ -	\$ -	\$ 2,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal revenue	1,173,439	1,341,851	832,936	1,155,904	1,377,290	1,304,139	699,833	400,796	335,034
California state revenue:									
State aid portion of general purpose funding	2,034,101	3,964,949	2,213,312	2,868,527	1,854,319	2,394,435	1,692,683	761,229	662,460
All other state revenue	403,449	1,228,583	746,703	937,392	602,730	553,858	444,859	167,684	119,193
Local revenue:									
Cash in-lieu of property taxes	517,400	1,043,541	576,339	1,629,408	969,461	1,211,995	394,924	123,493	109,532
Interest income	1,414	2,221	1,162	775	214	-	847	390	-
All other local revenue	63,677	100,522	86,849	74,892	81,149	100,832	52,428	16,858	9,058
Other gains and (losses)	-	-	-	480,393	-	-	-	-	-
Other revenues	160	119	1,590	120	210	75	-	25	-
Subtotal	4,193,640	7,681,786	4,460,891	7,147,411	4,885,373	5,565,334	3,285,574	1,470,475	1,235,277
Net assets released from restrictions	1,728,370	3,784,810	1,944,754	2,448,108	1,475,137	2,510,288	1,370,957	114,714	92,470
Total support, revenue and gains	5,922,010	11,466,596	6,405,645	9,595,519	6,360,510	8,075,622	4,656,531	1,585,189	1,327,747
EXPENSES AND LOSSES:									
PROGRAM EXPENSES:									
Educational programs	5,339,623	10,524,345	5,568,965	7,815,539	6,052,156	7,103,810	4,298,902	2,163,207	1,480,479
SUPPORTING SERVICES:									
Site support	-	-	-	-	-	-	-	-	-
Development and expansion	-	-	-	-	-	-	-	-	-
Fundraising	-	-	-	-	-	-	-	-	-
Administration and general	-	-	-	-	-	-	-	-	-
Cost allocations	613,081	1,133,361	634,450	831,573	619,929	739,079	484,934	127,900	110,968
Total supporting services	613,081	1,133,361	634,450	831,573	619,929	739,079	484,934	127,900	110,968
Total expenses	5,952,704	11,657,706	6,203,415	8,647,112	6,672,085	7,842,889	4,783,836	2,291,107	1,591,447
Return of grant funds	-	-	-	-	-	-	-	-	-
Total expenses and losses	5,952,704	11,657,706	6,203,415	8,647,112	6,672,085	7,842,889	4,783,836	2,291,107	1,591,447
Increase (Decrease) in Net Assets without Donor Restrictions	(30,694)	(191,110)	202,230	948,407	(311,575)	232,733	(127,305)	(705,918)	(263,700)
NET ASSETS WITH DONOR RESTRICTIONS:									
Private grants and contributions	-	-	-	-	-	-	-	-	-
Federal									
State	2,164,305	4,181,175	2,188,075	2,720,474	1,980,976	2,745,826	1,697,677	182,342	159,137
Federal and state revenue	2,164,305	4,181,175	2,188,075	2,720,474	1,980,976	2,745,826	1,697,677	182,342	159,137
Interfund transfers	(73,908)	(150,243)	(80,254)	(111,982)	(81,000)	(99,851)	(58,231)	(16,797)	(14,931)
Net assets released from restrictions	(1,728,370)	(3,784,810)	(1,944,754)	(2,448,108)	(1,475,137)	(2,510,288)	(1,370,957)	(114,714)	(92,470)
Increase (Decrease) in Net Assets with Donor Restrictions	362,027	246,122	163,067	160,384	424,839	135,687	268,489	50,831	51,736
INCREASE (DECREASE) IN NET ASSETS	331,333	55,012	365,297	1,108,791	113,264	368,420	141,184	(655,087)	(211,964)
NET ASSETS - Beginning of Year	8,038,602	6,368,267	2,747,094	978,770	1,504,289	2,263,723	986,424	208,490	4,993
NET ASSETS - End of Year	\$ 8,369,935	\$ 6,423,279	\$ 3,112,391	\$ 2,087,561	\$ 1,617,553	\$ 2,632,143	\$ 1,127,608	\$ (446,597)	\$ (206,971)

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2022

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	Central Valley Regional Office	Total Central Valley Region	Aspire Antonio Maria Lugo Academy	Aspire Ollin College Prep Academy	Aspire Junior Collegiate Academy	Aspire Titan Academy	Aspire Pacific Academy	Aspire Firestone Academy	Aspire Gateway Academy
NET ASSETS WITHOUT DONOR RESTRICTIONS:									
SUPPORT, REVENUE AND GAINS:									
Private grants and contributions	\$ 1	\$ 2,001	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal revenue	136,017	14,827,614	1,342,561	1,921,009	1,017,235	1,110,548	1,433,917	1,642,441	1,602,764
California state revenue:									
State aid portion of general purpose funding	-	36,015,667	2,503,392	3,838,676	2,027,033	2,030,735	3,210,937	2,087,143	2,043,832
All other state revenue	-	9,114,280	260,221	380,434	450,379	432,980	680,589	251,254	196,430
Local revenue:									
Cash in-lieu of property taxes	-	11,966,424	1,163,773	1,615,540	921,211	915,509	1,594,981	969,742	975,444
Interest income	-	13,954	-	-	-	-	-	-	-
All other local revenue	8,621	1,080,482	50,344	71,001	40,340	38,248	35,287	39,226	39,968
Other gains and (losses)	-	800,654	-	-	-	-	-	-	-
Other revenues	-	4,289	-	-	-	-	-	-	-
Subtotal	144,639	73,825,365	5,320,291	7,826,660	4,456,198	4,528,020	6,955,711	4,989,806	4,858,438
Net assets released from restrictions	-	25,408,508	1,597,957	2,372,150	985,153	1,440,949	2,868,192	1,168,989	1,309,004
Total support, revenue and gains	144,639	99,233,873	6,918,248	10,198,810	5,441,351	5,968,969	9,823,903	6,158,795	6,167,442
EXPENSES AND LOSSES:									
PROGRAM EXPENSES:									
Educational programs	3,397,382	91,764,628	6,622,835	9,322,984	4,765,146	5,156,328	8,258,780	5,657,178	5,702,595
SUPPORTING SERVICES:									
Site support	74,749	74,749	-	-	-	-	-	-	-
Development and expansion	-	-	-	-	-	-	-	-	-
Fundraising	-	-	-	-	-	-	-	-	-
Administration and general	74,749	74,749	-	-	-	-	-	-	-
Cost allocations	(3,205,533)	6,380,387	708,503	967,556	562,998	557,770	933,403	596,162	585,281
Total supporting services	(3,056,035)	6,529,885	708,503	967,556	562,998	557,770	933,403	596,162	585,281
Total expenses	341,347	98,294,513	7,331,338	10,290,540	5,328,144	5,714,098	9,192,183	6,253,340	6,287,876
Return of grant funds	-	56,863	-	-	-	-	-	-	-
Total expenses and losses	341,347	98,351,376	7,331,338	10,290,540	5,328,144	5,714,098	9,192,183	6,253,340	6,287,876
Increase (Decrease) in Net Assets without Donor Restrictions	(196,708)	882,497	(413,090)	(91,730)	113,207	254,871	631,720	(94,545)	(120,434)
NET ASSETS WITH DONOR RESTRICTIONS:									
Private grants and contributions	-	-	-	-	-	-	-	-	-
Federal									
State		29,430,292	2,081,898	2,818,703	1,378,316	1,827,554	3,143,225	1,590,976	1,735,382
Federal and state revenue	-	29,430,292	2,081,898	2,818,703	1,378,316	1,827,554	3,143,225	1,590,976	1,735,382
Interfund transfers	-	(1,259,426)	(82,916)	(114,445)	(60,844)	(59,910)	(105,636)	(64,950)	(63,457)
Net assets released from restrictions	-	(25,408,508)	(1,597,957)	(2,372,150)	(985,153)	(1,440,949)	(2,868,192)	(1,168,989)	(1,309,004)
Increase (Decrease) in Net Assets with Donor Restrictions	-	2,762,358	401,025	332,108	332,319	326,695	169,397	357,037	362,921
INCREASE (DECREASE) IN NET ASSETS	(196,708)	3,644,855	(12,065)	240,378	445,526	581,566	801,117	262,492	242,487
NET ASSETS - Beginning of Year	631,969	36,624,647	8,594,713	10,751,491	2,476,652	2,094,884	3,221,636	2,051,160	2,553,700
NET ASSETS - End of Year	\$ 435,261	\$ 40,269,502	\$ 8,582,648	\$ 10,991,869	\$ 2,922,178	\$ 2,676,450	\$ 4,022,753	\$ 2,313,652	\$ 2,796,187

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2022

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	Aspire Tate Academy	Aspire Inskeep Academy	Aspire Slauson Academy	Aspire Centennial College Prep Academy	LA Regional Office	Total LA Region	National Office	Total Aspire Public Schools	Aspire Hanley Middle
NET ASSETS WITHOUT DONOR RESTRICTIONS:									
SUPPORT, REVENUE AND GAINS:									
Private grants and contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 569	\$ 380,603	\$ -
Federal revenue	1,380,305	1,244,815	1,258,470	1,428,506	-	15,382,571	78,008	40,114,910	-
California state revenue:									
State aid portion of general purpose funding	2,180,560	2,180,696	2,026,685	4,030,059	-	28,159,748	-	91,103,459	-
All other state revenue	260,583	211,140	211,385	639,446	-	3,974,841	835	18,196,052	-
Local revenue:									
Cash in-lieu of property taxes	1,026,985	992,931	914,780	1,433,389	-	12,524,285	-	34,278,492	-
Interest income	-	-	-	-	-	-	8,114	67,867	-
All other local revenue	48,933	44,380	45,035	39,076	4,640	496,478	55,448	3,315,943	-
Other gains and (losses)	-	-	-	-	-	-	-	800,090	-
Other revenues	-	-	-	-	-	-	7,431	7,524	-
Subtotal	4,897,366	4,673,962	4,456,355	7,570,476	4,640	60,537,923	150,405	188,264,940	-
Net assets released from restrictions	1,308,490	1,145,059	1,107,175	665,015	-	15,968,133	2,867,008	57,821,979	-
Total support, revenue and gains	6,205,856	5,819,021	5,563,530	8,235,491	4,640	76,506,056	3,017,413	246,086,919	-
EXPENSES AND LOSSES:									
PROGRAM EXPENSES:									
Educational programs	5,719,910	5,138,436	5,048,913	6,887,468	1,837,593	70,118,166	6,471,496	233,743,022	-
SUPPORTING SERVICES:									
Site support	-	-	-	-	133,060	133,060	11,798,378	12,153,487	-
Development and expansion	-	-	-	-	-	-	548,829	548,829	-
Fundraising	-	-	-	-	-	-	-	-	-
Administration and general	-	-	-	-	133,059	133,059	3,553,580	3,908,688	-
Cost allocations	628,809	615,284	568,157	789,359	(2,512,443)	5,000,839	(15,707,908)	-	-
Total supporting services	628,809	615,284	568,157	789,359	(2,246,324)	5,266,958	192,879	16,611,004	-
Total expenses	6,348,719	5,753,720	5,617,070	7,676,827	(408,731)	75,385,124	6,664,375	250,354,026	-
Return of grant funds	-	-	-	-	-	-	-	56,863	-
Total expenses and losses	6,348,719	5,753,720	5,617,070	7,676,827	(408,731)	75,385,124	6,664,375	250,410,889	-
Increase (Decrease) in Net Assets without Donor Restrictions	<u>(142,863)</u>	<u>65,301</u>	<u>(53,540)</u>	<u>558,664</u>	<u>413,371</u>	<u>1,120,932</u>	<u>(3,646,962)</u>	<u>(4,323,970)</u>	<u>-</u>
NET ASSETS WITH DONOR RESTRICTIONS:									
Private grants and contributions	-	-	-	-	-	-	-	-	-
Federal									
State	1,758,684	1,595,624	1,507,816	885,173	-	20,323,351	-	66,539,475	-
Federal and state revenue	1,758,684	1,595,624	1,507,816	885,173	-	20,323,351	-	66,539,475	-
Interfund transfers	(64,390)	(66,069)	(61,404)	(92,199)	-	(836,220)	2,873,359	-	-
Net assets released from restrictions	(1,308,490)	(1,145,059)	(1,107,175)	(665,015)	-	(15,968,133)	(2,867,008)	(57,821,979)	-
Increase (Decrease) in Net Assets with Donor Restrictions	<u>385,804</u>	<u>384,496</u>	<u>339,237</u>	<u>127,959</u>	<u>-</u>	<u>3,518,998</u>	<u>6,351</u>	<u>8,717,496</u>	<u>-</u>
INCREASE (DECREASE) IN NET ASSETS	<u>242,941</u>	<u>449,797</u>	<u>285,697</u>	<u>686,623</u>	<u>413,371</u>	<u>4,639,930</u>	<u>(3,640,611)</u>	<u>4,393,526</u>	<u>-</u>
NET ASSETS - Beginning of Year	<u>1,638,875</u>	<u>1,355,475</u>	<u>1,875,398</u>	<u>2,387,152</u>	<u>2,235,893</u>	<u>41,237,029</u>	<u>(9,437,578)</u>	<u>94,452,798</u>	<u>-</u>
NET ASSETS - End of Year	<u>\$ 1,881,816</u>	<u>\$ 1,805,272</u>	<u>\$ 2,161,095</u>	<u>\$ 3,073,775</u>	<u>\$ 2,649,264</u>	<u>\$45,876,959</u>	<u>\$ (13,078,189)</u>	<u>\$ 98,846,324</u>	<u>\$ -</u>

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2022

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	Aspire Hanley Elementary	Aspire Coleman Elementary	Aspire East Academy	Tennessee Regional Office	Total Aspire TN, LLC	CFC, Inc.	Aspire Foundation	Eliminations	Total Consolidated
NET ASSETS WITHOUT DONOR RESTRICTIONS:									
SUPPORT, REVENUE AND GAINS:									
Private grants and contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,520,538	\$ -	\$ 2,901,141
Federal revenue	-	-	-	-	-	-	-	-	40,114,910
California state revenue:									
State aid portion of general purpose funding	-	-	-	-	-	-	-	-	91,103,459
All other state revenue	-	-	-	-	-	-	-	-	18,196,052
Local revenue:									
Cash in-lieu of property taxes	-	-	-	-	-	-	-	-	34,278,492
Interest income	-	-	-	-	-	68,534	-	-	136,401
All other local revenue	-	-	-	-	-	-	-	-	3,315,943
Other gains and (losses)	-	-	-	-	-	-	-	-	800,090
Other revenues	-	-	-	-	-	10,429,867	28,284	(10,429,867)	35,808
Subtotal	-	-	-	-	-	10,498,401	2,548,822	(10,429,867)	190,882,296
Net assets released from restrictions	-	-	-	-	-	-	1,815,059	-	59,637,038
Total support, revenue and gains	-	-	-	-	-	10,498,401	4,363,881	(10,429,867)	250,519,334
EXPENSES AND LOSSES:									
PROGRAM EXPENSES:									
Educational programs	-	66	-	-	66	9,569,450	371,962	(10,429,867)	233,254,633
SUPPORTING SERVICES:									
Site support	-	-	-	-	-	-	-	-	12,153,487
Development and expansion	-	-	-	-	-	-	-	-	548,829
Fundraising	-	-	-	-	-	-	2,842,575	-	2,842,575
Administration and general	-	-	-	1,362	1,362	-	326,596	-	4,236,646
Cost allocations	-	-	-	-	-	-	-	-	-
Total supporting services	-	-	-	1,362	1,362	-	3,169,171	-	19,781,537
Total expenses	-	66	-	1,362	1,428	9,569,450	3,541,133	(10,429,867)	253,036,170
Return of grant funds	-	-	-	-	-	-	-	-	56,863
Total expenses and losses	-	66	-	1,362	1,428	9,569,450	3,541,133	(10,429,867)	253,093,033
Increase (Decrease) in Net Assets without Donor Restrictions	-	(66)	-	(1,362)	(1,428)	928,951	822,748	-	(2,573,699)
NET ASSETS WITH DONOR RESTRICTIONS:									
Private grants and contributions	-	-	-	-	-	-	634,200	-	634,200
Federal	-	-	-	-	-	-	-	-	-
State	-	-	-	-	-	-	-	-	66,539,475
Federal and state revenue	-	-	-	-	-	-	-	-	66,539,475
Interfund transfers	-	-	-	-	-	-	-	-	-
Net assets released from restrictions	-	-	-	-	-	-	(1,815,059)	-	(59,637,038)
Increase (Decrease) in Net Assets with Donor Restrictions	-	-	-	-	-	-	(1,180,859)	-	7,536,637
INCREASE (DECREASE) IN NET ASSETS	-	(66)	-	(1,362)	(1,428)	928,951	(358,111)	-	4,962,938
NET ASSETS - Beginning of Year	-	-	-	1,362	1,362	11,333,148	3,641,498	(1,032,128)	108,396,678
NET ASSETS - End of Year	\$ -	\$ (66)	\$ -	\$ -	\$ (66)	\$ 12,262,099	\$ 3,283,387	\$ (1,032,128)	\$ 113,359,616

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES YEAR ENDED JUNE 30, 2022

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	Program Expenses										
	Aspire Monarch Academy	Aspire Lionel Wilson College Prep Academy	Aspire East Palo Alto Charter School	Aspire Triumph Technology Academy	Aspire Berkley Maynard Academy	Richmond California College Prep Academy	Aspire Richmond Technology Academy	Aspire Golden State College Prep Academy	Aspire ERES Academy	Aspire College Academy	Bay Area Regional Office
Salaries and wages	\$ 3,328,204	\$ 3,963,967	\$ 4,743,139	\$ 2,259,774	\$ 4,441,482	\$ 4,495,309	\$ 3,754,990	\$ 4,375,694	\$ 91,017	\$ 2,202,774	\$ 687,244
Employee benefits	1,122,972	1,222,006	1,437,824	789,192	1,455,192	1,293,434	1,077,252	1,360,064	9,124	693,019	234,273
Books and supplies	271,924	660,717	548,079	149,784	493,071	530,544	437,174	563,385	3,576	199,075	(15,857)
Rents and occupancy	798,486	937,708	1,347,947	549,300	510,311	1,099,272	867,136	1,147,922	142,457	641,770	66,157
Professional services	353,511	667,164	1,419,514	581,887	569,781	624,810	702,208	947,561	55,632	471,220	762,081
Bonds and loan interest	-	-	-	-	-	953	953	-	-	-	-
Depreciation and amortization	30,601	79,445	170,536	4,891	301,173	70,937	218,457	206,163	3,868	24,556	-
Travel and meetings	12,726	19,092	8,234	10,485	13,804	20,502	3,727	9,790	-	3,667	18,703
Other expenses	<u>3</u>	<u>1,012</u>	<u>5</u>	<u>-</u>	<u>9</u>	<u>1,240</u>	<u>240</u>	<u>1,088</u>	<u>-</u>	<u>481</u>	<u>8,138</u>
Total	<u>\$ 5,918,427</u>	<u>\$ 7,551,111</u>	<u>\$ 9,675,278</u>	<u>\$ 4,345,313</u>	<u>\$ 7,784,823</u>	<u>\$ 8,137,001</u>	<u>\$ 7,062,137</u>	<u>\$ 8,611,667</u>	<u>\$ 305,674</u>	<u>\$ 4,236,562</u>	<u>\$ 1,760,739</u>
	Program Expenses										
	Total Bay Area Region	Aspire Vincent Shalvey Academy	Aspire University Charter School	Aspire Summit Charter Academy	Aspire River Oaks Charter School	Aspire Benjamin Holt College Prep Academy	Aspire Benjamin Holt Middle School	Aspire Capitol Heights Academy	Aspire Rosa Parks Academy	Aspire Langston Hughes Academy	Aspire Port City Academy
Salaries and wages	\$34,343,594	\$ 2,383,662	\$ 2,825,350	\$ 2,532,570	\$ 2,563,149	\$ 3,722,408	\$ 2,767,248	\$ 1,801,127	\$ 2,820,975	\$ 5,050,236	\$ 3,043,708
Employee benefits	10,694,352	864,293	959,768	787,591	883,417	1,223,486	991,414	587,766	917,677	1,821,611	1,023,644
Books and supplies	3,841,472	318,455	390,896	238,309	288,917	634,311	574,606	592,008	404,843	1,184,196	389,327
Rents and occupancy	8,108,466	424,238	796,005	551,452	720,953	1,273,125	726,390	2,005,327	303,664	1,644,741	778,372
Professional services	7,155,369	343,694	395,568	633,559	442,638	457,068	295,231	385,362	402,850	721,701	307,128
Bonds and loan interest	1,906	-	-	-	-	-	-	-	98,708	-	-
Depreciation and amortization	1,110,627	85,569	36,119	57,697	68,959	81,945	103,444	56,747	380,538	67,379	22,330
Travel and meetings	120,730	7,182	7,061	982	107,039	9,855	6,979	5,409	10,360	33,475	4,378
Other expenses	<u>12,216</u>	<u>-</u>	<u>601</u>	<u>206</u>	<u>35</u>	<u>3,019</u>	<u>11</u>	<u>-</u>	<u>8</u>	<u>1,006</u>	<u>78</u>
Total	<u>\$65,388,732</u>	<u>\$ 4,427,093</u>	<u>\$ 5,411,368</u>	<u>\$ 4,802,366</u>	<u>\$ 5,075,107</u>	<u>\$ 7,405,217</u>	<u>\$ 5,465,323</u>	<u>\$ 5,433,746</u>	<u>\$ 5,339,623</u>	<u>\$ 10,524,345</u>	<u>\$ 5,568,965</u>

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES YEAR ENDED JUNE 30, 2022

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	Program Expenses										
	Aspire Vanguard College Prep Academy	Aspire Alexander Twilight College Prep	Alexander Twilight Secondary Academy	Aspire APEX Academy	Aspire Arts & Sciences Academy	Aspire Stockton Secondary Academy	Central Valley Regional Office	Total Central Valley Region	Aspire Antonio Maria Lugo Academy	Aspire Ollin College Prep Academy	Aspire Junior Collegiate Academy
Salaries and wages	\$ 4,117,016	\$ 3,044,411	\$ 3,485,379	\$ 2,349,819	\$ 748,238	\$ 914,246	\$ 1,796,133	\$ 45,965,675	\$ 3,258,556	\$ 4,740,320	\$ 2,578,499
Employee benefits	1,407,425	1,026,755	1,162,636	792,626	209,684	230,089	619,136	15,509,018	1,201,271	1,738,350	672,688
Books and supplies	612,244	463,473	654,273	350,343	79,309	99,219	334,126	7,608,855	505,732	848,121	373,259
Rents and occupancy	1,122,752	835,190	1,055,093	337,213	975,747	151,294	-	13,701,556	200,899	341,511	618,333
Professional services	493,822	552,420	637,274	388,472	134,098	69,366	546,676	7,206,927	821,995	801,629	464,620
Bonds and loan interest	-	-	-	-	-	-	-	98,708	111,255	217,195	-
Depreciation and amortization	55,833	93,383	66,272	67,974	12,880	13,186	-	1,270,255	513,791	608,897	50,386
Travel and meetings	5,441	36,514	41,877	12,455	3,170	3,079	90,986	386,242	2,975	19,101	7,361
Other expenses	1,006	10	1,006	-	81	-	10,325	17,392	6,361	7,860	-
Total	<u>\$ 7,815,539</u>	<u>\$ 6,052,156</u>	<u>\$ 7,103,810</u>	<u>\$ 4,298,902</u>	<u>\$ 2,163,207</u>	<u>\$ 1,480,479</u>	<u>\$ 3,397,382</u>	<u>\$ 91,764,628</u>	<u>\$ 6,622,835</u>	<u>\$ 9,322,984</u>	<u>\$ 4,765,146</u>

	Program Expenses											
	Aspire Titan Academy	Aspire Pacific Academy	Aspire Firestone Academy	Aspire Gateway Academy	Aspire Tate Academy	Aspire Inskeep Academy	Aspire Slauson Academy	Aspire Centennial College Prep Academy	LA Regional Office	Total LA Region	National Office	Aspire Public Schools Program Expenses
Salaries and wages	\$ 2,903,139	\$ 4,487,733	\$ 3,181,354	\$ 3,221,736	\$ 3,165,757	\$ 2,826,386	\$ 2,791,884	\$ 3,953,102	\$ 1,140,509	\$ 38,248,975	\$ 4,124,082	\$ 122,682,326
Employee benefits	821,230	1,439,545	1,152,171	1,175,598	1,141,534	1,015,165	1,004,549	939,622	289,876	12,591,599	1,438,616	40,233,585
Books and supplies	347,887	633,651	456,232	442,078	552,337	504,213	511,057	551,903	83,234	5,809,704	274,527	17,534,558
Rents and occupancy	602,524	968,367	361,088	295,703	167,190	171,983	176,694	710,272	-	4,614,564	-	26,424,586
Professional services	418,810	671,915	497,551	551,306	632,198	565,500	513,668	668,764	289,358	6,897,314	554,004	21,813,614
Bonds and loan interest	-	-	-	-	-	-	-	-	-	328,450	6,130	435,194
Depreciation and amortization	54,687	49,830	6,909	8,032	13,128	9,384	8,046	47,468	-	1,370,558	-	3,751,440
Travel and meetings	8,051	6,739	1,873	8,142	47,766	45,805	43,015	16,337	25,966	233,131	64,894	804,997
Other expenses	-	1,000	-	-	-	-	-	-	8,650	23,871	9,243	62,722
Total	<u>\$ 5,156,328</u>	<u>\$ 8,258,780</u>	<u>\$ 5,657,178</u>	<u>\$ 5,702,595</u>	<u>\$ 5,719,910</u>	<u>\$ 5,138,436</u>	<u>\$ 5,048,913</u>	<u>\$ 6,887,468</u>	<u>\$ 1,837,593</u>	<u>\$ 70,118,166</u>	<u>\$ 6,471,496</u>	<u>\$ 233,743,022</u>

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES YEAR ENDED JUNE 30, 2022

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	Program Expenses									Supporting Services		
			Aspire Coleman Elementary School	Aspire East Academy	TN Regional Office	Total Aspire TN, LLC Program Expenses				Total Program Expenses	Aspire Foundation Fundraising	Administrative and general
	Aspire Hanley School #1	Aspire Hanley School #2					CFC Inc.	Aspire Foundation	Eliminations			
Salaries and wages	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 122,682,326	\$ 1,164,538	\$ 129,393
Employee benefits	-	-	-	-	-	-	-	-	-	40,233,585	352,350	39,150
Books and supplies	-	-	66	-	-	66	-	-	-	17,534,624	947,624	92,073
Rents and occupancy	-	-	-	-	-	-	-	-	(10,429,867)	15,994,719	72,230	8,026
Professional services	-	-	-	-	-	-	1,753	-	-	21,815,367	305,833	33,981
Bonds and loan interest	-	-	-	-	-	-	5,410,974	-	-	5,846,168	-	-
Depreciation and amortization	-	-	-	-	-	-	4,156,723	-	-	7,908,163	-	-
Travel and meetings	-	-	-	-	-	-	-	215,766	-	1,020,763	-	23,973
Other expenses	-	-	-	-	-	-	-	156,196	-	218,918	-	-
Total	\$ -	\$ -	\$ 66	\$ -	\$ -	\$ 66	\$ 9,569,450	\$ 371,962	\$(10,429,867)	\$ 233,254,633	\$ 2,842,575	\$ 326,596

	Supporting Services											
	Aspire Foundation	Aspire Public Schools				Aspire TN LLC						
	Total Aspire Foundation Supporting Services	Site support	Development and expansion	Administrative and general	Total Aspire Public Schools Supporting Services	Site support	Development and expansion	Administrative and general	Total Aspire TN LLC Supporting Services	CFC Inc	Eliminations	Total Supporting Services
Salaries and wages	\$ 1,293,931	\$ 4,976,695	\$ 378,763	\$ 1,428,495	\$ 6,783,953	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,077,884
Employee benefits	391,500	1,869,456	124,205	535,601	2,529,262	-	-	-	-	-	-	2,920,762
Books and supplies	1,039,697	1,319,555	17,001	256,700	1,593,256	-	-	-	-	-	-	2,632,953
Rents and occupancy	80,256	711,415	-	711,414	1,422,829	-	-	-	-	-	-	1,503,085
Professional services	339,814	3,024,124	15,130	864,036	3,903,290	-	-	-	-	-	-	4,243,104
Bonds and loan interest	-	42,909	-	12,260	55,169	-	-	-	-	-	-	55,169
Depreciation and amortization	-	56,511	-	56,505	113,016	-	-	-	-	-	-	113,016
Travel and meetings	23,973	88,121	13,730	25,191	127,042	-	-	-	-	-	-	151,015
Other expenses	-	64,701	-	18,486	83,187	-	-	1,362	1,362	-	-	84,549
Total	\$ 3,169,171	\$ 12,153,487	\$ 548,829	\$ 3,908,688	\$ 16,611,004	\$ -	\$ -	\$ 1,362	\$ 1,362	\$ -	\$ -	\$ 19,781,537

ASPIRE PUBLIC SCHOOLS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2022

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Assistance Listing Number	Pass- Through Entity Identifying Number	Total Federal Expenditures
U.S. Department of Education:			
Replication and Expansion of High-Quality Charter Schools	84.282M	N/A	\$ 729,927
Passed Through California Department of Education (CDE):			
Title I, Part A, Basic Grant	84.010	14329	6,159,327
Special Education Cluster (IDEA):			
Special Education: IDEA Basic Local Assistance, Part B	84.027	13379	2,574,876
Special Education – IDEA Mental Health Services, Part B, Sec 611	84.027A	15321	113,912
Subtotal Special Education Cluster (IDEA)			2,688,788
Education Stabilization Fund (ESF):			
COVID-19 Elementary and Secondary School Emergency Relief Fund (ESSER II)	84.425D	15547	17,673,312
COVID-19 Elementary and Secondary School Emergency Relief Fund (ESSER III)	84.425U	15559	2,133,211
COVID-19 Elementary and Secondary School Emergency Relief Fund (ESSER III): Learning Loss	84.425 U	10155	216,726
Subtotal Education Stabilization Fund (ESF)			20,023,249
IASA Title II, Part A, Supporting Effective Instruction	84.367	14341	698,055
ESSA Title III, English Learner Student Program	84.365	14346	495,944
ESSA Title IV, Part A, Student Support and Academic Enrichment	84.424	15396	432,201
ESSA Title IV, Part B, 21 st Century Community Learning Centers	84.287	14349	883,774
Total Dept. of Education Passed Through CDE			31,381,338
Total U.S. Department of Education			32,111,265
U.S. Department of Agriculture:			
Passed Through CDE:			
Child Nutrition Cluster:			
Child Nutrition: National School Lunch Program	10.553	13391	5,800,011
Child Nutrition: School Programs (School Breakfast Basic)	10.555	13390	1,032,293
Fresh Fruit and Vegetable Program	10.582	14968	18,858
Total Child Nutrition Cluster			6,851,162
Child & Adult Care Food Program	10.558	13666	503,133

The accompanying notes to the schedule of federal awards are an integral part of this schedule.

ASPIRE PUBLIC SCHOOLS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2022

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Assistance Listing Number	Pass- Through Entity Identifying Number	Total Federal Expenditures
COVID-19 State Pandemic Electronic Benefit Transfer (P-EBT)			
Administrative Costs Grant	10.649	15644	8,596
Total Dept. of Agriculture Passed Through CDE			<u>7,362,891</u>
Centers for Disease Control and Prevention:			
Passed Through Los Angeles County Office of Education:			
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) grant	93.323	N/A	<u>624,255</u>
Total Expenditures of Federal Awards			<u><u>\$ 40,098,411</u></u>

ASPIRE PUBLIC SCHOOLS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2022

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Aspire Public Schools and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

2. INDIRECT COST RATE

Aspire Public Schools did not elect to use the 10% de minimis indirect cost rate for federal programs.

3. SUBRECIPIENTS

Aspire Public Schools did not provide federal awards to subrecipients during the year ended June 30, 2022.

OTHER INDEPENDENT AUDITOR'S REPORTS

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

**To the Board of Directors
Aspire Public Schools
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 consolidated financial statements of Aspire Public Schools, a non-profit public benefit corporation, and affiliates (collectively, the Organization) which comprise the consolidated statement of financial position as of June 30, 2022, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated February 28, 2023.

Report on Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's consolidated 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 the 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2022-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's consolidated 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 consolidated 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*.

Organization's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Organization's response to the finding identified in our audit and described in the accompanying schedule of findings and questioned costs. The Organization's response was not subjected to the other auditing procedures applied in the audit of the consolidated financial statements 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 entity'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 Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Gilbert CPAs". The signature is written in a cursive, flowing style.

**GILBERT CPAs
Sacramento, California**

February 28, 2023

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH APPLICABLE REQUIREMENTS IN ACCORDANCE
WITH 2021-22 GUIDE FOR ANNUAL AUDITS OF K-12 LOCAL
EDUCATION AGENCIES AND STATE COMPLIANCE REPORTING**

**To the Board of Directors
Aspire Public Schools
Oakland, California**

Report on Compliance with Applicable Requirements

Opinion on State Compliance

We have audited Aspire Public Schools' (the Organization) compliance with the types of compliance requirements identified as subject to audit in the *2021-22 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, published by the Education Audit Appeals Panel identified in the schedule below for the year ended June 30, 2022.

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the state programs for the year ended June 30, 2022.

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 audit requirements of *2021-22 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Our responsibilities under those standards, and the *2021-22 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* 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 Organization 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 on compliance for each applicable state program. Our audit does not provide a legal determination of the Organization'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 Organization's state programs.

Auditor’s Responsibilities 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 Organization’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 generally accepted auditing standards, *Government Auditing Standards*, and the *2021-22 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 Organization’s compliance with the requirements of State Compliance as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the *2021-22 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 Organization’s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

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 over compliance that we identified during the audit.

In connection with the requirements referred to above, we selected and tested transactions and records to determine the Organization’s compliance with the applicable programs identified below:

Compliance Requirements	Procedures Performed
SCHOOL DISTRICTS, COUNTY OFFICES OF EDUCATION, AND CHARTER SCHOOLS	
California Clean Energy Jobs Act	Not Applicable
After/Before School Education and Safety Program	Yes
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
In Person Instruction	Yes

Compliance Requirements	Procedures Performed
CHARTER SCHOOLS	
Attendance	Yes
Mode of Instruction	Yes
Non-classroom-Based Instruction/Independent Study	Not Applicable
Determination of Funding for Non-Classroom-Based Instruction	Not Applicable
Annual Instructional Minutes – Classroom Based	Yes
Charter School Facility Grant Program	Yes

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with in the *2021-22 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* and which are described in the accompanying schedule of findings and questioned costs as items 2022-002 and 2022-003. Our opinion on state compliance is not modified with respect to these matters.

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


GILBERT CPAs
Sacramento, California

February 28, 2023

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

**To the Board of Directors
Aspire Public Schools
Oakland, California**

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Aspire Public Schools' (Organization) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the year ended June 30, 2022. The Organization's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance 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 Organization 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 on compliance for each major federal program. Our audit does not provide a legal determination of the Organization'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 Organization's federal programs.

Auditor's Responsibilities 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 Organization'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 generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance 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 Organization's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, 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 Organization'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 Organization'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 Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Organization'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.

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 federal program 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 material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's 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. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. 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 Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Gilbert CPAs

**GILBERT CPAS
Sacramento, California**

February 28, 2023

FINDINGS AND QUESTIONED COSTS

ASPIRE PUBLIC SCHOOLS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS YEAR ENDED JUNE 30, 2022

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued:

Unmodified

Internal control over financial reporting:

- Material weakness identified? ☒ Yes ☐ No
- Significant deficiencies identified? ☐ Yes ☒ None Reported

Noncompliance material to financial statements noted?

☐ Yes ☒ No

Federal Awards

Internal control over major programs:

- Material weaknesses identified? ☐ Yes ☒ No
- Significant deficiencies identified? ☐ Yes ☒ None reported

Type of auditor's report issued:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)?

☐ Yes ☒ No

Identification of major programs:

Name of Federal Program or Cluster

Assistance Listing Number

Title I
Special Education
COVID-19 Education Stabilization Fund

84.010
84.027, 84.027A
84.425D, 84.425U

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 1,202,952

Auditee qualified as low-risk auditee?

☒ Yes ☐ No

State Awards

Internal control over state programs:

- Material weaknesses identified? ☐ Yes ☒ No
- Significant deficiencies identified? ☐ Yes ☒ None reported

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

Unmodified

Any audit findings disclosed that are required to be reported in accordance with Audits of California K-12 Local Education Agencies?

☒ Yes ☐ No

ASPIRE PUBLIC SCHOOLS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS YEAR ENDED JUNE 30, 2022

SECTION II - FINANCIAL STATEMENT FINDINGS

2022-001. FINANCIAL CLOSE – CDDC #30000

Condition:

One element of an entity's internal control over financial reporting is the ability to produce financial statements in accordance with Generally Accepted Accounting Principles (GAAP) in a timely manner. This includes internal controls that can detect misstatements in the financial statements independent of a financial statement audit. Adjustments arising from the audit of the Organization's financial statements, as well as adjustments recorded after fiscal year end, are generally indications that internal controls over the financial close and reporting need improvement. While management identified at the commencement of the audit process that there were pending and open accounts to reconcile and close, adjustments to close-out the accounting records for the year ended June 30, 2022, were received through February 2023. During the audit process, there were numerous adjustments provided to us by management in the form of revised trial balances which resulted from questions arising from audit procedures or from management's reconciliation of various general ledger accounts that had been identified by management as pending at the beginning of the audit process. The numerous revisions and changes to the accounting records during the audit appeared to be the result of a deficient accounting close process. Activity and program balances did not appear to be properly reconciled during this period.

Criteria:

Financial reporting in accordance with GAAP for not-for-profit organizations and adequate control structure to prevent and detect financial statement misstatements in a timely manner.

Cause:

The financial close and review procedures were not adequate to detect financial statement misstatements in a timely manner.

Effect:

There are no questioned costs as the adjustments identified were corrected by management.

Recommendation:

We recommend that the Organization re-define and enhance the financial monitoring procedures for monthly, quarterly, and year-end closing processes to ensure more monitoring of the financial records throughout the year to ensure that the year-end financial statements prepared are maintained in accordance with GAAP. A sufficient financial close and reconciliation process is vital in producing accurate and timely financial information, and to enable proper financial oversight. We recommend the Organization ensure immediate action is taken to ensure the financial accounts are reconciled and activity is correctly recorded in a timely manner.

Corrective Action Plan/Management's Response:

Similar to our school sites, the biggest challenge we have faced has been a lack of bandwidth as we have returned from the pandemic, due to staff transitions and vacant positions. This has greatly impacted our Accounting team, including the loss of a key Sr. Accountant staff member right before

ASPIRE PUBLIC SCHOOLS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS YEAR ENDED JUNE 30, 2022

the audit period. Management is in the process of filling vacant accounting positions. We have recently hired a replacement for the Sr. Accountant role and have one remaining open role (currently staffed by a temporary staff member) that we hope to fill in the next couple of months. We are also in the process of restructuring the accounting department. This restructuring is designed to provide an extra layer of coverage for our Accounts Payable and Accounts Receivable teams. Phase I of this restructuring was completed in November 2022, and we expect Phase II to be completed by the July 2023. Management is confident that these actions will allow for improvements moving forward.

SECTION III - STATE COMPLIANCE FINDINGS

2022-002. Expanded Learning Opportunities Grant (ELO-G) – CDDC # 40000

Criteria:

California Education Code Section 43522(c) – Restriction of ELO-G funding for paraprofessional salaries and related benefits.

Condition:

Salaries and related benefits for staff other than paraprofessionals totaling \$392,372 were recorded to the ELO-G resource code in the general ledger.

Effect:

The Organization was not in compliance with the requirements of the ELO-G funds.

Cause:

Other salaries totaling \$392,372 were erroneously coded to the ELO-G resource code. However, the Organization has qualifying paraprofessional salaries and related benefit expenses for the grant period in excess of the grant amount, and as a result, the error was related to expenditures recorded to the incorrect resource code.

Questioned Cost:

Questioned costs could not be calculated since the Organization has qualifying expenses for the total amount claimed and the error identified relates to miscoding between resource codes.

Recommendation:

We recommend the Organization review all program activities during the financial close process to ensure the relevant allowable activities are recorded to each program.

Corrective Action Plan/Management's Response:

Management concurs with the recommendation. The identified miscoding involved two ELO resource codes with similar numeric values (7425 and 7426). Staff incorrectly coded expenses to one of the ELO resource codes by mistake. We do not expect this to be an issue moving forward.

ASPIRE PUBLIC SCHOOLS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS YEAR ENDED JUNE 30, 2022

2022-003. AFTER SCHOOL AND EDUCATION SAFETY PROGRAM (ASES)– CDDC # 40000

Criteria:

California Education Code Section 8482-8484.6 8483 (a)(1) and (2) Elementary school and middle school or junior high school pupils must participate in the full day of the program, except as allowed by the early release policy. Reported number of pupils served should be supported by written records.

Condition:

Supporting documents for daily attendance records selected as part of our sample did not support the number of students served as reported to the CDE in 13 of 140 sampled days at the following sites: Aspire Monarch Academy, Aspire Rosa Parks Academy, Aspire Triumph Technology Academy, and Aspire Summit Charter Academy. Additionally, the ASES program at Aspire Summit Charter Academy was administered by a third party who did not provide any supporting records for the attendance claimed at that site.

Effect:

The number of students who were claimed for attendance in 13 of 140 sampled days were not accurately supported.

Cause:

Manual errors in underlying data for reported program attendance resulted in errors in data submitted for program attendance.

Questioned Cost:

Questioned costs could not be calculated since the funding for this program is based on a pre-approved 3 year grant cycle and is not based on a per-ADA rate.

Recommendation:

We recommend that the Organization adequately train ASES program providers to ensure that reported attendance data is accurate and sufficiently supported. Furthermore, we recommend the Organization perform a secondary review to ensure there are no differences between the recorded attendance data and the supporting records.

Corrective Action Plan/Management's Response:

Errors in the settings selected in our attendance reporting software resulted in minor differences in the data submitted for program attendance. Moving forward, we are planning to engage in additional training for our After School staff, including circulating a recently developed robust After School attendance checklist. We do not expect this to be an issue moving forward.

SECTION IV - FEDERAL COMPLIANCE FINDINGS

There were no findings for the year ended June 30, 2022.

ASPIRE PUBLIC SCHOOLS

STATUS OF PRIOR YEAR FINDINGS YEAR ENDED JUNE 30, 2022

SECTION V - STATUS OF PRIOR YEAR FINDINGS:

FINANCIAL STATEMENT FINDINGS

There were no findings for the year ended June 30, 2021.

STATE COMPLIANCE FINDINGS

There were no findings for the year ended June 30, 2021.

FEDERAL COMPLIANCE FINDINGS

There were no findings for the year ended June 30, 2021.

E. 2022-23 Aspire Audit Report

On following page.

ASPIRE PUBLIC SCHOOLS
CONSOLIDATED FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITOR'S REPORT
YEARS ENDED
JUNE 30, 2023 AND 2022

ASPIRE PUBLIC SCHOOLS

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INDEPENDENT AUDITOR'S REPORT

**To the Board of Directors
Aspire Public Schools
Oakland, California**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Aspire Public Schools, a non-profit public benefit corporation, and affiliates (collectively, the Organization), which comprises the consolidated statements of financial position as of June 30, 2023 and 2022, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of June 30, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits 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 *2022-23 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 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 the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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 the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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 consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the consolidated 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 consolidated 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; *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *2022-23 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, published by the Education Audit Appeals Panel 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 consolidated financial statements.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the *2022-23 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 misstatement of the consolidated 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 consolidated 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 Organization'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization'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 consolidated financial statements as a whole. The accompanying Supplementary Information, as listed in the Table of Contents, as required by the *2022-23 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, published by the Education Audit Appeals Panel, and as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* are presented for purposes of additional analysis and are not a required

part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2023, on our consideration of the Organization'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 Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.



**GILBERT CPAs
Sacramento, California**

December 15, 2023

ASPIRE PUBLIC SCHOOLS

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION JUNE 30, 2023 AND 2022

ASSETS		
	<u>2023</u>	<u>2022</u>
CURRENT ASSETS:		
Cash and cash equivalents	\$ 102,282,635	\$ 54,294,755
Restricted cash and cash equivalents	8,055,666	11,758,404
Accounts receivable	62,322,407	67,289,808
Contributions receivable	710,279	665,279
Prepaid expenses and deposits	<u>2,803,676</u>	<u>1,271,463</u>
Total current assets	176,174,663	135,279,709
NON-CURRENT ASSETS:		
Restricted cash and cash equivalents	36,629,396	70,712,495
Investments	-	50,980
Property and equipment, net	234,462,971	200,295,215
Right-of-use assets – operating leases	<u>15,922,240</u>	<u>17,321,281</u>
TOTAL ASSETS	<u>\$ 463,189,270</u>	<u>\$ 423,659,680</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
Accounts payable	\$ 21,034,811	\$ 12,672,356
Accrued expenses and other liabilities	19,778,389	16,669,898
Deferred revenue	4,743,057	5,087,510
Line of credit	10,000,000	10,000,000
Debt, current	3,163,889	3,046,611
Lease liabilities - operating leases, current	<u>2,542,595</u>	<u>2,644,011</u>
Total current liabilities	61,262,741	50,120,386
LONG-TERM LIABILITIES:		
Debt, net	239,010,457	244,421,197
Lease liabilities - operating leases, net	<u>14,523,082</u>	<u>15,758,481</u>
Total liabilities	<u>314,796,280</u>	<u>310,300,064</u>
NET ASSETS:		
Without donor restrictions	95,451,339	94,123,087
With donor restrictions	<u>52,941,651</u>	<u>19,236,529</u>
Total net assets	<u>148,392,990</u>	<u>113,359,616</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 463,189,270</u>	<u>\$ 423,659,680</u>

The accompanying notes are an integral part of these consolidated financial statements.

ASPIRE PUBLIC SCHOOLS

CONSOLIDATED STATEMENTS OF ACTIVITIES YEARS ENDED JUNE 30, 2023 AND 2022

NET ASSETS WITHOUT DONOR RESTRICTIONS:	<u>2023</u>	<u>2022</u>
SUPPORT, REVENUE AND GAINS:		
Private grants and contributions	\$ 1,838,837	\$ 2,901,141
Federal revenue	43,315,446	40,114,910
California state revenue:		
State aid portion of general purpose funding	127,505,875	91,103,459
All other state revenue	31,242,746	18,196,052
Local revenue:		
Cash in-lieu of property taxes	41,309,344	34,278,492
Interest income	2,822,817	136,401
All other local revenue	2,623,138	3,315,943
Other gains	-	800,090
Other revenues	398,367	35,808
Subtotal	<u>251,056,570</u>	<u>190,882,296</u>
Net assets released from restrictions	<u>47,086,644</u>	<u>59,637,038</u>
Total support, revenue and gains	<u>298,143,214</u>	<u>250,519,334</u>
EXPENSES AND LOSSES:		
PROGRAM EXPENSES:		
Educational programs	<u>275,816,763</u>	<u>233,254,633</u>
SUPPORTING SERVICES:		
Site support	12,805,874	12,153,487
Development and expansion	569,455	548,829
Fundraising	3,124,214	2,842,575
Administration and general	4,498,656	4,236,646
Total supporting services	<u>20,998,199</u>	<u>19,781,537</u>
Total expenses	296,814,962	253,036,170
Return of grant funds	-	56,863
Total expenses and losses	<u>296,814,962</u>	<u>253,093,033</u>
Increase (Decrease) in Net Assets without Donor Restrictions	<u>1,328,252</u>	<u>(2,573,699)</u>
NET ASSETS WITH DONOR RESTRICTIONS:		
Private grants and contributions	1,008,000	634,200
State revenue	79,783,766	66,539,475
Net assets released from restrictions	<u>(47,086,644)</u>	<u>(59,637,038)</u>
Increase in Net Assets with Donor Restrictions	<u>33,705,122</u>	<u>7,536,637</u>
INCREASE IN NET ASSETS	35,033,374	4,962,938
NET ASSETS - Beginning of Year	<u>113,359,616</u>	<u>108,396,678</u>
NET ASSETS - End of Year	<u>\$ 148,392,990</u>	<u>\$ 113,359,616</u>

The accompanying notes are an integral part of these consolidated financial statements.

ASPIRE PUBLIC SCHOOLS

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES YEAR ENDED JUNE 30, 2023

	Program Expenses	Supporting Services				
	<u>Educational programs</u>	<u>Site support</u>	<u>Development and expansion</u>	<u>Fundraising</u>	<u>Administration and general</u>	<u>Total</u>
Salaries and wages	\$ 147,179,365	\$ 5,872,807	\$ 258,351	\$ 1,373,531	\$ 1,837,989	\$ 156,522,043
Employee benefits	47,476,539	2,455,404	96,509	438,897	751,973	51,219,322
Professional services	30,803,598	1,810,510	129,608	647,684	589,255	33,980,655
Books and supplies	15,339,737	1,138,408	49,246	456,298	375,981	17,359,670
Rents and occupancy	15,531,884	598,806	-	207,804	621,895	16,960,389
Depreciation and amortization	8,553,929	25,650	-	-	25,650	8,605,229
Bonds and loan interest	7,952,841	8,908	-	-	2,545	7,964,294
Travel and meetings	2,352,371	207,574	33,798	-	97,252	2,690,995
Other expenses	<u>626,499</u>	<u>687,807</u>	<u>1,943</u>	<u>-</u>	<u>196,116</u>	<u>1,512,365</u>
Total	<u>\$ 275,816,763</u>	<u>\$ 12,805,874</u>	<u>\$ 569,455</u>	<u>\$ 3,124,214</u>	<u>\$ 4,498,656</u>	<u>\$ 296,814,962</u>

The accompanying notes are an integral part of these consolidated financial statements.

ASPIRE PUBLIC SCHOOLS

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES YEAR ENDED JUNE 30, 2022

	Program Expenses	Supporting Services				
	<u>Educational programs</u>	<u>Site support</u>	<u>Development and expansion</u>	<u>Fundraising</u>	<u>Administration and general</u>	<u>Total</u>
Salaries and wages	\$ 122,682,326	\$ 4,976,695	\$ 378,763	\$ 1,164,538	\$ 1,557,888	\$ 130,760,210
Employee benefits	40,233,585	1,869,456	124,205	352,350	574,751	43,154,347
Professional services	21,815,367	3,024,124	15,130	305,833	898,017	26,058,471
Books and supplies	17,534,624	1,319,555	17,001	947,624	348,773	20,167,577
Rents and occupancy	15,994,719	711,415	-	72,230	719,440	17,497,804
Depreciation and amortization	7,908,163	56,511	-	-	56,505	8,021,179
Bonds and loan interest	5,846,168	42,909	-	-	12,260	5,901,337
Travel and meetings	1,020,763	88,121	13,730	-	49,164	1,171,778
Other expenses	<u>218,918</u>	<u>64,701</u>	<u>-</u>	<u>-</u>	<u>19,848</u>	<u>303,467</u>
Total	<u><u>\$ 233,254,633</u></u>	<u><u>\$ 12,153,487</u></u>	<u><u>\$ 548,829</u></u>	<u><u>\$ 2,842,575</u></u>	<u><u>\$ 4,236,646</u></u>	<u><u>\$ 253,036,170</u></u>

The accompanying notes are an integral part of these consolidated financial statements.

ASPIRE PUBLIC SCHOOLS

CONSOLIDATED STATEMENTS OF CASH FLOWS YEARS ENDED JUNE 30, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Increase in net assets	\$ 35,033,374	\$ 4,962,938
Adjustments to reconcile to net cash provided by operating activities:		
Loss on investments	50,980	-
Depreciation and amortization	8,605,229	8,021,179
Loss on disposal of property and equipment	198,149	-
Amortization of long-term debt costs	11,108	(504,815)
Non-cash operating lease expense	3,011,129	176,781
(Increase) decrease in assets:		
Accounts receivable	4,967,401	9,801,555
Contributions receivable	(45,000)	(290,171)
Prepaid expenses and deposits	(1,532,213)	(209)
Increase (decrease) in liabilities:		
Accounts payable	3,363,088	(5,903,889)
Accrued expenses and other liabilities	3,108,491	1,389,465
Deferred revenue	(344,453)	3,541,127
Lease liabilities - operating leases	(2,948,903)	(34,192)
Net cash provided by operating activities	<u>53,478,380</u>	<u>21,159,769</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property and equipment	<u>(37,971,767)</u>	<u>(30,320,467)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from line of credit	10,000,000	10,000,000
Payments on line of credit	(10,000,000)	(15,000,000)
Proceeds from debt	3,923,446	79,253,717
Payments of debt issuance costs	-	(2,266,713)
Principal payments on debt	(9,228,016)	(2,515,632)
Net cash provided (used) by financing activities	<u>(5,304,570)</u>	<u>69,471,372</u>
Net increase in cash and cash equivalents	10,202,043	60,310,674
Cash and cash equivalents, beginning of year	<u>136,765,654</u>	<u>76,454,980</u>
Cash and cash equivalents, end of year	<u>\$ 146,967,697</u>	<u>\$ 136,765,654</u>
Cash and cash equivalents	\$ 102,282,635	\$ 54,294,755
Restricted cash and cash equivalents	<u>44,685,062</u>	<u>82,470,899</u>
Total	<u>\$ 146,967,697</u>	<u>\$ 136,765,654</u>
NON-CASH INVESTING ACTIVITIES:		
Property and equipment financed through accounts payable	\$ 4,999,367	\$ 5,315,627
Right-of-use asset acquired through operating lease liability	\$ 1,612,088	\$ 969,423
CASH PAID FOR INTEREST (net of capitalized amount)	\$ 7,414,938	\$ 6,919,419

The accompanying notes are an integral part of these consolidated financial statements.

ASPIRE PUBLIC SCHOOLS

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023 AND 2022

1. OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES

Aspire Public Schools, a non-profit public benefit corporation (the Organization), was formed to manage, guide, direct, and promote charter schools that provide quality education to youth in primary and secondary grades. The Organization was founded in 1998. The Organization's support is derived primarily from public education monies, individual and foundation contributions, and government agency grants.

In addition to managing school operations, Aspire Public Schools controls three affiliated organizations that were created to facilitate ownership of certain school facilities and support development of charter schools. The facilities are owned and managed by two single-member limited liability companies, College for Certain, LLC (CFC LLC), and College for Certain II, LLC (CFC II LLC). The sole member of both LLCs is College for Certain, Inc. (CFC INC) which was created as a supporting organization of Aspire Public Schools to facilitate and support the development of charter schools. CFC INC is controlled by, and for the benefit of, Aspire Public Schools. CFC LLC and CFC II LLC are disregarded entities for federal income tax purposes.

Aspire Public Schools Foundation (the Foundation) was formed in July 2019 as a supporting non-profit public benefit corporation to Aspire Public Schools. The Foundation is controlled by, and for the benefit of, Aspire Public Schools. The Foundation's support is derived primarily from private donations and foundation grants.

For financial reporting purposes, CFC LLC, CFC II LLC, CFC INC, and the Foundation, are consolidated with Aspire Public Schools.

Principles of Consolidation – The accompanying consolidated financial statements include the accounts of Aspire Public Schools and its controlled affiliated organizations, collectively the “Organization”. All significant intercompany accounts and transactions have been eliminated in consolidation. Listed below are the affiliated organizations included in these financial statements:

- **Aspire Public Schools** – Aspire Public Schools operates thirty-six schools in California under thirty-six charters which are chartered by twelve charter authorizers (sponsoring districts) in seven counties. Charters were granted for each school for up to five years, with an opportunity for renewal. Charters may be revoked by the sponsoring district for material violations of the charter, failure to meet or make progress toward student outcomes identified in the charter, failure to meet generally accepted standards of fiscal management, or violation of any provision of the law. As of June 30, 2023, the charter schools operated by Aspire Public Schools were as follows:

<u>Charter School Name</u>	<u>Charter School Number</u>	<u>Sponsoring District</u>	<u>*Charter Granted/Renewed</u>	<u>Charter Expiration</u>	<u>**Revised Charter Expiration</u>
Aspire Alexander Twilight College Preparatory Academy	1554	San Juan Unified	Nov 2015	6/30/26	6/30/26
Aspire Alexander Twilight Secondary Academy	1555	San Juan Unified	Nov 2015	6/30/26	6/30/26

ASPIRE PUBLIC SCHOOLS

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023 AND 2022

<u>Charter School Name</u>	<u>Charter School Number</u>	<u>Sponsoring District</u>	<u>*Charter Granted/ Renewed</u>	<u>Charter Expiration</u>	<u>**Revised Charter Expiration</u>
Aspire Antonio Maria Lugo Academy	694	Los Angeles County Office of Education	April 2019	6/30/24	6/30/26
Aspire APEX Academy	1552	Stockton Unified	Jan 2018	6/30/23	6/30/25
Aspire Benjamin Holt College Preparatory Academy	565	Lodi Unified	Oct 2017	6/30/23	6/30/25
Aspire Benjamin Holt Middle School	1782	Lodi Unified	Nov 2015	6/30/28	6/30/28
Aspire Berkley Maynard Academy	726	Oakland Unified	Jan 2015	6/30/25	6/30/27
Aspire Capitol Heights Academy	598	Sacramento City Unified	Apr 2018	6/30/23	6/30/25
Aspire Centennial College Preparatory Academy	1436	Los Angeles Unified	Nov 2017	6/30/23	6/30/25
Aspire College Academy	1577	Oakland Unified	Jan 2018	6/30/23	6/30/25
Aspire East Palo Alto Charter	125	Ravenswood City	Aug 2018	6/30/24	6/30/26
Aspire Firestone Academy	1214	Los Angeles Unified	Oct 2014	6/30/25	6/30/27
Aspire Gateway Academy	1213	Los Angeles Unified	Oct 2014	6/30/25	6/30/27
Aspire Golden State College Preparatory Academy	1023	Oakland Unified	Jan 2018	6/30/23	6/30/25
Aspire Inskeep Academy	1332	Los Angeles Unified	Oct 2015	6/30/26	6/30/26
Aspire Junior Collegiate	1551	Los Angeles Unified	Nov 2017	6/30/23	6/30/25
Aspire Langston Hughes	1048	Stockton Unified	Jan 2018	6/30/23	6/30/25
Aspire Lionel Wilson College Preparatory Academy	465	Oakland Unified	Dec 2016	6/30/22	6/30/24
Aspire Monarch Academy	252	Oakland Unified	Nov 2018	6/30/24	6/30/26
Aspire Ollin University Prep Academy	693	Los Angeles County Office of Education	April 2019	6/30/24	6/30/26
Aspire Pacific Academy	1230	Los Angeles Unified	Oct 2014	6/30/25	6/30/27
Aspire Port City Academy	1553	Stockton Unified	Jan 2018	6/30/23	6/30/25
Aspire Richmond California Preparatory Academy	1739	West Contra Costa Unified	June 2019	6/30/25	6/30/27
Aspire Richmond Technology Academy	1740	West Contra Costa Unified	Dec 2019	6/30/25	6/30/27
Aspire River Oaks Charter	364	Lodi Unified	Feb 2016	6/30/23	6/30/28
Aspire Stockton Secondary	2064	Stockton Unified	Aug 2020	6/30/25	6/30/27
Aspire Arts & Sciences	2063	Stockton Unified	Aug 2020	6/30/25	6/30/27
Aspire Rosa Parks Academy	554	Stockton Unified	Jan 2015	6/30/25	6/30/27
Aspire Slauson Academy	1330	Los Angeles Unified	Oct 2015	6/30/26	6/30/26
Aspire Summit Charter	812	Ceres Unified	Jan 2016	6/30/26	6/30/26
Aspire Tate Academy	1331	Los Angeles Unified	Oct 2015	6/30/26	6/30/26
Aspire Titan Academy	1550	Los Angeles Unified	Nov 2017	6/30/23	6/30/25
Aspire Triumph Technology	1663	Oakland Unified	Nov 2018	6/30/24	6/30/26

ASPIRE PUBLIC SCHOOLS

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023 AND 2022

<u>Charter School Name</u>	<u>Charter School Number</u>	<u>Sponsoring District</u>	<u>*Charter Granted/Renewed</u>	<u>Charter Expiration</u>	<u>**Revised Charter Expiration</u>
Aspire University Charter	1963	Modesto City Schools	Jan 2018	6/30/23	6/30/25
Aspire Vanguard College Preparatory Academy	1125	Modesto City Schools	Dec 2018	6/30/24	6/30/26
Aspire Vincent Shalvey	178	Lodi Unified	Dec 2018	6/30/24	6/30/26

* Charter issuance date or the most recent renewal date.

** 2021-2022 Education Trailer Bill AB 130 Sec 58 established a new Education Code Section 47607.7, in which all charter schools whose term expires on or between January 1, 2022, and June 2025 shall have their term extended by two years. An additional one-year extension was given for schools by operation of law (Education Code Section 47607.4 amended by SB 114). The Organization is in the process of obtaining official revisions to its MOUs and charter petitions with the oversight agencies for this revision.

All sponsoring districts receive up to 1% of the annual charter revenue for supervisory oversight. Ravenswood City School District, the sponsoring district for Aspire East Palo Alto Charter receives up to 3% for supervisory oversight because the district provides facilities substantially rent-free.

Through June 30, 2023, the Organization had separately negotiated with all sponsoring districts for administrative fees and other services. Additionally, for some schools, transportation expenses and/or special education encroachment are paid by the Organization to the sponsoring districts.

- **College for Certain, LLC** – CFC LLC holds title to properties that are financed through the CSFA Charter School Revenue Refunding Bonds Series 2016 (2016 Bonds) where Aspire Public Schools operates ten charter schools (seven locations) and manages, operates, and leases the properties.
- **College for Certain II, LLC** – CFC II LLC holds title to properties that are financed through the CSFA Charter School Revenue Refunding Bonds Series 2015 (2015 Bonds) where Aspire Public Schools operates three charter schools (two locations) and manages, operates, and leases the properties.
- **College for Certain, Inc.** – CFC INC is a supporting organization of Aspire Public Schools in that it facilitates and supports the development of charter schools for Aspire Public Schools. CFC INC is the sole member of CFC LLC and CFC II LLC and is the named borrower of the 2015 and 2016 Bonds outstanding.
- **Aspire Public Schools Foundation** – The Foundation is a supporting organization of Aspire Public Schools in that it performs fundraising activities and provides other supporting services to Aspire Public Schools.

Basis of presentation – The financial statements are prepared on the accrual basis of accounting and in conformity with professional standards applicable to not-for-profit entities. The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Cash and cash equivalents – For financial statement purposes, the Organization considers investments with maturity at purchase of three months or less to be cash equivalents.

ASPIRE PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

Accounts receivable represent funding from state and local government agencies, of which the Organization has an unconditional right to receive. Accounts receivables are stated at the amount management expects to be collected from the outstanding balance.

Contributions receivable – Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in more than one year are recorded at fair value, which is measured as the present value of their future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. In subsequent years, amortization of the discounts is included in contribution revenue. In the absence of donor stipulations to the contrary, promises with payments due in future periods are restricted to use after the due date. Management determines the allowance for uncollectable contributions receivable based on historical experience, an assessment of economic conditions, and a review of subsequent collections and are written off when deemed uncollectable. Management has determined that no allowance is deemed necessary as of June 30, 2023 and 2022.

Investments – Investments with readily determinable fair values are stated at fair value and held for long-term purposes. Other investments without readily determinable fair values are valued using the measurement alternative approach, which is cost, minus any impairment, plus or minus any changes resulting from observable prices changes in an orderly transaction for an identical or similar investment of the same issuer.

Property and equipment with a value greater than \$5,000 are capitalized at cost or fair market value on the date of receipt, in the case of donated property, and depreciated using the straight-line method over their estimated useful lives, which range from two to thirty years. Leasehold improvements are amortized over the lease term (including options) or the useful life. Major additions are capitalized, and repairs and maintenance that do not improve or extend the life of the assets are expensed. When assets are sold or retired, their cost and related accumulated depreciation are removed from the accounts, with the resulting gain or loss reflected in the Consolidated Statements of Activities.

Leases – The Organization determines if an arrangement is or contains a lease at inception. Leases are included in right-of-use (ROU) assets and lease liabilities in the consolidated statements of financial position. ROU assets and lease liabilities reflect the present value of the future minimum lease payments over the lease term, and ROU assets also include prepaid or accrued rent. Operating lease expense is recognized on a straight-line basis over the lease term. The Organization does not report ROU assets and leases liabilities for its short-term leases (leases with a term of 12 months or less). Instead, the lease payments of those leases are reported as lease expense on a straight-line basis over the lease term. Lease terms may include options to extend or terminate certain leases. The value of a lease is reflected in the valuation if it is reasonably certain management will exercise an option to extend or terminate a lease.

Revenue recognition – Contributions are recognized when cash, or other assets, or an unconditional promise to give is received. Conditional promises to give - that is, those with a measurable performance or other barrier and a right of return - are not recognized until the conditions on which they depend have been met.

ASPIRE PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

The Organization receives grant funds that are considered conditional contributions and are not recorded or recognized until the applicable condition has been met, generally expenditure on costs allowable under the grant agreement, or satisfaction of performance obligations. At June 30, 2023 and 2022, \$4,743,057 and \$5,087,510, respectively, of grant funds are included in deferred revenue to be recognized in future periods as conditions are met. As of June 30, 2023 and 2022, the Organization had \$1,000,000 and \$1,200,000, respectively, of conditional contributions available to be recognized in revenue in future periods under such grants. In some cases, the Organization may not be able to access the full amount available under the agreement based on its activities and level of expenditures.

Donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities as net assets released from restrictions. Restricted contributions that were initially classified as conditional due to a qualifying expense barrier are recognized as net assets without donor restrictions since the restriction is met simultaneously when the condition is released, and the revenue is recognized.

Contributions of property and equipment are reported as net assets with donor restrictions if the donor restricted the use of the property or equipment to a particular program, as are contributions of cash restricted to the purchase of property and equipment. Donor restrictions on contributions of property and equipment or assets restricted for purchase of property and equipment are considered to expire when the assets are placed in service.

Other revenues consist of amounts from constituents for sales revenue from student stores, after school programs, lunch income, and ticket income for events. Funds received in advance of earning are deferred to the applicable period in which the related service are performed. See Note 12 for additional disclosures for revenue from contracts with customers.

Donated equipment, materials, services, and facilities – In-kind contributions of equipment, materials, and services are recorded at their estimated fair values at the date of donation. Donated services are recorded when they create or enhance non-financial assets or require a specialized skill that the Organization would otherwise need to purchase. During the years ended June 30, 2023 and 2022, no in-kind contributions were received.

Income taxes – The Organization has been granted tax-exempt status as provided by Internal Revenue Code Section 501(c)(3) and Section 23701(d) of the California Revenue and Taxation Code. In addition, the Internal Revenue Service has determined the Organization is not a private foundation within the meaning of Section 509(a) of the Internal Revenue Code. Accordingly, no provision for income taxes has been reflected in these financial statements.

Functional allocation of expenses – The cost of providing educational programs and other activities has been summarized on a functional basis in the consolidated statement of activities. The consolidated statement of functional expenses presents the natural classification of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The expenses that are allocated include rent and occupancy and depreciation, which are allocated on a square footage basis, as well as salaries and wages, employee benefits, professional services, and other, which are allocated on the basis of estimates of time and effort.

ASPIRE PUBLIC SCHOOLS

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023 AND 2022

Program development and expansion – The Organization continually explores potential opportunities for expansion and growth; thus, costs are incurred to research the possibility of establishing new sites. The Organization capitalizes these preacquisition costs into ‘Construction in progress’ (Note 7) at the time incurred. If it is determined that a formal contractual commitment will not be entered into, the expenses are included in program development and expansion in the period that the determination is made.

Fair value measurements – Fair value is a market-based measurement, not an entity-specific measurement. For some assets and liabilities, observable market transactions or market information might be available. For other assets and liabilities, observable market transactions and market information might not be available. However, the objective of a fair value measurement in both cases is the same—to estimate the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions (that is, an exit price at the measurement date from the perspective of a market participant that holds the asset or owes the liability).

In order to increase consistency and comparability in fair value measurements, a fair value hierarchy that prioritizes observable and unobservable inputs is used to measure fair value into three broad levels, as follows:

- | | |
|----------------|---|
| Level 1 Inputs | Unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities. |
| Level 2 Inputs | Inputs other than quoted prices in active markets that are observable either directly or indirectly. |
| Level 3 Inputs | Unobservable inputs for the asset or liability. |

When a price for an identical asset or liability is not observable, a reporting entity measures fair value using another valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs. Because fair value is a market-based measurement, it is measured using the assumptions that market participants would use when pricing the asset or liability, including assumptions about risk. As a result, a reporting entity’s intention to hold an asset or to settle or otherwise fulfill a liability is not relevant when measuring fair value.

Use of estimates – Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. On an ongoing basis, management evaluates the estimates and assumptions based on new information. Management believes that the estimates and assumptions are reasonable in the circumstances; however, actual results could differ from those estimates.

Subsequent events have been reviewed through December 15, 2023, the date the consolidated financial statements were available to be issued. Management concluded that no material subsequent events have occurred since June 30, 2023 that require recognition or disclosure in the financial statements.

ASPIRE PUBLIC SCHOOLS

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023 AND 2022

2. LIQUIDITY AND AVAILABILITY OF RESOURCES

The Organization's financial assets available within one year of the statements of financial position date for general expenditure are as follows at June 30:

	<u>2023</u>	<u>2022</u>
Cash and cash equivalents	\$ 102,282,635	\$ 54,294,755
Accounts receivable	62,322,407	67,289,808
Contributions receivable	<u>710,279</u>	<u>665,279</u>
Total financial assets, available within one year	165,315,321	122,249,842
Less:		
Amounts unavailable for general expenditures within one year, due to:		
Restrictions by donors for purpose	<u>(47,481,628)</u>	<u>(16,291,526)</u>
Total financial assets available for general expenditures within one year	<u>\$ 117,833,693</u>	<u>\$ 105,958,316</u>

The Organization's goal is to maintain or exceed financial assets at a level sufficient to protect its schools against program cuts arising from unanticipated state revenue or enrollment shortfalls, unexpected cost increases, and economic uncertainties, such that it can meet 5-6 weeks of operating expenses (approximately \$23.0 million) and its bond covenants. As part of its liquidity plan, school sites also have target reserves to cover repairs, maintenance, and minor capital improvements. The Organization has a \$20,500,000 line of credit available to meet cash flow needs.

3. CONCENTRATIONS OF CASH

The Organization maintains its cash in bank deposit accounts that at times may exceed federally insured limits. The Organization has not experienced any losses in such accounts. Management believes the Organization is not exposed to any significant credit risk related to cash. The Organization held deposits with four financial institutions in excess of federal depository insurance limits of \$146,255,873 and \$134,896,101 as of June 30, 2023 and 2022, respectively. The Organization has not experienced any losses in such accounts and management believes the Organization is not exposed to any significant credit risk related to cash.

4. RESTRICTED CASH

Restricted cash consists of amounts that are required to be held for debt service reserves and for principal and interest payments with respect to the bond outstanding; and contributions restricted to investment in property and equipment. The total restricted cash at June 30, 2023 and 2022 was \$44,685,062 and \$82,470,899, respectively. The current portion of \$8,055,666 and \$11,758,404 as of June 30, 2023 and 2022, respectively, was restricted for current bond debt obligations. The noncurrent portion of \$36,629,396 at June 30, 2023 consisted of \$11,336,576 for debt service reserves and \$25,292,820 for investment in property and equipment. The noncurrent portion of \$70,712,495 at June 30, 2022 consisted of \$10,995,079 for debt service reserves and \$59,717,416 for investment in property and equipment.

ASPIRE PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

5. ACCOUNTS RECEIVABLE

Accounts receivable balances at June 30, 2023 and 2022 were \$62,322,407 and \$67,289,808, respectively, and were due entirely from grantor government agencies. Management deems all receivables to be collectible as of June 30, 2023 and 2022.

6. CONTRIBUTIONS RECEIVABLE

The Organization recognizes unconditional contributions receivable at their estimated fair value using estimated prevailing interest rates, on a nonrecurring basis, at the time the pledge is made. Fair value is determined by calculating the net present value of the estimated future cash flows. The discount rate used in determining the net present value of new pledges receivable was 0% at June 30, 2023 and 2022, as all were deemed current contributions receivable at the time of donation. All contributions receivables are deemed to be collectible by management, and were as follows as of June 30:

	<u>2023</u>	<u>2022</u>
Gross contributions receivable	\$ 710,279	\$ 665,279
Less: Unamortized discount	<u>-</u>	<u>-</u>
Contributions receivable, net	<u>\$ 710,279</u>	<u>\$ 665,279</u>

Contributions receivables are due to be collected as follows:

	<u>2023</u>	<u>2022</u>
Within one year	\$ 710,279	\$ 665,279
One to five years	<u>-</u>	<u>-</u>
Contributions receivable, net	<u>\$ 710,279</u>	<u>\$ 665,279</u>

7. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at June 30:

	<u>2023</u>	<u>2022</u>
Land	\$ 36,590,744	\$ 36,590,744
Buildings and improvements	211,034,512	171,618,817
Construction in progress	46,593,364	43,804,026
Leasehold improvements	11,613,728	13,724,093
Equipment	4,018,032	10,497,952
Automobiles	36,931	81,091
Subtotal	<u>309,887,311</u>	<u>276,316,723</u>
Less accumulated depreciation and amortization	<u>(75,424,340)</u>	<u>(76,021,508)</u>
Property and equipment, net	<u>\$ 234,462,971</u>	<u>\$ 200,295,215</u>

ASPIRE PUBLIC SCHOOLS

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023 AND 2022

Depreciation and amortization expense was \$8,605,229 and \$8,021,179 for the years ended June 30, 2023 and 2022, respectively. Various components of the land, buildings, and schools under construction shown above are pledged as collateral for the debt disclosed in Note 8.

8. DEBT

	<u>2023</u>	<u>2022</u>
College for Certain Series 2016 School Facility Revenue Refunding Bonds (2016 Bonds) in the amount of \$83,170,000 were issued effective February 1, 2016; with 4 bonds and bearing interest rates ranging from 2.00% - 5.00%. The bond proceeds were used for the refunding of the outstanding principal of the College for Certain Series 2010 School Facility Revenue Bonds. Associated with this bond is a premium of \$10,618,415 and debt issuance costs of \$1,410,454, which are being amortized to interest expense over the term of the bonds. Principal and interest payments are due annually. In April 2021, the Organization partially defeased the 2016 Bonds. See note below regarding the escrow agreement. Final maturity is in August 2046.	\$ 67,190,000	\$ 68,600,000
College for Certain Series 2015 School Facility Revenue Refunding Bonds (2015 Bonds) in the amount of \$20,535,000 were issued effective December 1, 2015; with 4 bonds and bearing interest rates ranging from 2.00% - 5.00%. The bond proceeds were used for the payoff of a capital lease. Associated with this bond is a premium of \$2,005,317 and debt issuance costs of \$767,482, which are being amortized to interest expense over the term of the bonds. Principal and interest payments are due annually. Final maturity is in August 2045.	18,265,000	18,680,000
California School Finance Authority \$4,758,509 loan, effective June 27, 2007, bearing interest at 2.202%, for the construction of Rosa Parks Academy campus in Stockton under Proposition 47. Interest only payments of varying amounts are due annually. Principal and interest payments totaling \$231,795 are due annually. Final maturity is in 2037.	2,766,688	2,933,879
California School Finance Authority \$9,834,913 loan (\$457,251 issued in 2009/10, \$5,262,400 issued in 2010/11, and \$4,115,262 issued in 2012/13), bearing interest at 2%, for the construction of Aspire Olin University College Preparatory campus in Los Angeles under Proposition 55. Interest only payments of varying amounts are due annually. In addition, a principal and interest payment of \$462,139 is due annually. Final maturity is in 2042.	6,849,718	7,143,730

ASPIRE PUBLIC SCHOOLS

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023 AND 2022

	2023	2022
California School Finance Authority \$8,229,438 loan (\$3,459,764 issued in 2013/14 and \$4,769,674 issued in 2015/16), bearing interest at 2%, for the construction of the Aspire Antonio Maria Lugo Academy campus in Los Angeles under Proposition 1D. Interest and principal payments of \$376,730 are due annually. Final Maturity is in 2045.	6,594,348	6,827,762
California School Finance Authority \$3,706,191 loan issued in 2015/16 for a new campus to be built for Aspire ERES Academy in Oakland under Proposition 1D. The interest rate is 2% and payments for interest and principal were expected to begin at completion of the facility. In 2020, the Organization determined the campus project would not be completed and determined that in addition to the loan proceeds of \$3,706,191, \$2,490,993 of unspent grant funding would need to be repaid, totaling \$6,197,184. The Organization repaid these loans in 2023.	-	6,197,184
California School Finance Authority Charter School Revolving Fund Program \$250,000 loan, effective September 25, 2017, for supporting the operations of Aspire Richmond Technology Academy. Interest rate is 1.12%, due annually. Principal payments of \$50,000 were due annually. The Organization repaid this loan in 2023.	-	50,008
California School Finance Authority Charter School Revolving Fund Program \$250,000 loan, effective September 25, 2017, for supporting the operations of Aspire Richmond California College Preparatory Academy. Interest rate is 1.12%, due annually. Principal payments of \$50,000 were due annually. The Organization repaid this loan in 2023.	-	50,008
In August 2020, the Organization executed a Memorandum of Understanding for funding under the California Charter School Facilities State Prop 1D Program for Aspire Berkley Maynard Academy. The terms of the agreements provide that 50% of the Prop 1D funding consists of a grant, and the remaining 50% is a local match which will be repaid to the State as a loan. The Organization began receiving the funds during fiscal year 2021 and is not required to make repayments on the match until the completion of the facility project, at which point the repayment terms will be determined. As of June 30, 2023, the Organization had received \$4,944,000 in match funding. This balance is included on the statement of financial position as debt as of June 30, 2023.	4,944,000	1,020,555

ASPIRE PUBLIC SCHOOLS

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
California School Finance Authority Charter School Revenue Bonds (Aspire Public Schools – Obligated Group – Issue No. 3), Series 2020A and Series 2020B (Taxable) in the amount of \$37,435,000 were issued effective December 8, 2020; with 2 bonds and bearing interest rates ranging from 3.00% - 5.00%. The bond proceeds were used for the payoff of a capital lease and to finance costs of acquisition, construction, improvement equipping and furnishing of school facilities. Associated with this bond is a premium of \$5,875,672 and debt issuance costs of \$1,200,351, which are being amortized to interest expense over the term of the bonds. Principal and interest payments are due annually. Final maturity is in August 2059.	37,025,000	37,435,000
Aspire Public Schools Obligated Group Corporate Taxable Bonds, Series 2021 (Capitol Heights Academy Project) in the amount of \$11,265,000 were issued effective March 1, 2021 and bearing interest rates at 4.80%. The bond proceeds were used for the purchase and construction of facilities for Aspire Capitol Heights Academy. Associated with this bond is a discount of \$112,650 and debt issuance costs of \$219,418, which are being amortized to interest expense over the term of the bonds. Interest payments are due annually and principal payments commence in 2024. Final maturity is in June 2060.	11,265,000	11,265,000
California School Finance Authority Charter School Revenue Bonds (Aspire Public Schools – Obligated Group – Issue No. 5), Series 2021A and Series 2021B (Taxable) in the amount of \$29,785,000 were issued effective November 5, 2021; with 2 bonds and bearing interest rates ranging from 2.125% - 4.00%. The bond proceeds were used to finance costs of acquisition, construction, improvement equipping and furnishing of school facilities. Associated with this bond is a premium of \$2,678,895 and debt issuance costs of \$989,826, which are being amortized to interest expense over the term of the bonds. Interest payments are due annually and principal payments commence in 2024. Final maturity is in August 2061.	29,785,000	29,785,000

ASPIRE PUBLIC SCHOOLS

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
California School Finance Authority Charter School Revenue Bonds (Aspire Public Schools – Obligated Group – Issue No. 6), Series 2022A and Series 2022B (Taxable) in the amount of \$43,815,000 were issued effective April 26, 2022; with 2 bonds and bearing interest at 5.00%. The bond proceeds were used to finance costs of acquisition, construction, improvement equipping and furnishing of school facilities. Associated with this bond is a premium of \$974,822 and debt issuance costs of \$1,276,887, which are being amortized to interest expense over the term of the bonds. Included in this issuance was a \$2,000,000 grant from the California School Finance Authority’s (CSFA) Charter Access to Bank Loan Enhancement Program (Charter ABLE). Charter ABLE funds shall be applied towards funding the primary debt service reserve requirement for debt associated with the renovation and/or construction of charter school facilities. The grant award is held in trust by CSFA or a CSFA approved financial institution solely for authorized purposes and shall not be released to the Organization without the CSFA’s or trustee’s approval. As deemed appropriate by CSFA, conditions for release of the Program funds throughout the term of the financing will be determined by CSFA, in collaboration with all lending parties, prior to closing of the financing. Interest payments are due annually and principal payments commence in 2026. Final maturity is in August 2061.	<u>45,815,000</u>	<u>45,815,000</u>
Subtotal	230,499,754	235,803,126
Unamortized premiums, discounts, and debt issuance costs	11,674,592	11,664,682
Less current portions	<u>(3,163,889)</u>	<u>(3,046,611)</u>
Total Long-Term Debt	<u>\$ 239,010,457</u>	<u>\$ 244,421,197</u>

In April 2021, in association with the sale of Aspire East Palo Alto Academy, the Organization partially defeased the 2016 Bonds. The Organization used cash from the sale to decrease principal of \$6,610,000 and interest of \$1,419,500, totaling \$8,029,500. The unamortized portion of premium and debt issuance costs totaling \$653,238 was written off. Under the escrow agreement, cash totaling \$8,029,500 will be held in escrow with an agent. The Escrow Agent will pay the debt service requirements of the Defeased Bonds on each scheduled payment date through and including August 1, 2025, and will redeem those Defeased Bonds, including additional principal of \$5,900,000 at a redemption price equal to 100% of par, on August 1, 2025, which is the first optional redemption date for these bonds.

ASPIRE PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

Future payments relating to debt are as follows as of June 30, 2023:

Year Ending June 30,	Principal	Interest	Total
2024	\$ 3,163,889	\$ 10,340,370	\$ 13,504,259
2025	3,698,454	10,207,311	13,905,765
2026	4,263,316	10,219,143	14,482,459
2027	4,633,487	10,165,602	14,799,089
2028	4,828,969	9,819,156	14,648,125
Thereafter	<u>209,911,639</u>	<u>169,593,558</u>	<u>379,505,197</u>
Total	<u>\$ 230,499,754</u>	<u>\$ 220,345,140</u>	<u>\$ 450,844,894</u>

Revolving Line of Credit

In February 2021 a line of credit was secured for a maximum borrowing amount to \$20,500,000 and with a maturity date of January 31, 2022. In January 2022, the line was extended to a maturity date of April 29, 2022. In April 2022, the line was extended to a maturity date of April 28, 2023. In April 2023, the line was extended to a maturity date of April 26, 2024.

The line of credit carries an interest rate equal to the Prime Rate. The interest rate was 8.25% and 4.75% at June 30, 2023 and 2022, respectively. The line had an outstanding balance of \$10,000,000 as of June 30, 2023 and 2022. The credit line is secured by school revenues of select schools which are not already secured by other debt.

9. CAPITALIZATION OF CONSTRUCTION DEBT INTEREST

While a facility is under construction, a portion of interest is capitalized into its cost. In summary, the capitalization of interest is applicable to the amount of interest that could have been avoided had the Organization not undertaken the building of a capital asset. The Organization evaluates capitalization of interest at the individual site level since the cash from one site would not be used to pay down the debt on another site.

The amount of capitalizable interest is determined by applying the debt interest rate to the average amount of accumulated expenditures for the building during the year. Interest costs of \$7,964,294 and \$6,406,153 were incurred related to debt during the years ended June 30, 2023 and 2022, respectively. During the years ended June 30, 2023 and 2022, interest totaling \$2,826,212 and \$1,870,274, respectively, was capitalized into the cost of the project.

10. LEASES

Operating leases

The Organization leases buildings for administrative offices in Oakland, Huntington Park, and Stockton and leases land and buildings for school sites in Berkeley, East Palo Alto, Empire, Los Angeles, Modesto, Oakland, Sacramento, and Stockton under various operating leases. The Organization also leases copiers at various school sites. The operating lease agreements range from

ASPIRE PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

two to thirty-five years. For the year ended June 30, 2023, total operating lease costs were \$4,484,358, including short-term lease costs totaling \$1,259,162 and variable lease costs totaling \$71,128. For the year ended June 30, 2022, total operating lease costs were \$2,556,599, including variable lease costs totaling \$39,064. The Organization has one variable lease where the monthly rate is based upon the number of students served in the respective school year. Cash paid for amounts included in the measurement of operating lease liabilities totaled \$3,096,983 and \$2,410,021 for the years ended June 30, 2023 and 2022, respectively.

The Organization has made an accounting policy election to use a risk-free rate in lieu of its incremental borrowing rate to discount future lease payments. The weighted-average discount rate applied to calculate lease liabilities as of June 30, 2023 and 2022, was .70% and .41%, respectively.

As of June 30, 2023 and 2022, the weighted-average remaining lease term for all operating leases was 13.62 and 14.58 years, respectively.

Future payments due under these leases as of June 30, 2023 are as follows:

Year Ending June 30,	
2024	\$ 2,542,595
2025	2,767,377
2026	1,483,546
2027	777,607
2028	637,529
Thereafter	<u>9,323,361</u>
Total lease payments	17,532,015
Less: present value discount	<u>(466,338)</u>
Total lease obligations	<u>\$ 17,065,677</u>
Lease liabilities, operating leases, current	\$ 2,542,595
Lease liabilities, operating leases, net	<u>14,523,082</u>
Total operating lease liabilities	<u>\$ 17,065,677</u>

11. RETIREMENT PLANS

Qualified employees are covered under multiple employer defined benefit pension plans maintained by agencies of the State of California. Classified employees in California are members of the California Public Employees' Retirement System (CalPERS), and certificated employees working at California Schools are members of the California State Teachers' Retirement System (CalSTRS).

ASPIRE PUBLIC SCHOOLS

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023 AND 2022

California Public Employees' Retirement System (CalPERS)

Plan name:	California Public Employees' Retirement System (CalPERS) State & Schools
Plan's EIN:	94-6207465
Market value of assets:	\$79,386
Actuarial accrued liability:	\$113,795
Funded status:	65-80% funded

The actuarial value of assets and accrued liability are expressed in millions and are valued as of June 30, 2021 with a measurement date of June 30, 2022, the most recent information available.

Plan Description

The Organization participates in the Schools Pool (the CalPERS Plan), a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalPERS. CalPERS acts as a common investment and administrative agent for participating entities within the State of California. CalPERS issues a publicly available financial report that includes financial statements and required supplementary information for this plan. This report is available online at www.calpers.ca.gov.

Benefits Provided

The benefits for the CalPERS Plan are established by contract, in accordance with the provisions of the California Public Employees' Retirement Law (PERL). The benefits are based on members' years of service, age, final compensation, and benefit formula. Benefits are provided for disability, death, and survivors of eligible members or beneficiaries. The California Public Employees' Pension Reform Act of 2013 (PEPRA) made significant changes to the benefit structure that primarily affect members first hired to perform CalPERS creditable activities on or after January 1, 2013. As a result of PEPRA, the CalPERS Plan has two benefit structures: 1) CalPERS 2% at 55 – Members first hired on or before December 31, 2012, to perform CalPERS creditable activities, and 2) CalPERS 2% at 62 – Members first hired on or after January 1, 2013, to perform CalPERS creditable activities. To be eligible for service retirement, members hired prior to January 1, 2013, must be at least age 50 with a minimum of five years of CalPERS-credited service, while members hired after January 1, 2013, must be at least age 52 with a minimum of five years of service.

Contributions

Section 20814(c) of the PERL requires that the employer contribution rates for all employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Contribution rates for the CalPERS Plan are determined annually on an actuarial basis as of June 30 by CalPERS. The CalPERS Plan's actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Classic plan members, defined as a member who joined CalPERS prior to January 1, 2013, are required to contribute 7% of their salary (7% of monthly salary over \$133.33 if the member participates in Social Security). New members who joined CalPERS for the first time on or after January 1, 2013, are required to contribute 7% of their salary. The required employer contribution rate for fiscal years ended June 30, 2023, and 2022 were 25.37% and 22.91% of annual payroll, respectively. The contribution requirements of the plan members are established by state statute. For the fiscal year 2024, the Organization is required to contribute 26.69% of annual payroll.

ASPIRE PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

California State Teachers' Retirement System (CalSTRS):

Plan name:	California State Teachers' Retirement System (CalSTRS)
Plan's EIN:	94-6291617
Actuarial value of assets:	\$257,537
Actuarial accrued liability:	\$346,089
Funded status:	65-80% funded

The actuarial value of assets and accrued liability are expressed in millions and are valued as of June 30, 2022, the most recent actuarial valuation date.

Plan Description

The Organization participates in the State Teachers' Retirement Plan (the CalSTRS Plan), a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalSTRS. CalSTRS acts as a common investment and administrative agent for participating entities within the State of California. CalSTRS issues a publicly available financial report that includes financial statements and required supplementary information for this plan. This report is available online at www.calstrs.com.

Benefits Provided

The benefits for the CalSTRS Plan are established by contract, in accordance with the provisions of the State Teachers' Retirement Law. Benefits are based on members' years of service, age, final compensation, and a benefit formula. Benefits are provided for disability, death, and survivors of eligible members or beneficiaries. The California Public Employees' Pension Reform Act of 2013 (PEPRA) made significant changes to the benefit structure that primarily affect members first hired to perform CalSTRS creditable activities on or after January 1, 2013. As a result of PEPRA, the CalSTRS Plan has two benefit structures: 1) CalSTRS 2% at 60 – Members first hired on or before December 31, 2012, to perform CalSTRS creditable activities, and 2) CalSTRS 2% at 62 – Members first hired on or after January 1, 2013, to perform CalSTRS creditable activities. The 2 percent, also known as the age factor, refers to the percentage of final compensation received as a retirement benefit for each year of service credit. To be eligible for service retirement, members hired prior to January 1, 2013, must be at least age 60 with a minimum of five years of CalSTRS-credited service, while members hired after January 1, 2013, must be at least age 62 with five years of service.

Contributions

Assembly Bill 1469 (AB 1469), signed into law as a part of the State of California's (the State) 2014-15 budget, increases contributions to the CalSTRS Plan from members, employers, and the State over seven years, effective July 1, 2014. Starting with the fiscal year 2021-22, there may be additional annual adjustments not to exceed a maximum amount of 20.25%. Active plan members are required to contribute 10.205% or 10.25 % of their salary, depending on when they were hired. The required employer contribution rates for the fiscal years ended June 30, 2023 and 2022 were 19.10% and 16.92% of annual payroll, respectively. For the fiscal year 2024, the Organization is required to contribute approximately 19.10% of annual payroll.

ASPIRE PUBLIC SCHOOLS

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023 AND 2022

The Organization's contributions to these employee benefits plans were as follows:

	<u>2023</u>	<u>2022</u>
CalPERS	\$ 8,415,950	\$ 6,369,996
CalSTRS	\$ 18,185,920	\$ 14,288,647

Contributions to all plans equal 100% of the required contributions for each year.

Other Defined Contribution Plans:

The Organization offers a 403(b) retirement plan for California classified employees who are not eligible to participate in CalPERS, the Aspire Public Schools 403(b) CA Plan (CA Plan). Classified employees of Aspire Junior Collegiate Academy, Aspire Titan Academy, Aspire Centennial College Preparatory Academy, Aspire Richmond California College Preparatory Academy, and Aspire Richmond Technology Academy working 20 or more hours per week, and not eligible for CalSTRS, CalPERS or covered by another retirement plan, are eligible to receive discretionary employer contributions, determined on an annual basis. The Organization contributed \$0 to the CA Plan in the years ended June 30, 2023 and 2022.

The Organization also offers a 403(b) plan, the Aspire Public Schools 403(b) Plan, for all employees working 20 or more hours per week, and who are not already participating in another 403(b) Plan within the Organization. This plan does not require employer contributions.

12. REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue from contracts with customers consists of sales revenue from student stores, after school programs, lunch income, and ticket income for events. Revenue is earned at a point in time when goods or services are provided, or the events occur.

This revenue totaled \$398,367 and \$35,808 for years ended June 30, 2023 and 2022, respectively.

The Organization has determined that the nature, amount, timing, and uncertainty of revenue and cash flows are affected by the limited geographical area from which their schools draw their student enrollment. Adverse changes in the local economy may have an adverse impact on the ability of families to pay for these goods, services, or events.

A contract asset is recorded when the Organization satisfies a performance obligation of a contract but is not yet entitled to payment. When the Organization becomes entitled to payment, the contract asset is classified as a receivable, whether invoiced or not.

The balances of receivables from contracts with customers are as follows as of June 30:

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Accounts receivable	\$ -	\$ -	\$ -

Funds received in advance of being earned are recorded as deferred revenue, which represents a contract liability. Contract liabilities totaled \$0 at June 30, 2023, 2022 and 2021.

ASPIRE PUBLIC SCHOOLS

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023 AND 2022

13. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consisted of unexpended grants and contributions restricted for the following purposes at June 30:

	<u>2023</u>	<u>2022</u>
Learning Recovery Emergency Block Grant	\$ 21,710,097	\$ -
Expanded Learning Opportunities Grant	12,000,456	8,523,603
Arts, Music, and Instructional Materials		
Discretionary Block Grant	8,835,399	-
Construction of facilities	5,460,022	2,945,003
Educator Effectiveness Block Grant	1,708,683	3,570,770
Lottery: Instructional Materials	600,473	-
Literacy Coaches and Reading Specialists		
Grant Program	585,291	-
Kitchen infrastructure and equipment	504,202	-
A-G Completion Improvement Grant	325,647	1,912,191
Central Valley schools	139,835	169,061
Expanded Learning Opportunities Grant:		
Paraprofessional staff	121,656	804,065
School improvement programs and other	949,890	1,311,836
Total	<u>\$ 52,941,651</u>	<u>\$ 19,236,529</u>

14. RISKS AND CONTINGENCIES

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

The Organization has various outstanding claims and litigation. However, based on consultation with legal counsel, management believes that the ultimate resolution of these matters will not have a material adverse effect on the Organization's financial position or results of operations.

SUPPLEMENTARY INFORMATION

ASPIRE PUBLIC SCHOOLS

ORGANIZATION, GOVERNING BOARD, AND ADMINISTRATION YEAR ENDED JUNE 30, 2023

ORGANIZATION

Aspire Public Schools (the Organization) was formed to manage, guide, direct, and promote charter schools that provide quality education to youth in pre-K, primary, and secondary grades. The Organization was founded in California in 1998. See Note 1 of the Notes to Financial Statements for a list of charter schools managed by Aspire Public Schools.

GOVERNING BOARD

<u>Name</u>	<u>Office</u>	<u>Term Expires</u>
Beth Hunkapiller	Board Chair	2027
Anthony Barkett	Member	2027
Carol J. Ornelas	Member	2027
Ay'Anna Moody	Member	2027
Lorea Martinez	Member	2027
Christina Laster	Member	2027
Veleta Savannah	Member	2027

ADMINISTRATION

Mala Batra
Chief Executive Officer

Mary Cha-Caswell
Chief Operating Officer

Michael Wimbish
Chief Financial Officer

ASPIRE PUBLIC SCHOOLS

SCHEDULE OF AVERAGE DAILY ATTENDANCE YEAR ENDED JUNE 30, 2023

	<u>Second Period Report</u>	<u>Annual Report</u>
Classroom-based ADA:		
Aspire Monarch Academy:		
Grades K through 3	236.25	238.37
Grades 4 through 6	<u>118.62</u>	<u>118.48</u>
Total	<u>354.87</u>	<u>356.85</u>
Aspire Lionel Wilson College Preparatory Academy:		
Grade 6	56.76	56.16
Grades 7 and 8	113.54	111.21
Grades 9 through 12	<u>240.91</u>	<u>237.00</u>
Total	<u>411.21</u>	<u>404.37</u>
Aspire East Palo Alto Charter School:		
Grades K through 3	216.03	217.69
Grades 4 through 6	172.92	173.12
Grades 7 and 8	<u>96.27</u>	<u>95.69</u>
Total	<u>485.22</u>	<u>486.50</u>
Aspire Triumph Technology Academy:		
Grades K through 3	136.48	137.02
Grades 4 through 6	<u>71.60</u>	<u>72.25</u>
Total	<u>208.08</u>	<u>209.27</u>
Aspire Berkley Maynard Academy:		
Grades K through 3	219.64	218.90
Grades 4 through 6	150.00	148.99
Grades 7 and 8	<u>97.47</u>	<u>97.06</u>
Total	<u>467.11</u>	<u>464.95</u>
Aspire Richmond California College Preparatory Academy:		
Grade 6	80.07	79.12
Grades 7 and 8	177.42	177.72
Grades 9 through 12	<u>303.00</u>	<u>301.52</u>
Total	<u>560.49</u>	<u>558.36</u>

ASPIRE PUBLIC SCHOOLS

SCHEDULE OF AVERAGE DAILY ATTENDANCE YEAR ENDED JUNE 30, 2023

	<u>Second Period Report</u>	<u>Annual Report</u>
Aspire Richmond Technology Academy:		
Grades K through 3	346.56	346.66
Grades 4 through 6	<u>147.31</u>	<u>146.31</u>
Total	<u>493.87</u>	<u>492.97</u>
Aspire Golden State College Preparatory Academy:		
Grades 4 through 6	41.36	41.07
Grades 7 and 8	117.45	118.98
Grades 9 through 12	<u>239.49</u>	<u>239.89</u>
Total	<u>398.30</u>	<u>399.94</u>
Aspire College Academy:		
Grades K through 3	112.78	115.37
Grades 4 through 6	<u>67.60</u>	<u>67.91</u>
Total	<u>180.38</u>	<u>183.28</u>
Aspire Vincent Shalvey Academy:		
Grades K through 3	291.10	292.67
Grades 4 through 6	<u>123.24</u>	<u>123.40</u>
Total	<u>414.34</u>	<u>416.07</u>
Aspire University Charter School:		
Grades K through 3	263.43	265.25
Grades 4 through 6	<u>110.34</u>	<u>110.55</u>
Total	<u>373.77</u>	<u>375.80</u>
Aspire Summit Charter Academy:		
Grades K through 3	214.82	215.34
Grades 4 through 6	<u>107.42</u>	<u>106.03</u>
Total	<u>322.24</u>	<u>321.37</u>
Aspire River Oaks Charter School:		
Grades K through 3	287.02	287.42
Grades 4 through 6	<u>131.03</u>	<u>131.11</u>
Total	<u>418.05</u>	<u>418.53</u>

ASPIRE PUBLIC SCHOOLS

SCHEDULE OF AVERAGE DAILY ATTENDANCE YEAR ENDED JUNE 30, 2023

	Second Period Report	Annual Report
Aspire Benjamin Holt College Preparatory Academy:		
Grades 9 through 12	639.33	638.31
Total	639.33	638.31
Aspire Benjamin Holt Middle School:		
Grades 4 through 6	179.35	179.12
Grades 7 and 8	352.80	353.99
Total	532.15	533.11
Aspire Capitol Heights Academy:		
Grades K through 3	82.15	81.75
Grades 4 through 6	57.62	56.63
Grades 7 through 8	21.29	21.17
Total	161.06	159.55
Aspire Rosa Parks Academy:		
Grades K through 3	242.54	243.08
Grades 4 through 6	102.79	102.99
Total	345.33	346.07
Aspire Langston Hughes Academy:		
Grades 4 through 6	111.52	110.74
Grades 7 and 8	227.58	225.45
Grades 9 through 12	363.12	364.43
Total	702.22	700.62
Aspire Port City Academy:		
Grades K through 3	277.55	279.47
Grades 4 through 6	117.70	117.89
Total	395.25	397.36
Aspire Vanguard College Preparatory Academy:		
Grades 4 through 6	103.54	103.08
Grades 7 and 8	180.74	179.66
Grades 9 through 12	256.10	252.24
Total	540.38	534.98

ASPIRE PUBLIC SCHOOLS

SCHEDULE OF AVERAGE DAILY ATTENDANCE YEAR ENDED JUNE 30, 2023

	<u>Second Period Report</u>	<u>Annual Report</u>
Aspire Alexander Twilight College Preparatory Academy:		
Grades K through 3	272.10	271.70
Grades 4 through 6	<u>113.45</u>	<u>112.73</u>
Total	<u>385.55</u>	<u>384.43</u>
Aspire Alexander Twilight Secondary Academy:		
Grades 4 through 6	71.83	71.30
Grades 7 and 8	158.81	157.72
Grades 9 through 12	<u>222.33</u>	<u>219.85</u>
Total	<u>452.97</u>	<u>448.87</u>
Aspire APEX Academy:		
Grades K through 3	166.29	165
Grades 4 through 6	<u>88.85</u>	<u>88.49</u>
Total	<u>255.14*</u>	<u>253.49</u>
Aspire Arts & Sciences Academy		
Grades K through 3	<u>148.53</u>	<u>157.93</u>
Total	<u>148.53</u>	<u>157.93</u>
Aspire Stockton Secondary Academy		
Grades 4 through 6	32.58	32.85
Grades 7 through 8	<u>94.87</u>	<u>94.77</u>
Total	<u>127.45</u>	<u>127.62</u>
Aspire Antonio Maria Lugo Academy:		
Grades K through 3	245.64	245.44
Grades 4 through 6	<u>136.66</u>	<u>137.08</u>
Total	<u>382.30</u>	<u>382.52</u>
Aspire Ollin University Preparatory Academy:		
Grade 6	63.56	63.53
Grades 7 and 8	126.94	126.09
Grades 9 through 12	<u>320.55</u>	<u>319.89</u>
Total	<u>511.05*</u>	<u>509.51</u>

*Second Period Report revised

ASPIRE PUBLIC SCHOOLS

SCHEDULE OF AVERAGE DAILY ATTENDANCE YEAR ENDED JUNE 30, 2023

	<u>Second Period Report</u>	<u>Annual Report</u>
Aspire Junior Collegiate Academy:		
Grades K through 3	189.89	189.51
Grades 4 through 6	<u>101.48</u>	<u>101.89</u>
Total	<u>291.37</u>	<u>291.40</u>
Aspire Titan Academy:		
Grades K through 3	183.20	183.72
Grades 4 through 6	<u>103.87</u>	<u>104.43</u>
Total	<u>287.07</u>	<u>288.15</u>
Aspire Pacific Academy:		
Grades 4 through 6	69.97	70.31
Grades 7 and 8	138.54	138.82
Grades 9 through 12	<u>281.24</u>	<u>281.48</u>
Total	<u>489.75</u>	<u>490.61</u>
Aspire Firestone Academy:		
Grades K through 3	195.48	197.18
Grades 4 through 6	<u>108.11</u>	<u>108.64</u>
Total	<u>303.59</u>	<u>305.82</u>
Aspire Gateway Academy:		
Grades K through 3	197.64	198.33
Grades 4 through 6	<u>104.46</u>	<u>105.71</u>
Total	<u>302.10</u>	<u>304.04</u>
Aspire Tate Academy:		
Grades K through 3	184.38	185.74
Grades 4 through 6	<u>128.74</u>	<u>127.49</u>
Total	<u>313.12</u>	<u>313.23</u>
Aspire Inskeep Academy:		
Grades K through 3	155.94	157.42
Grades 4 through 6	<u>147.65</u>	<u>148.42</u>
Total	<u>303.59</u>	<u>305.84</u>

ASPIRE PUBLIC SCHOOLS

SCHEDULE OF AVERAGE DAILY ATTENDANCE YEAR ENDED JUNE 30, 2023

	<u>Second Period Report</u>	<u>Annual Report</u>
Aspire Slauson Academy:		
Grades K through 3	168.13	171.14
Grades 4 through 6	<u>111.44</u>	<u>111.95</u>
Total	<u>279.57</u>	<u>283.09</u>
Aspire Centennial College Preparatory Academy:		
Grades 4 through 6	93.39	94.92
Grades 7 through 8	<u>344.61</u>	<u>344.05</u>
Total	<u>438.00</u>	<u>438.97</u>
Combined Totals:		
Grades K through 3	5,033.57	5,062.10
Grades 4 through 6	3,526.83	3,524.69
Grades 7 and 8	2,248.33	2,242.38
Grades 9 through 12	<u>2,866.07</u>	<u>2,854.61</u>
Total	<u>13,674.80</u>	<u>13,683.78</u>

ASPIRE PUBLIC SCHOOLS

SCHEDULE OF INSTRUCTIONAL TIME

YEAR ENDED JUNE 30, 2023

	Required Minutes	Actual 2022-2023 Minutes Offered	Actual Number of Instructional Days Offered	Minutes Credited by the School Closure Certification	Number of Days Covered by the School Closure Certification*	Total 2022-2023 Minutes Offered	Total Number of Instructional Days Offered	Status
Aspire Monarch Academy (MON):								
Grade K	36,000	52,355	180			52,355	180	In Compliance
Grade 1-3	50,400	54,340	180			54,340	180	In Compliance
Grades 4-8	54,000	54,940	180			54,940	180	In Compliance
Aspire Lionel Wilson College Preparatory Academy (LWP):								
Grades 6-8	54,000	54,570	180			54,570	180	In Compliance
Grades 9-12	64,800	65,040	180			65,040	180	In Compliance
Aspire East Palo Alto Charter School (EPACS):								
Grade K	36,000	54,370	180			54,370	180	In Compliance
Grade 1-3	50,400	54,370	180			54,370	180	In Compliance
Grades 4-8	54,000	56,305	180			56,305	180	In Compliance
Aspire Triumph Technology Academy (ATTA):								
Grade K	36,000	55,385	180			55,385	180	In Compliance
Grade 1-3	50,400	54,340	180			54,340	180	In Compliance
Grades 4-8	54,000	55,240	180			55,240	180	In Compliance
Aspire Berkley Maynard Academy (BMA):								
Grade K	36,000	52,920	180			52,920	180	In Compliance
Grade 1-3	50,400	54,600	180			54,600	180	In Compliance
Grades 4-8	54,000	54,300	180			54,300	180	In Compliance
Aspire Richmond California College Preparatory Academy (RCAL):								
Grades 6-8	54,000	58,410	180			58,410	180	In Compliance
Grades 9-12	64,800	65,000	180			65,000	180	In Compliance
Aspire Richmond Technology Academy (RTA):								
Grade K	36,000	52,920	180			52,920	180	In Compliance
Grade 1	50,400	54,000	180			54,000	180	In Compliance
Grade 2	50,400	56,700	180			56,700	180	In Compliance
Grade 3	50,400	56,700	180			56,700	180	In Compliance
Grades 4-8	54,000	56,700	180			56,700	180	In Compliance

ASPIRE PUBLIC SCHOOLS

SCHEDULE OF INSTRUCTIONAL TIME YEAR ENDED JUNE 30, 2023

		Actual 2022-2023 Minutes Offered	Actual Number of Instructional Days Offered	Minutes Credited by the School Closure Certification	Number of Days Covered by the School Closure Certification*	Total 2022-2023 Minutes Offered	Total Number of Instructional Days Offered	Status
Aspire Golden State College								
Preparatory Academy (GSP):								
Grades 6-8	54,000	59,580	180			59,580	180	In Compliance
Grades 9-12	64,800	64,858	180			64,858	180	In Compliance
Aspire College Academy (ACA):								
Grade K	36,000	62,100	180			62,100	180	In Compliance
Grade 1-3	50,400	59,400	180			59,400	180	In Compliance
Grades 4-8	54,000	59,400	180			59,400	180	In Compliance
Aspire Vincent Shalvey								
Academy (VSA):								
Grade K	36,000	57,130	178			57,130	178	In Compliance
Grades 1-3	50,400	58,250	178			58,250	178	In Compliance
Grades 4-5	54,000	58,250	178			58,250	178	In Compliance
Aspire University Charter								
School (UCS):								
Grade K	36,000	56,655	179			56,655	179	In Compliance
Grades 1-3	50,400	57,895	179			57,895	179	In Compliance
Grade 4-5	54,000	58,135	179			58,135	179	In Compliance
Aspire Summit Charter								
Academy (SCA):								
Grade K	36,000	55,705	179			55,705	179	In Compliance
Grades 1-3	50,400	56,825	179			56,825	179	In Compliance
Grade 4-5	54,000	86,825	179			86,825	179	In Compliance
Aspire River Oaks Charter								
School (ROCS):								
Grade K	36,000	54,840	179			54,840	179	In Compliance
Grades 1-3	50,400	57,240	179			57,240	179	In Compliance
Grades 4-5	54,000	58,200	179			58,200	179	In Compliance
Aspire Benjamin Holt College								
Preparatory Academy (BHA):								
Grades 9-12	64,800	64,410	179	390	1	64,800	180	In Compliance
Aspire Benjamin Holt Middle								
School (BHM):								
Grades 6-8	54,000	63,330	179			63,330	179	In Compliance

ASPIRE PUBLIC SCHOOLS

SCHEDULE OF INSTRUCTIONAL TIME

YEAR ENDED JUNE 30, 2023

	Required Minutes	Actual 2022-2023 Minutes Offered	Actual Number of Instructional Days Offered	Minutes Credited by the School Closure Certification	Number of Days Covered by the School Closure Certification*	Total 2022-2023 Minutes Offered	Total Number of Instructional Days Offered	Status
Aspire Capitol Heights Academy (CHA):								
Grades K	36,000	56,940	178			56,940	178	In Compliance
Grade 1-3	50,400	58,320	178			58,320	178	In Compliance
Grades 4-6	54,000	61,160	178			61,160	178	In Compliance
Aspire Rosa Parks Academy (RPA):								
Grade K	36,000	53,800	178			53,800	178	In Compliance
Grades 1-3	50,400	56,300	178			56,300	178	In Compliance
Grades 4-5	54,000	56,300	178			56,300	178	In Compliance
Aspire Langston Hughes Academy (LHA):								
Grades 6-8	54,000	64,530	179	390	1	64,920	180	In Compliance
Grades 9-12	64,800	64,530	179	390	1	64,920	180	In Compliance
Aspire Port City Academy (PCA):								
Grade K	36,000	56,475	179			56,475	179	In Compliance
Grade 1	50,400	56,475	179			56,475	179	In Compliance
Grades 2-3	50,400	58,440	179			58,440	179	In Compliance
Grades 4-5	54,000	58,440	179			58,440	179	In Compliance
Aspire Vanguard College Preparatory Academy (VCPA):								
Grades 6-8	54,000	65,105	179	395	1	65,500	180	In Compliance
Grades 9-12	64,800	65,105	179	395	1	65,500	180	In Compliance
Aspire Alexander Twilight College Preparatory Academy (ATCPA):								
Grade K	36,000	56,040	179			56,040	179	In Compliance
Grade 1	50,400	57,720	179			57,720	179	In Compliance
Grades 2-3	50,400	58,615	179			58,615	179	In Compliance
Grades 4-5	54,000	60,710	179			60,710	179	In Compliance
Aspire Alexander Twilight Secondary Academy (ATSA):								
Grades 6-8	54,000	64,530	179	390	1	64,920	180	In Compliance
Grades 9-12	64,800	64,530	179	390	1	64,920	180	In Compliance

ASPIRE PUBLIC SCHOOLS

SCHEDULE OF INSTRUCTIONAL TIME

YEAR ENDED JUNE 30, 2023

	Required Minutes	Actual 2022-2023 Minutes Offered	Actual Number of Instructional Days Offered	Minutes Credited by the School Closure Certification	Number of Days Covered by the School Closure Certification*	Total 2022-2023 Minutes Offered	Total Number of Instructional Days Offered	Status
Aspire APEX Academy (APEX):								
Grade K	36,000	53,780	178			53,780	178	In Compliance
Grades 1-3	50,400	56,540	178			56,540	178	In Compliance
Grades 4-5	54,000	56,540	178			56,540	178	In Compliance
Aspire Arts & Sciences Academy (ASE):								
Grade K	36,000	55,280	179			55,280	179	In Compliance
Grade 1	50,400	57,480	179			57,480	179	In Compliance
Aspire Stockton Secondary Academy (ASSA):								
Grades 6-8	54,000	61,110	178			61,110	178	In Compliance
Aspire Antonio Maria Lugo Academy (AMLA):								
Grade K	36,000	57,095	180			57,095	180	In Compliance
Grades 1-3	50,400	58,015	180			58,015	180	In Compliance
Grades 4-5	54,000	58,015	180			58,015	180	In Compliance
Aspire Ollin University Preparatory Academy (OUP):								
Grades 6-8	54,000	64,940	180			64,940	180	In Compliance
Grades 9-12	64,800	64,940	180			64,940	180	In Compliance
Aspire Junior Collegiate Academy (JCA):								
Grades K	36,000	55,950	180			55,950	180	In Compliance
Grades 1-3	50,400	60,095	180			60,095	180	In Compliance
Grades 4-6	54,000	60,095	180			60,095	180	In Compliance
Aspire Titan Academy (TTN):								
Grades K	36,000	55,715	180			55,715	180	In Compliance
Grades 1-3	50,400	60,095	180			60,095	180	In Compliance
Grades 4-5	54,000	60,095	180			60,095	180	In Compliance
Aspire Pacific Academy (APA):								
Grades 6-8	54,000	64,940	180			64,940	180	In Compliance
Grades 9-12	64,800	64,940	180			64,940	180	In Compliance

ASPIRE PUBLIC SCHOOLS

SCHEDULE OF INSTRUCTIONAL TIME

YEAR ENDED JUNE 30, 2023

	Required Minutes	Actual 2022-2023 Minutes Offered	Actual Number of Instructional Days Offered	Minutes Credited by the School Closure Certification	Number of Days Covered by the School Closure Certification*	Total 2022-2023 Minutes Offered	Total Number of Instructional Days Offered	Status
Aspire Firestone Academy (AFA):								
Grade K	36,000	56,880	180			56,880	180	In Compliance
Grades 1-3	50,400	58,080	180			58,080	180	In Compliance
Grades 4-5	54,000	58,080	180			58,080	180	In Compliance
Aspire Gateway Academy (AGA):								
Grade K	36,000	56,880	180			56,880	180	In Compliance
Grades 1-3	50,400	58,080	180			58,080	180	In Compliance
Grades 4-5	54,000	58,080	180			58,080	180	In Compliance
Aspire Tate Academy (ATA):								
Grades K	36,000	50,300	180			50,300	180	In Compliance
Grades 1-3	50,400	54,970	180			54,970	180	In Compliance
Grades 4-6	50,400	54,970	180			54,970	180	In Compliance
Aspire Inskeep Academy (AIA):								
Grades K	36,000	52,080	180			52,080	180	In Compliance
Grades 1-3	50,400	54,120	180			54,120	180	In Compliance
Grades 4-6	54,000	54,120	180			54,120	180	In Compliance
Aspire Slauson Academy (ASA):								
Grades K	36,000	53,200	180			53,200	180	In Compliance
Grades 1-3	50,400	56,280	180			56,280	180	In Compliance
Grades 4-6	54,000	56,280	180			56,280	180	In Compliance
Aspire Centennial College Preparatory Academy (CCPA2):								
Grade 6-7	54,000	59,251	180			59,251	180	In Compliance
Grade 8	54,000	59,477	180			59,477	180	In Compliance

*In response to a Declaration of a State of Emergency by the Governor of California, the sites were closed for 1 instructional day on January 9, 2023. Aspire Public Schools received an approved J13A School Closure Certification from the California Department of Education.

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF FINANCIAL POSITION, BY REGION JUNE 30, 2023

	School Operations			Administration					
	Bay Area Schools	Central Valley Schools	LA Schools	National Office	Total School Activity	CFC, Inc.	Aspire Foundation	Eliminations	Total Consolidated
CURRENT ASSETS:									
Cash and cash equivalents	\$ 19,071,207	\$ 34,946,077	\$ 41,492,271	\$ 1,620,905	\$ 97,130,460	\$ -	\$ 5,152,175	\$ -	\$ 102,282,635
Restricted cash and cash equivalents	-	-	-	-	-	8,055,666	-	-	8,055,666
Accounts receivable	23,646,753	21,645,117	15,746,869	1,240,001	62,278,740	43,667	-	-	62,322,407
Contributions receivable	378,033	-	-	108	378,141	-	332,138	-	710,279
Prepaid expenses and deposits	402,043	385,665	444,488	1,553,480	2,785,676	-	18,000	-	2,803,676
Intercompany receivable	3,989,707	5,229,306	2,816,381	11,882,018	23,917,412	75,294,073	147,522	(99,359,007)	-
Total current assets	47,487,743	62,206,165	60,500,009	16,296,512	186,490,429	83,393,406	5,649,835	(99,359,007)	176,174,663
NON-CURRENT ASSETS:									
Restricted cash and cash equivalents	2,540,942	-	-	-	2,540,942	34,088,454	-	-	36,629,396
Deferred rent	196,824	461,254	138,464	-	796,542	4,811,981	-	(5,608,523)	-
Property and equipment, net	9,014,010	50,167,168	28,565,705	198,017	87,944,900	147,510,729	39,470	(1,032,128)	234,462,971
Right-of-use assets – operating leases	2,915,592	3,583,235	8,975,835	447,578	15,922,240	-	-	-	15,922,240
TOTAL ASSETS	<u>\$ 62,155,111</u>	<u>\$ 116,417,822</u>	<u>\$ 98,180,013</u>	<u>\$ 16,942,107</u>	<u>\$ 293,695,053</u>	<u>\$ 269,804,570</u>	<u>\$ 5,689,305</u>	<u>\$ (105,999,658)</u>	<u>\$ 463,189,270</u>
CURRENT LIABILITIES:									
Accounts payable	\$ 4,496,341	\$ 11,258,499	\$ 1,680,016	\$ 3,512,075	\$ 20,946,931	\$ -	\$ 87,880	\$ -	\$ 21,034,811
Accrued expenses and other liabilities	4,954,212	3,969,677	6,414,073	1,128,900	16,466,862	3,306,113	5,414	-	19,778,389
Deferred revenue	1,930,743	1,230,138	1,582,176	-	4,743,057	-	-	-	4,743,057
Line of credit	-	-	-	10,000,000	10,000,000	-	-	-	10,000,000
Debt, current	-	170,873	538,016	-	708,889	2,455,000	-	-	3,163,889
Lease liabilities - operating leases, current	1,324,000	506,089	563,946	148,560	2,542,595	-	-	-	2,542,595
Intercompany payable	3,798,998	41,669,975	3,497,147	17,628,076	66,594,196	29,472,480	3,292,331	(99,359,007)	-
Total current liabilities	16,504,294	58,805,251	14,275,374	32,417,611	122,002,530	35,233,593	3,385,625	(99,359,007)	61,262,741
LONG-TERM LIABILITIES:									
Deferred rent	-	5,441,991	166,532	-	5,608,523	-	-	(5,608,523)	-
Debt, net	4,944,000	2,595,815	12,906,050	(1,200)	20,444,665	218,565,792	-	-	239,010,457
Lease liabilities - operating leases, net	1,750,125	3,080,949	9,386,509	305,499	14,523,082	-	-	-	14,523,082
Total liabilities	23,198,419	69,924,006	36,734,465	32,721,910	162,578,800	253,799,385	3,385,625	(104,967,530)	314,796,280
NET ASSETS:									
Without donor restrictions	21,499,628	29,484,041	43,571,388	(15,781,330)	78,773,727	16,005,185	1,704,555	(1,032,128)	95,451,339
With donor restrictions	17,457,064	17,009,775	17,874,160	1,527	52,342,526	-	599,125	-	52,941,651
Total net assets	38,956,692	46,493,816	61,445,548	(15,779,803)	131,116,253	16,005,185	2,303,680	(1,032,128)	148,392,990
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 62,155,111</u>	<u>\$ 116,417,822</u>	<u>\$ 98,180,013</u>	<u>\$ 16,942,107</u>	<u>\$ 293,695,053</u>	<u>\$ 269,804,570</u>	<u>\$ 5,689,305</u>	<u>\$ (105,999,658)</u>	<u>\$ 463,189,270</u>

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF ACTIVITIES, BY REGION YEAR ENDED JUNE 30, 2023

	School Operations			Administration					
	Bay Area Schools	Central Valley Schools	LA Schools	National Office	Total School Activity	CFC, Inc.	Aspire Foundation	Eliminations	Total Consolidated
NET ASSETS WITHOUT DONOR RESTRICTIONS:									
SUPPORT, REVENUE AND GAINS:									
Private grants and contributions	\$ 46	\$ 50,000	\$ -	\$ 2,500	\$ 52,546	\$ -	\$ 1,786,291	\$ -	\$ 1,838,837
Federal revenue	11,744,211	14,202,825	17,310,754	57,656	43,315,446	-	-	-	43,315,446
California state revenue:									
State aid portion of general purpose funding	30,873,418	59,088,031	37,544,426	-	127,505,875	-	-	-	127,505,875
All other state revenue	10,376,769	12,222,899	8,644,656	(1,578)	31,242,746	-	-	-	31,242,746
Local revenue:									
Cash in-lieu of property taxes	14,086,100	13,538,613	13,684,631	-	41,309,344	-	-	-	41,309,344
Interest income	38,736	113,725	-	632,476	784,937	2,037,880	-	-	2,822,817
All other local revenue	1,465,260	382,948	42,234	726,806	2,617,248	-	5,890	-	2,623,138
Other revenues	60,701	174,523	88,764	5,852	329,840	13,008,980	68,527	(13,008,980)	398,367
Subtotal	68,645,241	99,773,564	77,315,465	1,423,712	247,157,982	15,046,860	1,860,708	(13,008,980)	251,056,570
Net assets released from restrictions	14,673,542	13,537,705	13,390,969	4,775,200	46,377,416	-	709,228	-	47,086,644
Total support, revenue and gains	83,318,783	113,311,269	90,706,434	6,198,912	293,535,398	15,046,860	2,569,936	(13,008,980)	298,143,214
EXPENSES AND LOSSES:									
PROGRAM EXPENSES:									
Educational programs	77,443,593	109,718,710	80,743,959	7,938,855	275,845,117	12,641,481	339,145	(13,008,980)	275,816,763
SUPPORTING SERVICES:									
Site support	37,354	109,816	119,394	12,539,310	12,805,874	-	-	-	12,805,874
Development and expansion	-	-	-	569,455	569,455	-	-	-	569,455
Fundraising	-	-	-	-	-	-	3,124,214	-	3,124,214
Administration and general	37,354	109,816	119,393	3,847,037	4,113,600	-	385,056	-	4,498,656
Cost allocations	5,114,090	8,321,511	6,182,569	(19,618,170)	-	-	-	-	-
Total supporting services	5,188,798	8,541,143	6,421,356	(2,662,368)	17,488,929	-	3,509,270	-	20,998,199
Total expenses	82,632,391	118,259,853	87,165,315	5,276,487	293,334,046	12,641,481	3,848,415	(13,008,980)	296,814,962
TRANSFERS BETWEEN AFFILIATES	-	(81,655)	-	(1,256,052)	(1,337,707)	1,337,707	-	-	-
Increase (Decrease) in Net Assets without Donor Restrictions	686,392	(5,030,239)	3,541,119	(333,627)	(1,136,355)	3,743,086	(1,278,479)	-	1,328,252
NET ASSETS WITH DONOR RESTRICTIONS:									
Private grants and contributions	-	-	-	-	-	-	1,008,000	-	1,008,000
State revenue	26,990,743	26,385,111	26,406,334	1,578	79,783,766	-	-	-	79,783,766
Interfund transfers	(906,948)	(1,592,853)	(987,895)	3,487,696	-	-	-	-	-
Net assets released from restrictions	(14,673,542)	(13,537,705)	(13,390,969)	(4,775,200)	(46,377,416)	-	(709,228)	-	(47,086,644)
Increase (Decrease) in Net Assets with Donor Restrictions	11,410,253	11,254,553	12,027,470	(1,285,926)	33,406,350	-	298,772	-	33,705,122
INCREASE (DECREASE) IN NET ASSETS	12,096,645	6,224,314	15,568,589	(1,619,553)	32,269,995	3,743,086	(979,707)	-	35,033,374
NET ASSETS - Beginning of Year	26,860,047	40,269,502	45,876,959	(14,160,250)	98,846,258	12,262,099	3,283,387	(1,032,128)	113,359,616
NET ASSETS - End of Year	\$ 38,956,692	\$ 46,493,816	\$ 61,445,548	\$ (15,779,803)	\$ 131,116,253	\$ 16,005,185	\$ 2,303,680	\$ (1,032,128)	\$ 148,392,990

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF FINANCIAL POSITION JUNE 30, 2023

Page 1 of 5

	Aspire Monarch Academy	Aspire Lionel Wilson College Prep Academy	Aspire East Palo Alto Charter Schools	Aspire Triumph Technology Academy	Aspire Berkley Maynard Academy	Aspire Richmond California College Prep Academy	Aspire Richmond Technology Academy	Aspire Golden State College Prep Academy	Aspire College College Academy
CURRENT ASSETS:									
Cash and cash equivalents	\$ 2,479,623	\$ 3,493,781	\$ 176,649	\$ 448,400	\$ 6,015,517	\$ 986,099	\$ 42,602	\$ 3,701,664	\$ 423,517
Restricted cash and cash equivalents	-	-	-	-	-	-	-	-	-
Accounts receivable	1,726,181	1,633,472	4,649,306	1,994,405	2,665,244	3,652,216	3,542,283	2,532,230	1,251,957
Contributions receivable	-	-	378,033	-	-	-	-	-	-
Prepaid expenses and deposits	43,553	76,240	76,962	33,491	34,879	38,722	23,655	31,977	33,734
Intercompany receivable	41,130	6,287	2,291,207	47,034	45,299	22,019	30,944	38,060	27,461
Total current assets	4,290,487	5,209,780	7,572,157	2,523,330	8,760,939	4,699,056	3,639,484	6,303,931	1,736,669
NON-CURRENT ASSETS:									
Restricted cash and cash equivalents	-	-	-	411,250	1,718,442	-	-	-	411,250
Deferred rent	-	76,720	6,867	-	-	-	-	113,237	-
Property and equipment, net	200,936	983,769	716,354	14,894	4,448,494	47,213	521,418	2,080,932	-
Right-of-use assets – operating leases	972,110	(7,544)	665,301	653,660	1,189	70,382	49,425	-	511,069
TOTAL ASSETS	\$ 5,463,533	\$ 6,262,725	\$ 8,960,679	\$ 3,603,134	\$14,929,064	\$ 4,816,651	\$ 4,210,327	\$ 8,498,100	\$ 2,658,988
CURRENT LIABILITIES:									
Accounts payable	\$ 353,270	\$ 675,453	\$ 569,156	\$ 147,277	\$ 1,336,422	\$ 344,233	\$ 479,515	\$ 351,578	\$ 179,863
Accrued expenses and other liabilities	485,785	399,500	1,280,790	256,527	383,125	839,472	611,796	424,301	196,969
Deferred revenue	233,130	303,605	-	346,885	203,888	133	120	131	151,752
Line of credit	-	-	-	-	-	-	-	-	-
Debt, current	-	-	-	-	-	-	-	-	-
Lease liabilities - operating leases, current	502,696	633	212,633	336,693	-	6,145	1,764	-	263,436
Intercompany payable	111,283	135,340	2,190,332	68,238	234,298	147,471	629,376	139,784	62,595
Total current liabilities	1,686,164	1,514,531	4,252,911	1,155,620	2,157,733	1,337,454	1,722,571	915,794	854,615
LONG-TERM LIABILITIES:									
Deferred rent	-	-	-	-	-	-	-	-	-
Debt, net	-	-	-	-	4,944,000	-	-	-	-
Lease liabilities - operating leases, net	547,808	(8,176)	441,973	367,611	1,189	64,237	48,226	-	287,257
Total liabilities	2,233,972	1,506,355	4,694,884	1,523,231	7,102,922	1,401,691	1,770,797	915,794	1,141,872
NET ASSETS:									
Without donor restrictions	1,628,281	3,385,870	2,460,413	717,350	1,734,592	2,011,352	983,574	6,245,961	487,226
With donor restrictions	1,601,280	1,370,500	1,805,382	1,362,553	6,091,550	1,403,608	1,455,956	1,336,345	1,029,890
Total net assets	3,229,561	4,756,370	4,265,795	2,079,903	7,826,142	3,414,960	2,439,530	7,582,306	1,517,116
TOTAL LIABILITIES AND NET ASSETS	\$ 5,463,533	\$ 6,262,725	\$ 8,960,679	\$ 3,603,134	\$14,929,064	\$ 4,816,651	\$ 4,210,327	\$ 8,498,100	\$ 2,658,988

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF FINANCIAL POSITION JUNE 30, 2023

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	Bay Area Regional Office	Total Bay Area Region	Aspire Vincent Shalvey Academy	Aspire University Charter School	Aspire Summit Charter Academy	Aspire River Oaks Charter School	Aspire Benjamin Holt College Prep Academy	Aspire Benjamin Holt Middle School	Aspire Capitol Heights Academy	Aspire Rosa Parks Academy
CURRENT ASSETS:										
Cash and cash equivalents	\$ 1,303,355	\$19,071,207	\$ 1,938,310	\$ 1,622,562	\$ 3,165,205	\$ 3,875,126	\$ 462,132	\$ 6,835,454	\$ (91,703)	\$ 3,589,386
Restricted cash and cash equivalents	-	-	-	-	-	-	-	-	-	-
Accounts receivable	(541)	23,646,753	966,815	2,563,894	(11,872)	331,104	3,120,562	(1,636,050)	965,018	1,535,909
Contributions receivable	-	378,033	-	-	-	-	-	-	-	-
Prepaid expenses and deposits	8,830	402,043	44,190	19,543	30,039	19,117	28,151	22,502	15,905	16,994
Intercompany receivable	1,440,266	3,989,707	20,538	3,459	31,256	26,717	40,982	29,493	800,884	22,530
Total current assets	2,751,910	47,487,743	2,969,853	4,209,458	3,214,628	4,252,064	3,651,827	5,251,399	1,690,104	5,164,819
NON-CURRENT ASSETS:										
Restricted cash and cash equivalents	-	2,540,942	-	-	-	-	-	-	-	-
Deferred rent	-	196,824	-	-	-	195,395	-	-	-	-
Property and equipment, net	-	9,014,010	877,330	166,177	246,855	506,475	7,805,606	234,324	142,137	8,006,365
Right-of-use assets – operating leases	-	2,915,592	2,497,717	-	810,836	1	13,817	17,061	-	-
TOTAL ASSETS	\$ 2,751,910	\$62,155,111	\$ 6,344,900	\$ 4,375,635	\$ 4,272,319	\$ 4,953,935	\$11,471,250	\$ 5,502,784	\$ 1,832,241	\$ 13,171,184
CURRENT LIABILITIES:										
Accounts payable	\$ 59,574	\$ 4,496,341	\$ 307,315	\$ 117,178	\$ 171,538	\$ 352,915	\$ 1,391,046	\$ 306,553	\$ 62,749	\$ 485,899
Accrued expenses and other liabilities	75,947	4,954,212	185,240	199,458	222,554	312,285	283,291	294,060	207,159	220,270
Deferred revenue	691,099	1,930,743	64,269	58,264	57,453	138,776	87	94	44,636	69,442
Line of credit	-	-	-	-	-	-	-	-	-	-
Debt, current	-	-	-	-	-	-	-	-	-	170,873
Lease liabilities - operating leases, current	-	1,324,000	155,215	-	275,853	-	-	-	-	-
Intercompany payable	80,281	3,798,998	87,907	107,665	90,754	113,269	5,298,103	116,306	2,839,992	104,315
Total current liabilities	906,901	16,504,294	799,946	482,565	818,152	917,245	6,972,527	717,013	3,154,536	1,050,799
LONG-TERM LIABILITIES:										
Deferred rent	-	-	-	40,428	-	-	772,807	140,341	1,111,303	-
Debt, net	-	4,944,000	-	-	-	-	-	-	-	2,595,815
Lease liabilities - operating leases, net	-	1,750,125	2,342,502	-	535,003	-	13,817	17,061	-	-
Total liabilities	906,901	23,198,419	3,142,448	522,993	1,353,155	917,245	7,759,151	874,415	4,265,839	3,646,614
NET ASSETS:										
Without donor restrictions	1,845,009	21,499,628	2,173,173	2,260,094	1,659,022	2,608,167	2,710,870	3,619,868	(2,786,943)	7,497,166
With donor restrictions	-	17,457,064	1,029,279	1,592,548	1,260,142	1,428,523	1,001,229	1,008,501	353,345	2,027,404
Total net assets	1,845,009	38,956,692	3,202,452	3,852,642	2,919,164	4,036,690	3,712,099	4,628,369	(2,433,598)	9,524,570
TOTAL LIABILITIES AND NET ASSETS	\$ 2,751,910	\$62,155,111	\$ 6,344,900	\$ 4,375,635	\$ 4,272,319	\$ 4,953,935	\$11,471,250	\$ 5,502,784	\$ 1,832,241	\$ 13,171,184

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

JUNE 30, 2023

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	Aspire Langston Hughes Academy	Aspire Port City Academy	Aspire Vanguard College Prep Academy	Aspire Alexander Twilight College Prep Academy	Aspire Alexander Twilight Secondary Academy	Aspire APEX Academy	Aspire Arts & Sciences Academy	Aspire Stockton Secondary Academy	Central Valley Regional Office	Total Central Valley Region
CURRENT ASSETS:										
Cash and cash equivalents	\$ 3,678,830	\$ 1,413,727	\$ 1,837,919	\$ 1,582,396	\$ 2,551,494	\$ 2,493,309	\$ (103,657)	\$ 90,222	\$ 5,365	\$ 34,946,077
Restricted cash and cash equivalents	-	-	-	-	-	-	-	-	-	-
Accounts receivable	2,941,880	2,564,291	1,730,489	1,395,230	3,025,143	(836,328)	1,312,579	1,352,852	323,601	21,645,117
Contributions receivable	-	-	-	-	-	-	-	-	-	-
Prepaid expenses and deposits	32,593	44,735	25,480	25,109	21,105	13,913	10,662	11,801	3,826	385,665
Intercompany receivable	1,381,597	261,667	66,974	78,485	47,059	14,368	829,600	179,280	1,394,417	5,229,306
Total current assets	8,034,900	4,284,420	3,660,862	3,081,220	5,644,801	1,685,262	2,049,184	1,634,155	1,727,209	62,206,165
NON-CURRENT ASSETS:										
Restricted cash and cash equivalents	-	-	-	-	-	-	-	-	-	-
Deferred rent	95,872	85,674	-	84,313	-	-	-	-	-	461,254
Property and equipment, net	447,742	451,971	272,436	428,380	349,916	100,328	82,839	29,989,200	59,087	50,167,168
Right-of-use assets – operating leases	10,353	-	(7,313)	-	-	-	-	-	240,763	3,583,235
TOTAL ASSETS	<u>\$ 8,588,867</u>	<u>\$ 4,822,065</u>	<u>\$ 3,925,985</u>	<u>\$ 3,593,913</u>	<u>\$ 5,994,717</u>	<u>\$ 1,785,590</u>	<u>\$ 2,132,023</u>	<u>\$31,623,355</u>	<u>\$ 2,027,059</u>	<u>\$116,417,822</u>
CURRENT LIABILITIES:										
Accounts payable	\$ 534,481	\$ 445,553	\$ 183,356	\$ 611,034	\$ 605,275	\$ 338,691	\$ 122,355	\$ 5,015,979	\$ 206,582	\$ 11,258,499
Accrued expenses and other liabilities	343,159	280,352	308,911	311,646	335,597	176,476	58,108	72,937	158,174	3,969,677
Deferred revenue	70,151	91	118	108	15,541	105,774	65,315	19	540,000	1,230,138
Line of credit	-	-	-	-	-	-	-	-	-	-
Debt, current	-	-	-	-	-	-	-	-	-	170,873
Lease liabilities - operating leases, current	17,265	-	613	-	-	-	-	-	57,143	506,089
Intercompany payable	1,642,797	263,653	274,484	229,821	1,451,794	21,905	1,902,763	27,112,006	12,441	41,669,975
Total current liabilities	2,607,853	989,649	767,482	1,152,609	2,408,207	642,846	2,148,541	32,200,941	974,340	58,805,251
LONG-TERM LIABILITIES:										
Deferred rent	-	-	59,612	-	112,225	966,097	681,510	1,557,668	-	5,441,991
Debt, net	-	-	-	-	-	-	-	-	-	2,595,815
Lease liabilities - operating leases, net	(6,912)	-	(7,926)	-	-	-	-	-	187,404	3,080,949
Total liabilities	2,600,941	989,649	819,168	1,152,609	2,520,432	1,608,943	2,830,051	33,758,609	1,161,744	69,924,006
NET ASSETS:										
Without donor restrictions	4,454,819	2,942,053	1,938,718	876,231	2,307,761	(483,458)	(891,355)	(2,267,460)	865,315	29,484,041
With donor restrictions	1,533,107	890,363	1,168,099	1,565,073	1,166,524	660,105	193,327	132,206	-	17,009,775
Total net assets	5,987,926	3,832,416	3,106,817	2,441,304	3,474,285	176,647	(698,028)	(2,135,254)	865,315	46,493,816
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 8,588,867</u>	<u>\$ 4,822,065</u>	<u>\$ 3,925,985</u>	<u>\$ 3,593,913</u>	<u>\$ 5,994,717</u>	<u>\$ 1,785,590</u>	<u>\$ 2,132,023</u>	<u>\$31,623,355</u>	<u>\$ 2,027,059</u>	<u>\$116,417,822</u>

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

JUNE 30, 2023

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	Aspire Antonio Maria Lugo Academy	Aspire Ollin University Preparatory Academy	Aspire Junior Collegiate Academy	Aspire Titan Academy	Aspire Pacific Academy	Aspire Firestone Academy	Aspire Gateway Academy	Aspire Tate Academy	Aspire Inskeep Academy	Aspire Slauson Academy
CURRENT ASSETS:										
Cash and cash equivalents	\$ 3,193,348	\$ 3,873,047	\$ 4,137,821	\$ 2,550,038	\$ 3,610,948	\$ 2,352,839	\$ 3,279,156	\$ 3,811,664	\$ 3,732,935	\$ 2,973,795
Restricted cash and cash equivalents	-	-	-	-	-	-	-	-	-	-
Accounts receivable	693,950	2,229,082	308,572	1,467,512	2,721,415	1,922,877	1,874,595	1,136,932	630,372	1,601,796
Contributions receivable	-	-	-	-	-	-	-	-	-	-
Prepaid expenses and deposits	18,638	24,756	120,900	16,420	24,032	43,986	36,864	16,607	91,596	14,521
Intercompany receivable	356,896	942,414	11,885	196,595	1,118	33,737	2,894	3,773	3,092	391
Total current assets	4,262,832	7,069,299	4,579,178	4,230,565	6,357,513	4,353,439	5,193,509	4,968,976	4,457,995	4,590,503
NON-CURRENT ASSETS:										
Restricted cash and cash equivalents	-	-	-	-	-	-	-	-	-	-
Deferred rent	-	-	68,382	70,082	-	-	-	-	-	-
Property and equipment, net	12,975,249	14,020,541	363,892	259,448	311,241	86,518	90,479	56,234	40,069	68,236
Right-of-use assets – operating leases	-	13,170	13,367	1,410	(1,585)	-	-	-	3,083	3,083
TOTAL ASSETS	<u>\$17,238,081</u>	<u>\$21,103,010</u>	<u>\$ 5,024,819</u>	<u>\$ 4,561,505</u>	<u>\$ 6,667,169</u>	<u>\$ 4,439,957</u>	<u>\$ 5,283,988</u>	<u>\$ 5,025,210</u>	<u>\$ 4,501,147</u>	<u>\$ 4,661,822</u>
CURRENT LIABILITIES:										
Accounts payable	\$ 49,567	\$ 145,809	\$ 89,658	\$ 123,824	\$ 275,232	\$ 139,003	\$ 128,323	\$ 213,369	\$ 224,942	\$ 167,692
Accrued expenses and other liabilities	509,110	688,504	456,168	453,298	546,608	562,885	531,699	607,790	600,799	506,457
Deferred revenue	138,931	159	114,094	112,794	158	121,726	187,518	119,402	121,057	103,700
Line of credit	-	-	-	-	-	-	-	-	-	-
Debt, current	238,122	299,894	-	-	-	-	-	-	-	-
Lease liabilities - operating leases, current	-	6,490	3,577	152	-	-	-	-	-	-
Intercompany payable	757,833	1,408,045	96,276	95,095	165,575	155,508	154,532	174,077	173,714	161,848
Total current liabilities	1,693,563	2,548,901	759,773	785,163	987,573	979,122	1,002,072	1,114,638	1,120,512	939,697
LONG-TERM LIABILITIES:										
Deferred rent	-	-	-	-	166,532	-	-	-	-	-
Debt, net	6,356,225	6,549,825	-	-	-	-	-	-	-	-
Lease liabilities - operating leases, net	-	6,679	9,792	1,258	(3,283)	-	-	-	3,083	3,083
Total liabilities	8,049,788	9,105,405	769,565	786,421	1,150,822	979,122	1,002,072	1,114,638	1,123,595	942,780
NET ASSETS:										
Without donor restrictions	7,348,071	10,258,403	2,539,227	2,171,909	4,023,223	2,323,422	2,882,275	1,672,156	1,782,667	1,984,351
With donor restrictions	1,840,222	1,739,202	1,716,027	1,603,175	1,493,124	1,137,413	1,399,641	2,238,416	1,594,885	1,734,691
Total net assets	9,188,293	11,997,605	4,255,254	3,775,084	5,516,347	3,460,835	4,281,916	3,910,572	3,377,552	3,719,042
TOTAL LIABILITIES AND NET ASSETS	<u>\$17,238,081</u>	<u>\$21,103,010</u>	<u>\$ 5,024,819</u>	<u>\$ 4,561,505</u>	<u>\$ 6,667,169</u>	<u>\$ 4,439,957</u>	<u>\$ 5,283,988</u>	<u>\$ 5,025,210</u>	<u>\$ 4,501,147</u>	<u>\$ 4,661,822</u>

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

JUNE 30, 2023

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	Aspire Centennial College Preparatory Academy	LA Regional Office	Total LA Region	National Office	Total Aspire Public Schools	CFC, Inc.	Aspire Foundation	Eliminations	Total Consolidated
CURRENT ASSETS:									
Cash and cash equivalents	\$ 5,057,962	\$ 2,918,718	\$ 41,492,271	\$ 1,620,905	\$ 97,130,460	\$ -	\$ 5,152,175	\$ -	\$ 102,282,635
Restricted cash and cash equivalents	-	-	-	-	-	8,055,666	-	-	8,055,666
Accounts receivable	1,160,377	(611)	15,746,869	1,240,001	62,278,740	43,667	-	-	62,322,407
Contributions receivable	-	-	-	108	378,141	-	332,138	-	710,279
Prepaid expenses and deposits	21,499	14,669	444,488	1,553,480	2,785,676	-	18,000	-	2,803,676
Intercompany receivable	14,880	1,248,706	2,816,381	11,882,018	23,917,412	75,294,073	147,522	(99,359,007)	-
Total current assets	6,254,718	4,181,482	60,500,009	16,296,512	186,490,429	83,393,406	5,649,835	(99,359,007)	176,174,663
NON-CURRENT ASSETS:									
Restricted cash and cash equivalents	-	-	-	-	2,540,942	34,088,454	-	-	36,629,396
Deferred rent	-	-	138,464	-	796,542	4,811,981	-	(5,608,523)	-
Property and equipment, net	292,695	1,103	28,565,705	198,017	87,944,900	147,510,729	39,470	(1,032,128)	234,462,971
Right-of-use assets – operating leases	8,516,148	427,159	8,975,835	447,578	15,922,240	-	-	-	15,922,240
TOTAL ASSETS	<u>\$15,063,561</u>	<u>\$ 4,609,744</u>	<u>\$ 98,180,013</u>	<u>\$ 16,942,107</u>	<u>\$ 293,695,053</u>	<u>\$ 269,804,570</u>	<u>\$ 5,689,305</u>	<u>\$(105,999,658)</u>	<u>\$ 463,189,270</u>
CURRENT LIABILITIES:									
Accounts payable	\$ 85,571	\$ 37,026	\$ 1,680,016	\$ 3,512,075	\$ 20,946,931	\$ -	\$ 87,880	\$ -	\$ 21,034,811
Accrued expenses and other liabilities	849,328	101,427	6,414,073	1,128,900	16,466,862	3,306,113	5,414	-	19,778,389
Deferred revenue	137	562,500	1,582,176	-	4,743,057	-	-	-	4,743,057
Line of credit	-	-	-	10,000,000	10,000,000	-	-	-	10,000,000
Debt, current	-	-	538,016	-	708,889	2,455,000	-	-	3,163,889
Lease liabilities - operating leases, current	437,218	116,509	563,946	148,560	2,542,595	-	-	-	2,542,595
Intercompany payable	143,640	11,004	3,497,147	17,628,076	66,594,196	29,472,480	3,292,331	(99,359,007)	-
Total current liabilities	1,515,894	828,466	14,275,374	32,417,611	122,002,530	35,233,593	3,385,625	(99,359,007)	61,262,741
LONG-TERM LIABILITIES:									
Deferred rent	-	-	166,532	-	5,608,523	-	-	(5,608,523)	-
Debt, net	-	-	12,906,050	(1,200)	20,444,665	218,565,792	-	-	239,010,457
Lease liabilities - operating leases, net	9,039,044	326,853	9,386,509	305,499	14,523,082	-	-	-	14,523,082
Total liabilities	10,554,938	1,155,319	36,734,465	32,721,910	162,578,800	253,799,385	3,385,625	(104,967,530)	314,796,280
NET ASSETS:									
Without donor restrictions	3,131,259	3,454,425	43,571,388	(15,781,330)	78,773,727	16,005,185	1,704,555	(1,032,128)	95,451,339
With donor restrictions	1,377,364	-	17,874,160	1,527	52,342,526	-	599,125	-	52,941,651
Total net assets	4,508,623	3,454,425	61,445,548	(15,779,803)	131,116,253	16,005,185	2,303,680	(1,032,128)	148,392,990
TOTAL LIABILITIES AND NET ASSETS	<u>\$15,063,561</u>	<u>\$ 4,609,744</u>	<u>\$ 98,180,013</u>	<u>\$ 16,942,107</u>	<u>\$ 293,695,053</u>	<u>\$ 269,804,570</u>	<u>\$ 5,689,305</u>	<u>\$(105,999,658)</u>	<u>\$ 463,189,270</u>

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2023

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	Aspire Monarch Academy	Aspire Lionel Wilson College Prep Academy	Aspire East Palo Alto Charter School	Aspire Triumph Technology Academy	Aspire Berkley Maynard Academy	Aspire Richmond California College Prep Academy	Aspire Richmond Technology Academy	Aspire Golden State College Prep Academy	Aspire College Academy
NET ASSETS WITHOUT DONOR RESTRICTIONS:									
SUPPORT, REVENUE AND GAINS:									
Private grants and contributions	\$ -	\$ -	\$ 46	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal revenue	989,399	1,046,774	2,220,081	834,294	1,065,249	1,417,011	1,230,073	2,035,071	906,259
California state revenue:									
State aid portion of general purpose funding	3,215,155	3,999,698	2,568,434	2,001,949	3,844,923	5,254,881	4,411,786	3,853,633	1,722,959
All other state revenue	866,016	1,389,955	1,872,301	912,105	829,750	813,960	917,487	1,653,872	1,121,323
Local revenue:									
Cash in-lieu of property taxes	1,192,601	1,381,941	3,705,193	699,288	1,569,803	1,909,758	1,682,763	1,338,555	606,198
Interest income	-	-	38,736	-	-	-	-	-	-
All other local revenue	54,767	423,685	59,198	43,648	188,538	164,582	154,407	314,552	61,883
Other revenues	-	30,171	3,372	-	18,012	100	8,691	-	355
Subtotal	6,317,938	8,272,224	10,467,361	4,491,284	7,516,275	9,560,292	8,405,207	9,195,683	4,418,977
Net assets released from restrictions	1,389,705	1,128,051	2,480,168	1,327,576	2,018,752	1,571,007	2,202,434	1,294,507	1,261,342
Total support, revenue and gains	<u>7,707,643</u>	<u>9,400,275</u>	<u>12,947,529</u>	<u>5,818,860</u>	<u>9,535,027</u>	<u>11,131,299</u>	<u>10,607,641</u>	<u>10,490,190</u>	<u>5,680,319</u>
EXPENSES AND LOSSES:									
PROGRAM EXPENSES:									
Educational programs	<u>7,054,960</u>	<u>8,257,743</u>	<u>11,018,204</u>	<u>5,274,131</u>	<u>9,249,385</u>	<u>9,783,918</u>	<u>9,497,280</u>	<u>9,424,304</u>	<u>4,910,823</u>
SUPPORTING SERVICES:									
Site support	-	-	-	-	-	-	-	-	-
Development and expansion	-	-	-	-	-	-	-	-	-
Fundraising	-	-	-	-	-	-	-	-	-
Administration and general	-	-	-	-	-	-	-	-	-
Cost allocations	907,368	1,041,472	1,291,103	593,799	1,065,931	1,150,023	1,109,781	1,056,249	558,297
Total supporting services	<u>907,368</u>	<u>1,041,472</u>	<u>1,291,103</u>	<u>593,799</u>	<u>1,065,931</u>	<u>1,150,023</u>	<u>1,109,781</u>	<u>1,056,249</u>	<u>558,297</u>
Total expenses	<u>7,962,328</u>	<u>9,299,215</u>	<u>12,309,307</u>	<u>5,867,930</u>	<u>10,315,316</u>	<u>10,933,941</u>	<u>10,607,061</u>	<u>10,480,553</u>	<u>5,469,120</u>
TRANSFERS BETWEEN AFFILIATES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Increase (Decrease) in Net Assets without Donor Restrictions	<u>(254,685)</u>	<u>101,060</u>	<u>638,222</u>	<u>(49,070)</u>	<u>(780,289)</u>	<u>197,358</u>	<u>580</u>	<u>9,637</u>	<u>211,199</u>
NET ASSETS WITH DONOR RESTRICTIONS:									
Private grants and contributions	-	-	-	-	-	-	-	-	-
State revenue	2,519,565	2,189,645	3,676,528	1,959,081	6,967,985	2,625,966	3,200,840	2,285,992	1,565,141
Interfund transfers	(91,247)	(104,147)	(123,178)	(56,940)	(119,667)	(136,525)	(126,166)	(101,846)	(47,232)
Net assets released from restrictions	<u>(1,389,705)</u>	<u>(1,128,051)</u>	<u>(2,480,168)</u>	<u>(1,327,576)</u>	<u>(2,018,752)</u>	<u>(1,571,007)</u>	<u>(2,202,434)</u>	<u>(1,294,507)</u>	<u>(1,261,342)</u>
Increase (Decrease) in Net Assets with Donor Restrictions	<u>1,038,613</u>	<u>957,447</u>	<u>1,073,182</u>	<u>574,565</u>	<u>4,829,566</u>	<u>918,434</u>	<u>872,240</u>	<u>889,639</u>	<u>256,567</u>
INCREASE (DECREASE) IN NET ASSETS	<u>783,928</u>	<u>1,058,507</u>	<u>1,711,404</u>	<u>525,495</u>	<u>4,049,277</u>	<u>1,115,792</u>	<u>872,820</u>	<u>899,276</u>	<u>467,766</u>
NET ASSETS - Beginning of Year	<u>2,445,633</u>	<u>3,697,863</u>	<u>2,554,391</u>	<u>1,554,408</u>	<u>3,776,865</u>	<u>2,299,168</u>	<u>1,566,710</u>	<u>6,683,030</u>	<u>1,049,350</u>
NET ASSETS - End of Year	<u>\$ 3,229,561</u>	<u>\$ 4,756,370</u>	<u>\$ 4,265,795</u>	<u>\$ 2,079,903</u>	<u>\$ 7,826,142</u>	<u>\$ 3,414,960</u>	<u>\$ 2,439,530</u>	<u>\$ 7,582,306</u>	<u>\$ 1,517,116</u>

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF ACTIVITIES YEAR ENDED JUNE 30, 2023

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	Bay Area Regional Office	Total Bay Area Region	Aspire Vincent Shalvey Academy	Aspire University Charter School	Aspire Summit Charter Academy	Aspire River Oaks Charter School	Aspire Benjamin Holt College Prep Academy	Aspire Benjamin Holt Middle School	Aspire Capitol Heights Academy	Aspire Rosa Parks Academy
NET ASSETS WITHOUT DONOR RESTRICTIONS:										
SUPPORT, REVENUE AND GAINS:										
Private grants and contributions	\$ -	\$ 46	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal revenue	-	11,744,211	454,582	944,906	846,400	628,354	740,254	502,762	384,189	698,295
California state revenue:										
State aid portion of general purpose funding	-	30,873,418	3,311,378	4,358,661	3,471,845	3,993,752	5,875,987	4,272,772	1,431,540	3,805,851
All other state revenue	-	10,376,769	413,093	994,442	1,045,469	738,212	672,371	660,649	652,220	947,392
Local revenue:										
Cash in-lieu of property taxes	-	14,086,100	977,905	540,819	388,029	986,661	1,508,915	1,255,954	437,669	572,222
Interest income	-	38,736	5,134	3,399	1,267	7,144	6,454	7,177	-	6,882
All other local revenue	-	1,465,260	35,185	24,225	-	25,351	-	3,245	-	33,341
Other revenues	-	60,701	5,023	-	3,062	16,197	33,779	12,266	-	2,455
Subtotal	-	68,645,241	5,202,300	6,866,452	5,756,072	6,395,671	8,837,760	6,714,825	2,905,618	6,066,438
Net assets released from restrictions	-	14,673,542	698,409	554,690	939,196	962,544	835,405	415,705	1,226,402	587,774
Total support, revenue and gains	-	83,318,783	5,900,709	7,421,142	6,695,268	7,358,215	9,673,165	7,130,530	4,132,020	6,654,212
EXPENSES AND LOSSES:										
PROGRAM EXPENSES:										
Educational programs	2,972,845	77,443,593	5,168,377	6,409,384	6,073,963	6,483,209	8,702,733	5,876,726	4,998,636	5,907,208
SUPPORTING SERVICES:										
Site support	37,354	37,354	-	-	-	-	-	-	-	-
Development and expansion	-	-	-	-	-	-	-	-	-	-
Fundraising	-	-	-	-	-	-	-	-	-	-
Administration and general	37,354	37,354	-	-	-	-	-	-	-	-
Cost allocations	(3,659,933)	5,114,090	754,009	923,621	784,666	952,581	1,154,946	894,478	545,295	928,441
Total supporting services	(3,585,225)	5,188,798	754,009	923,621	784,666	952,581	1,154,946	894,478	545,295	928,441
Total expenses	(612,380)	82,632,391	5,922,386	7,333,005	6,858,629	7,435,790	9,857,679	6,771,204	5,543,931	6,835,649
TRANSFERS BETWEEN AFFILIATES	-	-	-	-	-	-	-	-	774,408	-
Increase (Decrease) in Net Assets without Donor Restrictions	612,380	686,392	(21,677)	88,137	(163,361)	(77,575)	(184,514)	359,326	(637,503)	(181,437)
NET ASSETS WITH DONOR RESTRICTIONS:										
Private grants and contributions	-	-	-	-	-	-	-	-	-	-
State revenue	-	26,990,743	1,582,242	1,903,627	1,970,191	2,204,326	1,655,117	1,364,935	1,113,890	2,012,827
Interfund transfers	-	(906,948)	(103,756)	(96,579)	(84,624)	(105,351)	(158,754)	(133,279)	(41,988)	(88,981)
Net assets released from restrictions	-	(14,673,542)	(698,409)	(554,690)	(939,196)	(962,544)	(835,405)	(415,705)	(1,226,402)	(587,774)
Increase (Decrease) in Net Assets with Donor Restrictions	-	11,410,253	780,077	1,252,358	946,371	1,136,431	660,958	815,951	(154,500)	1,336,072
INCREASE (DECREASE) IN NET ASSETS	612,380	12,096,645	758,400	1,340,495	783,010	1,058,856	476,444	1,175,277	(792,003)	1,154,635
NET ASSETS - Beginning of Year	1,232,629	26,860,047	2,444,052	2,512,147	2,136,154	2,977,834	3,235,655	3,453,092	(1,641,595)	8,369,935
NET ASSETS - End of Year	\$ 1,845,009	\$ 38,956,692	\$ 3,202,452	\$ 3,852,642	\$ 2,919,164	\$ 4,036,690	\$ 3,712,099	\$ 4,628,369	\$ (2,433,598)	\$ 9,524,570

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF ACTIVITIES YEAR ENDED JUNE 30, 2023

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	Aspire Langston Hughes Academy	Aspire Port City Academy	Aspire Vanguard College Prep Academy	Aspire Alexander Twilight College Prep Academy	Aspire Alexander Twilight Secondary Academy	Aspire APEX Academy	Aspire Arts & Sciences Academy	Aspire Stockton Secondary Academy	Central Valley Regional Office	Total Central Valley Region
NET ASSETS WITHOUT DONOR RESTRICTIONS:										
SUPPORT, REVENUE AND GAINS:										
Private grants and contributions	\$ -	\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000
Federal revenue	1,609,057	1,194,930	1,255,276	1,797,615	1,134,129	928,212	389,684	500,109	194,071	14,202,825
California state revenue:										
State aid portion of general purpose funding	7,022,688	4,056,324	4,698,357	3,111,336	3,833,952	2,780,227	1,661,898	1,401,463	-	59,088,031
All other state revenue	1,272,258	890,687	1,159,323	893,859	823,285	681,183	303,631	74,825	-	12,222,899
Local revenue:										
Cash in-lieu of property taxes	1,163,600	654,941	1,772,598	1,097,198	1,289,062	435,733	246,119	211,188	-	13,538,613
Interest income	9,311	6,049	5,018	-	-	5,362	48,813	1,715	-	113,725
All other local revenue	40,375	38,127	32,300	8,598	2,839	52,351	3,702	83,309	-	382,948
Other revenues	47,406	2,155	17,321	4,391	16,751	6,234	4,684	2,799	-	174,523
Subtotal	11,164,695	6,843,213	8,940,193	6,962,997	7,100,018	4,889,302	2,658,531	2,275,408	194,071	99,773,564
Net assets released from restrictions	1,234,180	1,263,220	1,077,303	1,141,517	891,338	1,107,044	292,763	310,215	-	13,537,705
Total support, revenue and gains	12,398,875	8,106,433	10,017,496	8,104,514	7,991,356	5,996,346	2,951,294	2,585,623	194,071	113,311,269
EXPENSES AND LOSSES:										
PROGRAM EXPENSES:										
Educational programs	10,747,653	7,110,804	8,632,896	7,482,882	7,133,095	6,575,999	3,313,495	4,325,503	4,776,147	109,718,710
SUPPORTING SERVICES:										
Site support	-	-	-	-	-	-	-	-	109,816	109,816
Development and expansion	-	-	-	-	-	-	-	-	-	-
Fundraising	-	-	-	-	-	-	-	-	-	-
Administration and general	-	-	-	-	-	-	-	-	109,816	109,816
Cost allocations	1,415,548	875,177	1,124,117	883,030	947,968	658,277	456,320	254,799	(5,231,762)	8,321,511
Total supporting services	1,415,548	875,177	1,124,117	883,030	947,968	658,277	456,320	254,799	(5,012,130)	8,541,143
Total expenses	12,163,201	7,985,981	9,757,013	8,365,912	8,081,063	7,234,276	3,769,815	4,580,302	(235,983)	118,259,853
TRANSFERS BETWEEN AFFILIATES	(1,587,068)	45,570	-	115,652	119,783	-	450,000	-	-	(81,655)
Increase (Decrease) in Net Assets without Donor Restrictions	(1,351,394)	166,022	260,483	(145,746)	30,076	(1,237,930)	(368,521)	(1,994,679)	430,054	(5,030,239)
NET ASSETS WITH DONOR RESTRICTIONS:										
Private grants and contributions	-	-	-	-	-	-	-	-	-	-
State revenue	2,329,419	1,920,352	1,974,560	2,210,397	1,820,358	1,463,399	449,112	410,359	-	26,385,111
Interfund transfers	(179,198)	(103,129)	(138,484)	(99,383)	(116,954)	(69,386)	(39,259)	(33,748)	-	(1,592,853)
Net assets released from restrictions	(1,234,180)	(1,263,220)	(1,077,303)	(1,141,517)	(891,338)	(1,107,044)	(292,763)	(310,215)	-	(13,537,705)
Increase (Decrease) in Net Assets with Donor Restrictions	916,041	554,003	758,773	969,497	812,066	286,969	117,090	66,396	-	11,254,553
INCREASE (DECREASE) IN NET ASSETS	(435,353)	720,025	1,019,256	823,751	842,142	(950,961)	(251,431)	(1,928,283)	430,054	6,224,314
NET ASSETS - Beginning of Year	6,423,279	3,112,391	2,087,561	1,617,553	2,632,143	1,127,608	(446,597)	(206,971)	435,261	40,269,502
NET ASSETS - End of Year	\$ 5,987,926	\$ 3,832,416	\$ 3,106,817	\$ 2,441,304	\$ 3,474,285	\$ 176,647	\$ (698,028)	\$ (2,135,254)	\$ 865,315	\$ 46,493,816

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF ACTIVITIES YEAR ENDED JUNE 30, 2023

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	Aspire Antonio Maria Lugo Academy	Aspire Ollin College Prep Academy	Aspire Junior Collegiate Academy	Aspire Titan Academy	Aspire Pacific Academy	Aspire Firestone Academy	Aspire Gateway Academy	Aspire Tate Academy	Aspire Inskeep Academy	Aspire Slauson Academy
NET ASSETS WITHOUT DONOR RESTRICTIONS:										
SUPPORT, REVENUE AND GAINS:										
Private grants and contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal revenue	1,509,401	1,768,613	863,234	1,009,247	1,844,651	1,946,565	1,994,846	1,703,598	1,467,264	1,584,730
California state revenue:										
State aid portion of general purpose funding	3,561,829	5,363,457	2,737,708	2,693,311	4,998,368	2,839,923	2,825,128	2,918,820	2,816,838	2,632,644
All other state revenue	614,051	371,156	686,686	616,978	1,144,054	952,852	1,099,016	642,455	808,930	618,242
Local revenue:										
Cash in-lieu of property taxes	1,340,967	1,792,153	1,022,018	1,006,935	1,717,862	1,064,881	1,059,655	1,098,309	1,064,881	980,628
Interest income	-	-	-	-	-	-	-	-	-	-
All other local revenue	26,898	-	-	-	14,114	-	-	-	-	-
Other revenues	4,390	39,452	424	-	21,596	241	12,151	-	-	-
Subtotal	7,057,536	9,334,831	5,310,070	5,326,471	9,740,645	6,804,462	6,990,796	6,363,182	6,157,913	5,816,244
Net assets released from restrictions	1,510,252	1,730,551	753,330	1,225,164	1,482,662	1,574,845	1,274,623	1,221,943	1,033,459	870,573
Total support, revenue and gains	8,567,788	11,065,382	6,063,400	6,551,635	11,223,307	8,379,307	8,265,419	7,585,125	7,191,372	6,686,817
EXPENSES AND LOSSES:										
PROGRAM EXPENSES:										
Educational programs	8,192,128	9,976,953	5,094,054	5,735,139	9,547,115	6,965,767	6,769,423	6,362,432	5,789,374	5,576,103
SUPPORTING SERVICES:										
Site support	-	-	-	-	-	-	-	-	-	-
Development and expansion	-	-	-	-	-	-	-	-	-	-
Fundraising	-	-	-	-	-	-	-	-	-	-
Administration and general	-	-	-	-	-	-	-	-	-	-
Cost allocations	993,068	1,245,838	772,907	751,646	1,235,033	873,543	864,090	870,066	859,476	782,476
Total supporting services	993,068	1,245,838	772,907	751,646	1,235,033	873,543	864,090	870,066	859,476	782,476
Total expenses	9,185,196	11,222,791	5,866,961	6,486,785	10,782,148	7,839,310	7,633,513	7,232,498	6,648,850	6,358,579
TRANSFERS BETWEEN AFFILIATES	-	-	-	-	-	-	-	-	-	-
Increase (Decrease) in Net Assets without Donor Restrictions	(617,408)	(157,409)	196,439	64,850	441,159	539,997	631,906	352,627	542,522	328,238
NET ASSETS WITH DONOR RESTRICTIONS:										
Private grants and contributions	-	-	-	-	-	-	-	-	-	-
State revenue	2,831,162	3,022,756	1,964,808	2,332,237	2,657,468	2,259,270	2,205,979	2,976,812	2,139,343	2,170,228
Interfund transfers	(97,857)	(129,060)	(74,841)	(73,289)	(122,371)	(77,239)	(77,533)	(78,740)	(76,126)	(69,946)
Net assets released from restrictions	(1,510,252)	(1,730,551)	(753,330)	(1,225,164)	(1,482,662)	(1,574,845)	(1,274,623)	(1,221,943)	(1,033,459)	(870,573)
Increase (Decrease) in Net Assets with Donor Restrictions	1,223,053	1,163,145	1,136,637	1,033,784	1,052,435	607,186	853,823	1,676,129	1,029,758	1,229,709
INCREASE (DECREASE) IN NET ASSETS	605,645	1,005,736	1,333,076	1,098,634	1,493,594	1,147,183	1,485,729	2,028,756	1,572,280	1,557,947
NET ASSETS - Beginning of Year	8,582,648	10,991,869	2,922,178	2,676,450	4,022,753	2,313,652	2,796,187	1,881,816	1,805,272	2,161,095
NET ASSETS - End of Year	\$ 9,188,293	\$ 11,997,605	\$ 4,255,254	\$ 3,775,084	\$ 5,516,347	\$ 3,460,835	\$ 4,281,916	\$ 3,910,572	\$ 3,377,552	\$ 3,719,042

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF ACTIVITIES YEAR ENDED JUNE 30, 2023

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	Aspire Centennial College Prep Academy	LA Regional Office	Total LA Region	National Office	Total Aspire Public Schools	CFC, Inc.	Aspire Foundation	Eliminations	Total Consolidated
NET ASSETS WITHOUT DONOR RESTRICTIONS:									
SUPPORT, REVENUE AND GAINS:									
Private grants and contributions	\$ -	\$ -	\$ -	\$ 2,500	\$ 52,546	\$ -	\$ 1,786,291	\$ -	\$ 1,838,837
Federal revenue	1,618,605	-	17,310,754	57,656	43,315,446	-	-	-	43,315,446
California state revenue:									
State aid portion of general purpose funding	4,156,400	-	37,544,426	-	127,505,875	-	-	-	127,505,875
All other state revenue	1,090,236	-	8,644,656	(1,578)	31,242,746	-	-	-	31,242,746
Local revenue:									
Cash in-lieu of property taxes	1,536,342	-	13,684,631	-	41,309,344	-	-	-	41,309,344
Interest income	-	-	-	632,476	784,937	2,037,880	-	-	2,822,817
All other local revenue	-	1,222	42,234	726,806	2,617,248	-	5,890	-	2,623,138
Other revenues	10,510	-	88,764	5,852	329,840	13,008,980	68,527	(13,008,980)	398,367
Subtotal	8,412,093	1,222	77,315,465	1,423,712	247,157,982	15,046,860	1,860,708	(13,008,980)	251,056,570
Net assets released from restrictions	713,567	-	13,390,969	4,775,200	46,377,416	-	709,228	-	47,086,644
Total support, revenue and gains	9,125,660	1,222	90,706,434	6,198,912	293,535,398	15,046,860	2,569,936	(13,008,980)	298,143,214
EXPENSES AND LOSSES:									
PROGRAM EXPENSES:									
Educational programs	7,662,588	3,072,883	80,743,959	7,938,855	275,845,117	12,641,481	339,145	(13,008,980)	275,816,763
SUPPORTING SERVICES:									
Site support	-	119,394	119,394	12,539,310	12,805,874	-	-	-	12,805,874
Development and expansion	-	-	-	569,455	569,455	-	-	-	569,455
Fundraising	-	-	-	-	-	-	3,124,214	-	3,124,214
Administration and general	-	119,393	119,393	3,847,037	4,113,600	-	385,056	-	4,498,656
Cost allocations	1,050,035	(4,115,609)	6,182,569	(19,618,170)	-	-	-	-	-
Total supporting services	1,050,035	(3,876,822)	6,421,356	(2,662,368)	17,488,929	-	3,509,270	-	20,998,199
Total expenses	8,712,623	(803,939)	87,165,315	5,276,487	293,334,046	12,641,481	3,848,415	(13,008,980)	296,814,962
TRANSFERS BETWEEN AFFILIATES	-	-	-	(1,256,052)	(1,337,707)	1,337,707	-	-	-
Increase (Decrease) in Net Assets without Donor Restrictions	413,037	805,161	3,541,119	(333,627)	(1,136,355)	3,743,086	(1,278,479)	-	1,328,252
NET ASSETS WITH DONOR RESTRICTIONS:									
Private grants and contributions	-	-	-	-	-	-	1,008,000	-	1,008,000
State revenue	1,846,271	-	26,406,334	1,578	79,783,766	-	-	-	79,783,766
Interfund transfers	(110,893)	-	(987,895)	3,487,696	-	-	-	-	-
Net assets released from restrictions	(713,567)	-	(13,390,969)	(4,775,200)	(46,377,416)	-	(709,228)	-	(47,086,644)
Increase (Decrease) in Net Assets with Donor Restrictions	1,021,811	-	12,027,470	(1,285,926)	33,406,350	-	298,772	-	33,705,122
INCREASE (DECREASE) IN NET ASSETS	1,434,848	805,161	15,568,589	(1,619,553)	32,269,995	3,743,086	(979,707)	-	35,033,374
NET ASSETS - Beginning of Year	3,073,775	2,649,264	45,876,959	(14,160,250)	98,846,258	12,262,099	3,283,387	(1,032,128)	113,359,616
NET ASSETS - End of Year	\$ 4,508,623	\$ 3,454,425	\$ 61,445,548	\$ (15,779,803)	\$ 131,116,253	\$ 16,005,185	\$ 2,303,680	\$ (1,032,128)	\$ 148,392,990

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES YEAR ENDED JUNE 30, 2023

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	Program Expenses								
	Aspire Monarch Academy	Aspire Lionel Wilson College Prep Academy	Aspire East Palo Alto Charter School	Aspire Triumph Technology Academy	Aspire Berkley Maynard Academy	Richmond California College Prep Academy	Aspire Richmond Technology Academy	Aspire Golden State College Prep Academy	Aspire College College Academy
Salaries and wages	\$ 3,482,008	\$ 4,362,759	\$ 5,416,635	\$ 2,797,972	\$ 5,198,376	\$ 5,780,817	\$ 4,765,459	\$ 4,986,079	\$ 2,465,374
Employee benefits	1,199,919	1,311,794	1,741,173	911,010	1,667,022	1,554,962	1,228,057	1,442,400	748,224
Books and supplies	273,121	392,640	394,967	233,800	391,487	276,458	358,222	380,112	188,726
Rents and occupancy	733,550	1,026,738	1,059,209	534,932	821,325	1,126,140	1,046,879	1,085,098	614,200
Professional services	1,312,823	1,066,628	2,205,407	787,707	1,136,578	973,789	1,865,221	1,311,316	882,422
Bonds and loan interest	-	-	-	-	-	386	386	-	-
Depreciation and amortization	44,101	62,848	180,461	1,591	6,436	27,592	222,447	176,012	-
Travel and meetings	8,354	26,514	20,352	6,951	28,122	43,109	10,369	39,146	11,637
Other expenses	1,084	7,822	-	168	39	665	240	4,141	240
Total	<u>\$ 7,054,960</u>	<u>\$ 8,257,743</u>	<u>\$ 11,018,204</u>	<u>\$ 5,274,131</u>	<u>\$ 9,249,385</u>	<u>\$ 9,783,918</u>	<u>\$ 9,497,280</u>	<u>\$ 9,424,304</u>	<u>\$ 4,910,823</u>

	Program Expenses									
	Bay Area Regional Office	Total Bay Area Region	Aspire Vincent Shalvey Academy	Aspire University Charter School	Aspire Summit Charter Academy	Aspire River Oaks Charter School	Aspire Benjamin Holt College Prep Academy	Aspire Benjamin Holt Middle School	Aspire Capitol Heights Academy	Aspire Rosa Parks Academy
Salaries and wages	\$ 1,832,170	\$ 41,087,649	\$ 2,948,894	\$ 3,530,659	\$ 3,484,387	\$ 3,264,242	\$ 4,570,611	\$ 3,211,374	\$ 1,952,090	\$ 3,057,465
Employee benefits	623,286	12,427,847	1,034,551	1,042,262	1,072,218	1,118,327	1,535,189	1,217,519	559,439	973,923
Books and supplies	104,029	2,993,562	275,993	396,994	265,885	453,117	419,020	280,985	317,736	433,386
Rents and occupancy	-	8,048,071	487,239	807,013	609,055	834,551	1,377,419	753,799	1,204,401	383,256
Professional services	347,739	11,889,630	312,395	524,364	602,123	732,407	689,760	367,754	781,810	578,699
Bonds and loan interest	-	772	-	55,399	-	-	-	-	-	60,922
Depreciation and amortization	-	721,488	69,498	34,887	31,047	71,685	72,839	30,991	66,781	401,614
Travel and meetings	59,011	253,565	34,432	17,806	9,448	8,880	37,895	14,304	17,340	17,943
Other expenses	6,610	21,009	5,375	-	(200)	-	-	-	99,039	-
Total	\$ 2,972,845	\$ 77,443,593	\$ 5,168,377	\$ 6,409,384	\$ 6,073,963	\$ 6,483,209	\$ 8,702,733	\$ 5,876,726	\$ 4,998,636	\$ 5,907,208

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES YEAR ENDED JUNE 30, 2023

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	Program Expenses									
	Aspire Langston Hughes Academy	Aspire Port City Academy	Aspire Vanguard College Prep Academy	Aspire Alexander Twilight College Prep	Alexander Twilight Secondary Academy	Aspire APEX Academy	Aspire Arts & Sciences Academy	Aspire Stockton Secondary Academy	Central Valley Regional Office	Total Central Valley Region
Salaries and wages	\$ 5,447,852	\$ 3,987,373	\$ 4,580,358	\$ 3,873,949	\$ 3,540,846	\$ 2,697,423	\$ 1,596,045	\$ 1,428,631	\$ 2,600,126	\$ 55,772,325
Employee benefits	1,781,741	1,328,184	1,627,645	1,213,670	1,186,701	923,251	409,312	371,722	920,855	18,316,509
Books and supplies	824,364	460,581	511,438	571,341	500,098	736,058	501,227	446,187	276,793	7,671,203
Rents and occupancy	1,556,626	828,083	1,084,469	804,587	1,035,195	1,423,872	631,109	1,790,463	-	15,611,137
Professional services	956,550	441,017	695,710	903,817	723,204	748,990	151,567	253,934	537,272	10,001,373
Bonds and loan interest	-	9,447	-	4,642	6,232	-	-	-	-	136,642
Depreciation and amortization	77,662	33,426	54,038	48,096	41,533	20,454	16,216	18,269	-	1,089,036
Travel and meetings	97,499	22,693	70,717	62,134	98,608	25,951	7,980	16,170	441,046	1,000,846
Other expenses	5,359	-	8,521	646	678	-	39	127	55	119,639
Total	<u>\$ 10,747,653</u>	<u>\$ 7,110,804</u>	<u>\$ 8,632,896</u>	<u>\$ 7,482,882</u>	<u>\$ 7,133,095</u>	<u>\$ 6,575,999</u>	<u>\$ 3,313,495</u>	<u>\$ 4,325,503</u>	<u>\$ 4,776,147</u>	<u>\$ 109,718,710</u>

	Program Expenses									
	Aspire Antonio Maria Lugo Academy	Aspire Ollin College Prep Academy	Aspire Junior Collegiate Academy	Aspire Titan Academy	Aspire Pacific Academy	Aspire Firestone Academy	Aspire Gateway Academy	Aspire Tate Academy	Aspire Inskeep Academy	Aspire Slauson Academy
Salaries and wages	\$ 4,155,202	\$ 5,528,104	\$ 2,855,872	\$ 3,268,188	\$ 5,515,829	\$ 4,061,757	\$ 3,823,303	\$ 3,547,422	\$ 3,413,801	\$ 3,203,929
Employee benefits	1,433,764	1,879,910	830,540	956,734	1,736,904	1,442,918	1,356,900	1,295,229	1,105,073	1,112,593
Books and supplies	443,166	501,172	254,812	199,520	590,228	366,602	355,146	352,979	497,337	331,577
Rents and occupancy	209,694	350,927	610,270	581,187	978,527	378,010	328,607	255,655	265,210	248,959
Professional services	914,807	974,782	442,512	695,206	639,284	701,117	879,839	873,403	416,615	624,410
Bonds and loan interest	514,985	139,935	-	-	-	-	-	-	-	-
Depreciation and amortization	486,588	587,788	65,375	28,083	30,170	11,655	7,433	18,209	14,564	8,046
Travel and meetings	33,592	13,931	34,673	6,221	56,133	3,708	18,195	19,535	76,774	46,039
Other expenses	330	404	-	-	40	-	-	-	-	550
Total	<u>\$ 8,192,128</u>	<u>\$ 9,976,953</u>	<u>\$ 5,094,054</u>	<u>\$ 5,735,139</u>	<u>\$ 9,547,115</u>	<u>\$ 6,965,767</u>	<u>\$ 6,769,423</u>	<u>\$ 6,362,432</u>	<u>\$ 5,789,374</u>	<u>\$ 5,576,103</u>

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES YEAR ENDED JUNE 30, 2023

Page 3 of 3

	Program Expenses								
	Aspire Centennial College Prep Academy	LA Regional Office	Total LA Region	National Office	Aspire Public Schools Program Expenses	CFC Inc.	Aspire Foundation	Eliminations	Total Program Expenses
Salaries and wages	\$ 4,446,596	\$ 1,951,247	\$ 45,771,250	\$ 4,548,141	\$ 147,179,365	\$ -	\$ -	\$ -	\$ 147,179,365
Employee benefits	1,269,795	574,820	14,995,180	1,737,003	47,476,539	-	-	-	47,476,539
Books and supplies	398,422	132,703	4,423,664	251,308	15,339,737	-	-	-	15,339,737
Rents and occupancy	672,578	-	4,879,624	2,032	28,540,864	-	-	(13,008,980)	15,531,884
Professional services	805,921	228,954	8,196,850	715,745	30,803,598	-	-	-	30,803,598
Bonds and loan interest	-	-	654,920	1,273	793,607	7,159,234	-	-	7,952,841
Depreciation and amortization	49,649	-	1,307,560	1,813	3,119,897	5,434,032	-	-	8,553,929
Travel and meetings	19,494	184,581	512,876	243,799	2,011,086	-	341,285	-	2,352,371
Other expenses	133	578	2,035	437,741	580,424	48,215	(2,140)	-	626,499
Total	\$ 7,662,588	\$ 3,072,883	\$ 80,743,959	\$ 7,938,855	\$ 275,845,117	\$ 12,641,481	\$ 339,145	\$(13,008,980)	\$ 275,816,763

	Supporting Services									
	Aspire Foundation			Aspire Public Schools						
	Fundraising	Administrative and general	Total Aspire Foundation Supporting Services	Site support	Development and expansion	Administrative and general	Total Aspire Public Schools Supporting Services	CFC Inc	Eliminations	Total Supporting Services
Salaries and wages	\$ 1,373,531	\$ 152,615	\$ 1,526,146	\$ 5,872,807	\$ 258,351	\$ 1,685,374	\$ 7,816,532	\$ -	\$ -	\$ 9,342,678
Employee benefits	438,897	48,766	487,663	2,455,404	96,509	703,207	3,255,120	-	-	3,742,783
Books and supplies	456,298	50,700	506,998	1,138,408	49,246	325,281	1,512,935	-	-	2,019,933
Rents and occupancy	207,804	23,089	230,893	598,806	-	598,806	1,197,612	-	-	1,428,505
Professional services	647,684	71,965	719,649	1,810,510	129,608	517,290	2,457,408	-	-	3,177,057
Bonds and loan interest	-	-	-	8,908	-	2,545	11,453	-	-	11,453
Depreciation and amortization	-	-	-	25,650	-	25,650	51,300	-	-	51,300
Travel and meetings	-	37,921	37,921	207,574	33,798	59,331	300,703	-	-	338,624
Other expenses	-	-	-	687,807	1,943	196,116	885,866	-	-	885,866
Total	\$ 3,124,214	\$ 385,056	\$ 3,509,270	\$ 12,805,874	\$ 569,455	\$ 4,113,600	\$ 17,488,929	\$ -	\$ -	\$ 20,998,199

ASPIRE PUBLIC SCHOOLS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2023

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Assistance Listing Number	Pass- Through Entity Identifying Number	Total Federal Expenditures
U.S. Department of Education:			
Replication and Expansion of High-Quality Charter Schools	84.282M	N/A	\$ 372,704
Passed Through California Department of Education (CDE):			
Title I, Part A, Basic Grant	84.010	14329	7,089,740
Special Education Cluster (IDEA):			
Special Education: IDEA Basic Local Assistance, Part B	84.027	13379	2,954,212
Special Education – IDEA Mental Health Services, Part B, Sec 611	84.027A	15321	160,258
Subtotal Special Education Cluster (IDEA)			3,114,470
Education Stabilization Fund (ESF):			
COVID-19 Elementary and Secondary School Emergency Relief Fund (ESSER II)	84.425D	15547	87,293
COVID-19 Elementary and Secondary School Emergency Relief Fund (ESSER III)	84.425U	15559	15,200,085
COVID-19 Elementary and Secondary School Emergency Relief Fund (ESSER III): Learning Loss	84.425U	10155	4,713,647
COVID-19 Elementary and Secondary School Emergency Relief II Fund (Expanded Learning Opportunities (ELO) Grant: ESSER II)	84.425D	15618	1,673,448
COVID-19 Elementary and Secondary School Emergency Relief II Fund (Expanded Learning Opportunities (ELO) Grant: GEER II)	84.425C	15619	384,070
COVID-19 Elementary and Secondary School Emergency Relief III Fund (Expanded Learning Opportunities (ELO) Grant: ESSER III State Reserve Emergency Needs)	84.425D	15620	1,090,895
COVID-19 Elementary and Secondary School Emergency Relief III Fund (Expanded Learning Opportunities (ELO) Grant: ESSER III State Reserve, Learning Loss)	84.425U	15621	1,880,514
Subtotal Education Stabilization Fund (ESF)			25,029,952
ESSA Title III, English Learner Student Program	84.365	14346	442,901
ESSA Title IV, Part B, 21 st Century Community Learning Centers	84.287	14349	1,084,993
Total Dept. of Education Passed Through CDE			36,762,056
Total U.S. Department of Education			37,134,760

The accompanying notes to the schedule of federal awards are an integral part of this schedule.

ASPIRE PUBLIC SCHOOLS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2023

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Assistance Listing Number	Pass- Through Entity Identifying Number	Total Federal Expenditures
U.S. Department of Agriculture:			
Passed Through CDE:			
Child Nutrition Cluster:			
Child Nutrition: National School Lunch Program	10.553	13391	4,530,886
Child Nutrition: School Programs (School Breakfast Basic)	10.555	13390	835,404
Summer Food Service Program for Children (SFSPC)	10.559	13004	67,190
Total Child Nutrition Cluster			<u>5,433,480</u>
Child & Adult Care Food Program	10.558	13666	744,694
Total Dept. of Agriculture Passed Through CDE			<u>6,178,174</u>
Total Expenditures of Federal Awards			<u><u>\$ 43,312,934</u></u>

ASPIRE PUBLIC SCHOOLS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2023

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Aspire Public Schools and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

2. INDIRECT COST RATE

Aspire Public Schools did not elect to use the 10% de minimis indirect cost rate for federal programs.

3. SUBRECIPIENTS

Aspire Public Schools did not provide federal awards to subrecipients during the year ended June 30, 2023.

OTHER INDEPENDENT AUDITOR'S REPORTS

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

**To the Board of Directors
Aspire Public Schools
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 consolidated financial statements of Aspire Public Schools, a non-profit public benefit corporation, and affiliates (collectively, the Organization) which comprise the consolidated statement of financial position as of June 30, 2023, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated December 15, 2023.

Report on Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's consolidated 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 Organization's consolidated 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 consolidated 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* and which are described in the accompanying schedule of findings and questioned costs as items 2023-001 and 2023-002.

The Organization's Response to Findings

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

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 entity'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 Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



**GILBERT CPAs
Sacramento, California**

December 15, 2023

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH APPLICABLE REQUIREMENTS IN ACCORDANCE
WITH 2022-23 GUIDE FOR ANNUAL AUDITS OF K-12 LOCAL
EDUCATION AGENCIES AND STATE COMPLIANCE REPORTING**

**To the Board of Directors
Aspire Public Schools
Oakland, California**

Report on State Compliance

Qualified and Unmodified Opinions

We have audited Aspire Public Schools' (the Organization) compliance with the types of compliance requirements identified as subject to audit in the *2022-23 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, published by the Education Audit Appeals Panel identified in the schedule below for the year ended June 30, 2023.

Qualified Opinion on Transitional Kindergarten and After School and Education Safety Program

In our opinion, except for the noncompliance described in the Basis for Qualified and Unmodified Opinions section of our report, the Organization complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each applicable state program for the year ended June 30, 2023.

Unmodified Opinion on Each of the Other State Programs

In our opinion, the Organization complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the compliance applicable to the Organizations programs identified in the below schedule for the school year ended June 30, 2023.

Basis for Qualified and Unmodified Opinions

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of the *2022-23 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Our responsibilities under those standards, and the *2022-23 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* 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 Organization 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 on compliance for each applicable state program. Our audit does not provide a legal determination of the Organization's compliance with the compliance requirements referred to above.

Matter Giving Rise to Qualified Opinion on Transitional Kindergarten

As described in the accompanying schedule of findings and questioned costs, the Organization did not comply with requirements regarding Transitional Kindergarten as described in finding number 2023-001 for maximum pupil enrollment.

Compliance with such requirements is necessary, in our opinion, for the Organization to comply with the requirements applicable to that program.

Matter Giving Rise to Qualified Opinion on After School and Education Safety Program

As described in the accompanying schedule of findings and questioned costs, the Organization did not comply with requirements regarding After School and Education Safety Program as described in finding number 2023-002 for attendance reporting.

Compliance with such requirements is necessary, in our opinion, for the Organization to comply with the requirements applicable to that program.

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 Organization's State programs.

Auditor's Responsibilities 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 Organization'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 generally accepted auditing standards, *Government Auditing Standards*, and the *2022-23 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 Organization's compliance with the requirements of State Compliance as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the *2022-23 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 Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtained an understanding of the Organization’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 *2022-23 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, but not for the purpose of expressing an opinion of effectiveness of the Organization’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 over compliance that we identified during the audit.

In connection with the requirements referred to above, we selected and tested transactions and records to determine the Organization’s compliance with the applicable programs identified below:

Compliance Requirements	Procedures Performed
SCHOOL DISTRICTS, COUNTY OFFICES OF EDUCATION, AND CHARTER SCHOOLS	
California Clean Energy Jobs Act	Not Applicable
After/Before School Education and Safety Program	Yes
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	Not Applicable
Educator Effectiveness	Yes
Expanded Learning Opportunities Grant (ELO-G)	Not Applicable
Career Technical Education Incentive Grant	Not Applicable
Transitional Kindergarten	Yes
CHARTER SCHOOLS	
Attendance	Yes
Mode of Instruction	Yes
Non-classroom-Based Instruction/Independent Study	Not Applicable
Determination of Funding for Non-Classroom-Based Instruction	Not Applicable
Annual Instructional Minutes – Classroom Based	Yes
Charter School Facility Grant Program	Yes

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are described in the accompanying Schedule of Findings and Questioned Costs as items 2023-001 and 2023-002.

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

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 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 material noncompliance with a type of 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 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 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. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. 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 *2022-23 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Accordingly, this report is not suitable for any other purpose.



**GILBERT CPAs
Sacramento, California**

December 15, 2023

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

**To the Board of Directors
Aspire Public Schools
Oakland, California**

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Aspire Public Schools' (Organization) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the year ended June 30, 2023. The Organization's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance 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 Organization 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 on compliance for each major federal program. Our audit does not provide a legal determination of the Organization'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 Organization's federal programs.

Auditor's Responsibilities 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 Organization'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 generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance 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 Organization's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, 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 Organization'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 Organization'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 Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Organization'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.

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 federal program 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 material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's 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. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. 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 Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink that reads "Gilbert CPAs". The signature is written in a cursive, flowing style.

**GILBERT CPAS
Sacramento, California**

December 15, 2023

FINDINGS AND QUESTIONED COSTS

ASPIRE PUBLIC SCHOOLS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS YEAR ENDED JUNE 30, 2023

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness identified? ☐ Yes ☒ No
- Significant deficiencies identified? ☐ Yes ☒ None Reported

Noncompliance material to financial statements noted? ☐ Yes ☒ No

Federal Awards

Internal control over major programs:

- Material weaknesses identified? ☐ Yes ☒ No
- Significant deficiencies identified? ☐ Yes ☒ None reported

Type of auditor's report issued: Unmodified

Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)? ☐ Yes ☒ No

Identification of major programs:

Name of Federal Program or Cluster

Assistance Listing Number

Child Nutrition: National School Lunch Program
COVID-19 Education Stabilization Fund

10.553
84.425C, 84.425D, 84.425U

Dollar threshold used to distinguish between Type A and Type B programs: \$ 1,299,388

Auditee qualified as low-risk auditee? ☐ Yes ☒ No

State Awards

Internal control over state programs:

- Material weaknesses identified? ☐ Yes ☒ No
- Significant deficiencies identified? ☐ Yes ☒ None reported

Type of auditor's report issued on compliance for state programs: Modified

Any audit findings disclosed that are required to be reported in accordance with Audits of California K-12 Local Education Agencies? ☒ Yes ☐ No

ASPIRE PUBLIC SCHOOLS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS YEAR ENDED JUNE 30, 2023

SECTION II - FINANCIAL STATEMENT FINDINGS

There were no findings for the year ended June 30, 2023.

SECTION III - STATE COMPLIANCE FINDINGS

2023-001. Transitional Kindergarten – CDDC #40000

Criteria:

According to Education Code (EC) Section 48000 (g)(1) a condition of receiving apportionment for pupils in a transitional kindergarten (TK) program pursuant to Education Code Section 46300 is the maintenance of an average transitional kindergarten class enrollment of no more than 24 pupils for each school site.

Condition:

During our testing of transitional kindergarten, we found the TK average class enrollment at Aspire Port City Academy exceeded 24 pupils per class.

Cause:

The Organization did not have sufficient procedures in place to ensure the compliance of TK average class enrollment requirements.

Effect/Questioned Cost:

Per (EC) Section 48000(C) the penalty for an excess of 24 pupils per class for TK is the loss of the kindergarten through grade 3 Local Control Funding Formula grade span adjustment for all TK ADA in the local educational agency.

The second principal apportionments TK ADA for Aspire Port City Academy was 21.14 ADA resulting in a loss of apportionment of \$20,146.42.

Recommendation:

The Organization should ensure procedures are in place to ensure TK average class enrollment does not exceed statutory maximums. We recommend that active enrollment is reviewed on a monthly basis.

Corrective Action Plan/Management's Response:

Moving forward, we will cap the enrollment at 24 students for our lottery drawing.

ASPIRE PUBLIC SCHOOLS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS YEAR ENDED JUNE 30, 2023

2023-002. AFTER SCHOOL AND EDUCATION SAFETY PROGRAM (ASES)– CDDC # 40000

Criteria:

California Education Code Section 8482-8484.6 8483 (a)(1) and (2) Elementary school and middle school or junior high school pupils must participate in the full day of the program, except as allowed by the early release policy. Reported number of pupils served should be supported by written records.

Condition:

Supporting documents for daily attendance records selected as part of our sample did not support the number of students served as reported to the CDE in 6 of 145 sampled days at the following sites: Aspire Langston Hughes Academy and Aspire Alexander Twilight College Preparatory Academy. Additionally, the January 2023-June 2023 monthly attendance records did not support the attendance reported to the California Department of Education for the time period January 2023-June 2023 at the following sites: Aspire Antonio Maria Lugo Academy, Aspire Berkley Maynard Academy, Aspire Richmond California College Preparatory Academy, Aspire Port City Academy, Aspire Titan Academy, Aspire Golden State Preparatory Academy, Aspire Triumph Technology Academy, Aspire East Palo Alto Charter School, Aspire Langston Hughes Academy, Aspire Gateway Academy, Aspire Alexander Twilight College Preparatory Academy, Aspire, Aspire River Oaks Charter School, Aspire Firestone Academy, Aspire Alexander Twilight Secondary Academy, Aspire Ollin University Preparatory Academy, Aspire Rosa Parks Academy, Aspire APEX Academy, Aspire Inskeep Academy, Aspire College Academy, Aspire Centennial College Preparatory Academy, Aspire Slauson Academy, Aspire Pacific Academy, and Aspire Richmond California College Preparatory Academy.

Effect:

The number of students who were claimed for attendance in 6 of 145 sampled days were not accurately supported. Attendance claimed over a six month period was not supported by monthly attendance reports.

Cause:

Manual errors in underlying data for reported program attendance resulted in errors in data submitted for program attendance.

Questioned Cost:

Questioned costs could not be calculated since the funding for this program is based on a pre-approved 3 year grant cycle and is not based on a per-ADA rate.

Recommendation:

This is a repeat of a finding in the previous year audit. We recommend that the Organization adequately train ASES program providers to ensure that reported attendance data is accurate and sufficiently supported. Furthermore, we recommend the Organization perform a secondary review to ensure there are no differences between the recorded attendance data and the supporting records.

ASPIRE PUBLIC SCHOOLS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS YEAR ENDED JUNE 30, 2023

Corrective Action Plan/Management's Response:

The error was caused because the attendance entered into our student information system (SIS) was not syncing properly with our internal platform that generates the monthly reports, resulting in discrepancies. As a result, we will transition away from using the internal platform and utilize an alternative report embedded in our SIS, along with conducting regular checks and training.

SECTION IV - FEDERAL COMPLIANCE FINDINGS

There were no findings for the year ended June 30, 2023.

ASPIRE PUBLIC SCHOOLS

STATUS OF PRIOR YEAR FINDINGS YEAR ENDED JUNE 30, 2023

SECTION V - STATUS OF PRIOR YEAR FINDINGS:

FINANCIAL STATEMENT FINDINGS

Finding & Recommendation	Current Status	Organization Explanation If Not Implemented
2022-001. FINANCIAL CLOSE – CDDC #30000 The financial close and review procedures were not adequate to detect financial statement misstatements in a timely manner. We recommend that the Organization re-define and enhance the financial monitoring procedures for monthly, quarterly, and year-end closing processes to ensure more monitoring of the financial records throughout the year to ensure that the year-end financial statements prepared are maintained in accordance with GAAP. A sufficient financial close and reconciliation process is vital in producing accurate and timely financial information, and to enable proper financial oversight. We recommend the Organization ensure immediate action is taken to ensure the financial accounts are reconciled and activity is correctly recorded in a timely manner.	No significant audit entries identified during the June 30, 2023 audit.	N/A

ASPIRE PUBLIC SCHOOLS

STATUS OF PRIOR YEAR FINDINGS YEAR ENDED JUNE 30, 2023

STATE COMPLIANCE FINDINGS

Finding & Recommendation	Current Status	Organization Explanation If Not Implemented
2022-001. Expanded Learning Opportunities Grant (ELO-G) – CDDC # 40000 Other salaries totaling \$392,372 were erroneously coded to the ELO-G resource code. However, the Organization has qualifying paraprofessional salaries and related benefit expenses for the grant period in excess of the grant amount, and as a result, the error was related to expenditures recorded to the incorrect resource code. We recommend the Organization review all program activities during the financial close process to ensure the relevant allowable activities are recorded to each program.	No similar items of noncompliance noted in the 2023 audit.	N/A
2022-003. AFTER SCHOOL AND EDUCATION SAFETY PROGRAM (ASES)– CDDC # 40000 Supporting documents for daily attendance records selected as part of our sample did not support the number of students served as reported to the CDE in 13 of 140 sampled days at the following sites: Aspire Monarch Academy, Aspire Rosa Parks Academy, Aspire Triumph Technology Academy, and Aspire Summit Charter Academy. Additionally, the ASES program at Aspire Summit Charter Academy was administered by a third party who did not provide any supporting records for the attendance claimed at that site. We recommend that the Organization adequately train ASES program providers to ensure that reported attendance data is accurate and sufficiently supported. Furthermore, we recommend the Organization perform a secondary review to ensure there are no differences between the recorded attendance data and the supporting records.	Not implemented. See repeat finding 2023-002.	The errors that were found during the 21-22 audit were related to manual entry errors, which has been corrected. The errors that were found in the 22-23 have a different root cause, which is related to technical issues.

FEDERAL COMPLIANCE FINDINGS

There were no findings for the year ended June 30, 2022.

F. 2023-24 Aspire Audit Report

On following page.



ASPIRE
PUBLIC
SCHOOLS

CONSOLIDATED FINANCIAL REPORT
JUNE 30, 2024

ASPIRE PUBLIC SCHOOLS

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ASPIRE PUBLIC SCHOOLS

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Aspire Public Schools

Report on the Audit of the Financial Statements

Opinion

We have audited the consolidated financial statements of Aspire Public Schools and its affiliates (Aspire), which comprise the consolidated statement of financial position as of June 30, 2024, the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements (collectively, the financial statements).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Aspire as of June 30, 2024, and the changes in their net assets and their 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), the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), and the Education Audit Appeals Panel's *2023-24 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. 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 Aspire 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.

Other Matter

The financial statements of Aspire, as of and for the year ended June 30, 2023, were audited by other auditors, whose report, dated December 15, 2023, expressed an unmodified opinion on those statements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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 Aspire's ability to continue as a going concern within one year after the date that the financial statements are 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 GAAS, *Government Auditing Standards*, and the Education Audit Appeals Panel's *2023-24 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* 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, *Government Auditing Standards*, and the Education Audit Appeals Panel's *2023-24 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 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 Aspire'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 Aspire'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 accompanying consolidating statements of financial position, activities, and schedule of expenditures of federal awards, as required by Title 2, U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) are presented for purposes of additional analysis and are not a required part of the financial statements. Further, the supplementary information on pages 35 to 47 is presented for the purpose of additional analysis as required by the Education Audit Appeals Panel's *2023-24 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* and are also 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 Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 13, 2024, on our consideration of Aspire'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 Aspire'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 Aspire's internal control over financial reporting and compliance.

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

December 13, 2024

ASPIRE PUBLIC SCHOOLS
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
June 30, 2024 and 2023

ASSETS		
	2024	2023
Current assets		
Cash and cash equivalents	\$ 84,068,430	\$ 102,282,635
Restricted cash and cash equivalents	8,409,372	8,055,666
Grants and contracts receivable	56,546,508	63,032,686
Prepaid expenses and other assets	2,988,987	2,803,676
Total current assets	152,013,297	176,174,663
Noncurrent assets		
Restricted cash and cash equivalents	23,648,963	36,629,396
Right-of-use assets	13,731,333	15,922,240
Property and equipment, net	242,339,384	234,462,971
Total noncurrent assets	279,719,680	287,014,607
Total assets	\$ 431,732,977	\$ 463,189,270
LIABILITIES AND NET ASSETS		
Current liabilities		
Line of credit	\$ 15,000,000	\$ 10,000,000
Accounts payable and accrued expenses	28,336,345	40,813,200
Refundable advances	4,633,591	4,743,057
Lease liabilities	2,902,431	2,542,595
Debt	3,820,910	3,163,889
Total current liabilities	54,693,277	61,262,741
Noncurrent liabilities		
Lease liabilities	11,798,449	14,523,082
Debt, net	235,813,713	239,010,457
Total noncurrent liabilities	247,612,162	253,533,539
Total liabilities	302,305,439	314,796,280
Net assets		
Without donor restrictions	91,570,198	95,451,339
With donor restrictions	37,857,340	52,941,651
Total net assets	129,427,538	148,392,990
Total liabilities and net assets	\$ 431,732,977	\$ 463,189,270

See notes to consolidated financial statements.

ASPIRE PUBLIC SCHOOLS
CONSOLIDATED STATEMENT OF ACTIVITIES
Year Ended June 30, 2024

	Without donor Restrictions	With Donor Restrictions	Total
Revenue and support			
Federal revenue	\$ 38,844,530	\$ -	\$ 38,844,530
State revenue	202,179,540	19,248,532	221,428,072
Local revenues	53,128,387	-	53,128,387
Grants and contributions	1,148,035	1,339,941	2,487,976
Interest income	4,309,354	-	4,309,354
Other income	1,295,912	-	1,295,912
Net assets released from restrictions	35,672,784	(35,672,784)	-
 Total revenue and support	 336,578,542	 (15,084,311)	 321,494,231
Expenses			
Program services	307,560,622	-	307,560,622
General and administrative	29,620,910	-	29,620,910
Fundraising	3,278,151	-	3,278,151
 Total expenses	 340,459,683	 -	 340,459,683
 Change in net assets	 (3,881,141)	 (15,084,311)	 (18,965,452)
 Net assets, beginning	 95,451,339	 52,941,651	 148,392,990
 Net assets, ending	 <u><u>\$ 91,570,198</u></u>	 <u><u>\$ 37,857,340</u></u>	 <u><u>\$ 129,427,538</u></u>

See notes to consolidated financial statements.

ASPIRE PUBLIC SCHOOLS
CONSOLIDATED STATEMENT OF ACTIVITIES
Year Ended June 30, 2023

	Without donor Restrictions	With Donor Restrictions	Total
Revenue and support			
Federal revenue	\$ 43,315,446	\$ -	\$ 43,315,446
State revenue	158,748,621	79,783,766	238,532,387
Local revenues	43,932,482	-	43,932,482
Grants and contributions	1,838,837	1,008,000	2,846,837
Interest income	2,822,817	-	2,822,817
Other income	398,367	-	398,367
Net assets released from restrictions	47,086,644	(47,086,644)	-
	<u>298,143,214</u>	<u>33,705,122</u>	<u>331,848,336</u>
Expenses			
Program services	275,816,763	-	275,816,763
General and administrative	17,873,985	-	17,873,985
Fundraising	3,124,214	-	3,124,214
	<u>296,814,962</u>	<u>-</u>	<u>296,814,962</u>
Change in net assets	1,328,252	33,705,122	35,033,374
Net assets, beginning	<u>94,123,087</u>	<u>19,236,529</u>	<u>113,359,616</u>
Net assets, ending	<u><u>\$ 95,451,339</u></u>	<u><u>\$ 52,941,651</u></u>	<u><u>\$ 148,392,990</u></u>

See notes to consolidated financial statements.

ASPIRE PUBLIC SCHOOLS
CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES
Years Ended June 30, 2024 and 2023

2024					
	Supporting services				
	Educational Programs	General and Administrative	Fundraising	Total	Total
Salaries and benefits	\$ 216,127,736	\$ 19,002,095	\$ 1,565,612	\$ 20,567,707	\$ 236,695,443
Professional fees and services	37,562,309	7,906,877	701,406	8,608,283	46,170,592
Books and supplies	13,868,697	1,317,271	613,917	1,931,188	15,799,885
Rent and occupancy	16,797,542	311,198	1,814	313,012	17,110,554
Depreciation and amortization	11,351,452	61,106	-	61,106	11,412,558
Interest	9,603,214	-	-	-	9,603,214
Travel and meetings	2,034,683	511,630	259,788	771,418	2,806,101
Other	214,989	510,733	135,614	646,347	861,336
Total expenses by function	\$ 307,560,622	\$ 29,620,910	\$ 3,278,151	\$ 32,899,061	\$ 340,459,683

2023					
	Supporting services				
	Educational Programs	General and Administrative	Fundraising	Total	Total
Salaries and benefits	\$ 194,655,904	\$ 11,273,033	\$ 1,812,428	\$ 13,085,461	\$ 207,741,365
Professional fees and services	30,803,598	2,529,373	647,684	3,177,057	33,980,655
Books and supplies	15,339,737	1,563,635	456,298	2,019,933	17,359,670
Rent and occupancy	15,531,884	1,220,701	207,804	1,428,505	16,960,389
Depreciation and amortization	8,553,929	51,300	-	51,300	8,605,229
Interest	7,952,841	11,453	-	11,453	7,964,294
Travel and meetings	2,352,371	338,624	-	338,624	2,690,995
Other	626,499	885,866	-	885,866	1,512,365
Total expenses by function	\$ 275,816,763	\$ 17,873,985	\$ 3,124,214	\$ 20,998,199	\$ 296,814,962

See notes to consolidated financial statements.

ASPIRE PUBLIC SCHOOLS
CONSOLIDATED STATEMENTS OF CASH FLOWS
Years Ended June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Cash flows from operating activities		
Change in net assets	\$ (18,965,452)	\$ 35,033,374
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Loss on investments	-	50,980
Depreciation and amortization	11,412,558	8,605,229
Loss on disposal of property and equipment	260,656	198,149
Amortization of financing costs	624,166	11,108
Changes in operating assets and liabilities:		
Grants and contracts receivable	4,879,556	4,922,401
Prepaid expenses and other assets	(185,311)	(1,532,213)
Operating lease assets and liabilities	(173,890)	62,226
Accounts payable and accrued expenses	(12,476,855)	6,471,579
Refundable advances	(109,466)	(344,453)
Net cash provided by (used in) operating activities	<u>(14,734,038)</u>	<u>53,478,380</u>
Cash flows from investing activities		
Purchases of property and equipment	<u>(19,549,627)</u>	<u>(37,971,767)</u>
Cash flows from financing activities		
Cash collected for investment in property and equipment	1,606,622	-
Proceeds from line of credit	15,000,000	10,000,000
Principal payments on line of credit	(10,000,000)	(10,000,000)
Proceeds from issuance of debt	-	3,923,446
Principal payments on debt	<u>(3,163,889)</u>	<u>(9,228,016)</u>
Net cash provided by (used in) financing activities	<u>3,442,733</u>	<u>(5,304,570)</u>
Net change in cash and cash equivalents and restricted cash and cash equivalents	(30,840,932)	10,202,043
Cash and cash equivalents and restricted cash and cash equivalents, beginning	<u>146,967,697</u>	<u>136,765,654</u>
Cash and cash equivalents and restricted cash and cash equivalents, ending	<u>\$ 116,126,765</u>	<u>\$ 146,967,697</u>
Schedule of supplemental cash flow information		
Cash paid for interest	<u>\$ 9,877,862</u>	<u>\$ 7,544,253</u>
Supplemental Disclosure of Non-cash Investing and Financial Activity		
Property and equipment financed through accounts payable	<u>\$ 894,551</u>	<u>\$ 4,999,367</u>
Additions to new leased assets obtained from new lease liabilities	<u>\$ 460,360</u>	<u>\$ 1,612,088</u>
Cash and cash equivalents and restricted cash and cash equivalents consists of the following:		
Cash and cash equivalents	\$ 84,068,430	\$ 102,282,635
Restricted cash and cash equivalents, current portion	8,409,372	8,055,666
Restricted cash and cash equivalents, noncurrent portion	<u>23,648,963</u>	<u>36,629,396</u>
	<u>\$ 116,126,765</u>	<u>\$ 146,967,697</u>

See notes to consolidated financial statements.

ASPIRE PUBLIC SCHOOLS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 – ORGANIZATION

Aspire Public Schools, a non-profit public benefit corporation, was founded in 1998 and was formed to manage, guide, direct, and promote charter schools that provide quality education to youth in primary and secondary grades. Aspire Public Schools support is derived primarily from public education monies, individual and foundation contributions, and government agency grants.

In addition to managing school operations, Aspire Public Schools controls three affiliated organizations that were created to facilitate ownership of certain school facilities and support development of charter schools. The facilities are owned and managed by two single-member limited liability companies, College for Certain, LLC (CFC LLC), and College for Certain II, LLC (CFC II LLC). The sole member of both LLCs is College for Certain, Inc. (CFC INC) which was created as a supporting organization of Aspire Public Schools to facilitate and support the development of charter schools. CFC INC is controlled by, and for the benefit of, Aspire Public Schools. CFC LLC and CFC II LLC are disregarded entities for federal income tax purposes.

Aspire Public Schools Foundation (Foundation) was formed in July 2019 as a supporting nonprofit public benefit corporation to Aspire Public Schools. The Foundation is controlled by, and for the benefit of, Aspire Public Schools. The Foundation's support is derived primarily from private donations and foundation grants.

For financial reporting purposes, CFC LLC, CFC II LLC, CFC INC, and the Foundation, are consolidated with Aspire Public Schools.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

Financial Statement Presentation

The accompanying consolidated financial statements (financial statements) have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Principles of Consolidation

The financial statements include the accounts of Aspire Public Schools and its wholly owned subsidiaries (collectively, "Aspire"). All significant inter-organization accounts and transactions have been eliminated in consolidation. Listed below are the affiliated organizations included in these financial statements:

Aspire Public Schools – Aspire Public Schools operates thirty-six schools in California under thirty-six charters which are chartered by twelve charter authorizers (sponsoring districts) in seven counties. Charters are granted for each school for up to five years, with an opportunity for renewal. Charters may be revoked by the sponsoring district for material violations of the charter, failure to meet or make progress toward student outcomes identified in the charter, failure to meet generally accepted standards of fiscal management, or violation of any provision of the law.

ASPIRE PUBLIC SCHOOLS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

The financial statements include the following schools:

Aspire Alexander Twilight College Preparatory Academy	Aspire Monarch Academy
Aspire Alexander Twilight Secondary Academy	Aspire Olin University Preparatory Academy
Aspire Antonio Maria Lugo Academy	Aspire Pacific Academy
Aspire APEX Academy	Aspire Port City Academy
Aspire Benjamin Holt College Preparatory Academy	Aspire Richmond California Preparatory Academy
Aspire Benjamin Holt Middle School	Aspire Richmond Technology Academy
Aspire Berkley Maynard Academy	Aspire River Oaks Charter School
Aspire Capitol Heights Academy	Aspire Stockton Secondary Academy
Aspire Centennial College Preparatory Academy	Aspire Arts & Sciences Academy
Aspire College Academy	Aspire Rosa Parks Academy
Aspire East Palo Alto Charter	Aspire Slauson Academy
Aspire Firestone Academy	Aspire Summit Charter Academy
Aspire Gateway Academy	Aspire Tate Academy
Aspire Golden State College Preparatory Academy	Aspire Titan Academy
Aspire Inskeep Academy	Aspire Triumph Technology
Aspire Junior Collegiate Academy	Aspire University Charter School
Aspire Langston Hughes Academy	Aspire Vanguard College Preparatory Academy
Aspire Lionel Wilson College Preparatory Academy	Aspire Vincent Shalvey Academy

College for Certain, LLC – CFC LLC holds title to properties that are financed through the CSFA Charter School Revenue Refunding Bonds Series 2016 (2016 Bonds) where Aspire Public Schools operates ten charter schools (seven locations) and manages, operates, and leases the properties.

College for Certain II, LLC – CFC II LLC holds title to properties that are financed through the CSFA Charter School Revenue Refunding Bonds Series 2015 (2015 Bonds) where Aspire Public Schools operates three charter schools (two locations) and manages, operates, and leases the properties.

College for Certain, Inc. – CFC INC is a supporting organization of Aspire Public Schools in that it facilitates and supports the development of charter schools for Aspire Public Schools. CFC INC is the sole member of CFC LLC and CFC II LLC and is the named borrower of the 2015 and 2016 Bonds outstanding.

Aspire Public Schools Foundation – The Foundation is a supporting organization of Aspire Public Schools in that it performs fundraising activities and provides other supporting services to Aspire Public Schools.

ASPIRE PUBLIC SCHOOLS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Aspire considers all cash and highly liquid financial instruments with original maturities of three months or less, and which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents. Cash and highly liquid financial instruments restricted for other long-term purposes or contractually restricted are excluded from this definition.

Grants and Contracts Receivable

Grants and contracts receivable are reported at net realizable value. Aspire determines the allowance for uncollectable grants and contracts receivable based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Accounts receivable are written off when deemed uncollectable. At June 30, 2024 and 2023, management determined no allowance was deemed necessary.

Property and Equipment

Property and equipment additions over \$5,000 are stated at cost, or if donated, at fair market value at the date of donation. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets ranging from 3 to 30 years, or in the case of capitalized leased assets or leasehold improvements, the lesser of the useful life of the asset or the lease term. When assets are sold or otherwise disposed of, the cost and related depreciation or amortization are removed from the accounts, and any resulting gain or loss is included in the statements of activities.

Impairment of Long-lived Assets

Aspire reviews long-lived assets for indicators of impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Impairment would be recorded in circumstances where undiscounted cash flows expected to be generated by an asset are less than the carrying value of that asset. As of June 30, 2024 and 2023, there were no events or changes in circumstances indicating the carrying amount of long-lived assets may not be recoverable.

Leases

Aspire determines if an arrangement is or contains a lease at inception. Leases are included in right-of-use (ROU) assets and lease liabilities in the statements of financial position. ROU assets and lease liabilities reflect the present value of the future minimum lease payments over the lease term, and ROU assets also include prepaid or accrued rent.

ASPIRE PUBLIC SCHOOLS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes

Aspire is exempt from federal and state income taxes under Internal Revenue Code §501(c)(3) and California Revenue and Taxation Code §23701(d). Accordingly, no provision for income taxes is included in the accompanying financial statements. Aspire, its subsidiaries and its affiliates file annual informational tax returns in the U.S. federal and California jurisdictions. Management has analyzed the tax positions taken by Aspire, and has concluded that, as of June 30, 2024 and 2023, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. Aspire is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Net Assets

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 that are not subject to donor-imposed restrictions and that may be expendable for any purpose in performing the primary objectives of Aspire.
- 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. 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.

Revenue and Revenue Recognition

Revenue is recognized when earned. A portion of revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when Aspire incurs expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statements of financial position. A portion of the funding is based upon the average daily attendance (ADA) of each school.

Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or a notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met. There were no conditional contributions as of June 30, 2024 and 2023.

ASPIRE PUBLIC SCHOOLS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

The expenses that are allocated include rent and occupancy and depreciation, which are allocated on a square footage basis, as well as salaries and wages, employee benefits, professional services, and other, which are allocated on the basis of estimates of time and effort.

Program development and expansion

Aspire continually explores potential opportunities for expansion and growth; thus, costs are incurred to research the possibility of establishing new sites. Aspire capitalizes these preacquisition costs into construction in progress at the time incurred. If it is determined that a formal contractual commitment will not be entered into, the expenses are included in program development and expansion in the period that the determination is made.

Concentrations of Risk

Deposit concentration risk is managed by placing cash and money market accounts with financial institutions believed by Aspire to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. Insured accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per depositor, per insured bank, for each account ownership category. As of June 30, 2024 and 2023, Aspire had \$119,722,914 and \$146,255,873, respectively, in excess of FDIC insurance limits. To date, no losses have been experienced in any of these accounts.

Credit risk associated with grants and contracts receivable is considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from governmental agencies and foundations supportive of Aspire's mission.

Reclassifications

Certain reclassifications of amounts previously reported have been made to the accompanying consolidated financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported net assets.

Subsequent Events

Management has evaluated subsequent events through December 13, 2024, the date on which the financial statements were issued.

ASPIRE PUBLIC SCHOOLS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 3 – FINANCIAL ASSETS AND LIQUIDITY RESOURCES

As of June 30, 2024 and 2023, the following table reflects Aspire’s financial assets available to meet general expenditures within one year of the statement of financial position:

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 84,068,430	\$102,282,635
Grants and contracts receivable	<u>56,546,508</u>	<u>63,032,686</u>
Financial assets available to meet general expenditures within one year	<u>\$140,614,938</u>	<u>\$165,315,321</u>

Aspire considers contributions restricted for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. Aspire’s goal is to maintain or exceed financial assets at a level sufficient to protect its schools against program cuts arising from unanticipated state revenue or enrollment shortfalls, unexpected cost increases, and economic uncertainties, such that it can meet 5 – 6 weeks of operating expenses and its bond covenants. As part of its liquidity plan, school sites also have target reserves to cover repairs, maintenance, and minor capital improvements. At June 30, 2024 and 2023, Aspire has available \$5,500,000 and \$10,500,000, respectively, to borrow on its line of credit to meet cash flow needs. Aspire manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged.

NOTE 4 – RESTRICTED CASH AND CASH EQUIVALENTS

Restricted cash consists of amounts that are required to be held for debt service reserves and for principal and interest payments with respect to the bonds outstanding; and contributions restricted to investment in property and equipment and consist of the following at June 30:

	<u>2024</u>	<u>2023</u>
Bond debt obligation	\$ 8,409,372	\$ 8,055,666
Bond service reserve	11,918,995	11,336,576
Investment in property and equipment	<u>11,729,968</u>	<u>25,292,820</u>
	32,058,335	44,685,062
Less current portion	<u>(8,409,372)</u>	<u>(8,055,666)</u>
Noncurrent portion	<u>\$ 23,648,963</u>	<u>\$ 36,629,396</u>

ASPIRE PUBLIC SCHOOLS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 5 – PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at June 30:

	<u>2024</u>	<u>2023</u>
Land	\$ 36,649,873	\$ 36,590,744
Buildings and improvements	272,241,411	211,034,512
Construction in progress	1,628,567	46,593,364
Leasehold improvements	12,552,222	11,613,728
Equipment	5,191,401	4,018,032
Vehicles	<u>36,931</u>	<u>36,931</u>
	328,300,405	309,887,311
Accumulated depreciation	<u>(85,961,021)</u>	<u>(75,424,340)</u>
Total	<u>\$242,339,384</u>	<u>\$234,462,971</u>

NOTE 6 – LINE OF CREDIT

Aspire has a \$20,500,000 line of credit with a bank, maturing December 25, 2024. The line of credit carries an interest rate equal to the Prime Rate (8.50% and 8.25% at June 30, 2024 and 2023, respectively). The credit line is secured by school revenues of select schools which are not already secured by other debt. The agreement requires Aspire to comply with certain financial and nonfinancial covenants which Aspire was in compliance at June 30, 2024 and 2023.

NOTE 7 – DEBT

At June 30, 2024 and 2023, debt consists of the following:

	<u>2024</u>	<u>2023</u>
College for Certain Series 2016 School Facility Revenue Refunding Bonds totaling \$83,170,000, bearing interest at rates ranging from 2 – 5% per annum. The bonds were issued with a premium of \$10,618,415 and debt issuance costs of \$1,410,454. Secured by trust deed on properties. Principal and interest are due annually and bonds mature in August 2046.	\$ 65,705,000	\$ 67,190,000

ASPIRE PUBLIC SCHOOLS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 7 – DEBT (Continued)

	<u>2024</u>	<u>2023</u>
College for Certain Series 2015 School Facility Revenue Refunding Bonds totaling \$20,535,000, bearing interest at rates ranging from 2 – 5% per annum. The bonds were issued with a premium of \$2,005,317 and debt issuance costs of \$767,482. Secured by trust deed on properties. Principal and interest are due annually and bonds mature in August 2045.	\$ 17,830,000	\$ 18,265,000
California School Finance Authority loan totaling \$4,758,509, bearing interest at 2.202%, for the construction of Rosa Parks Academy. Principal and interest due annually. Matures in 2037.	2,595,816	2,766,688
California School Finance Authority loan totaling \$9,834,913, bearing interest at 2%, for the construction of Aspire Ollin University Preparatory Academy. Principal and interest due annually. Matures in 2042.	6,549,825	6,849,718
California School Finance Authority loan totaling \$8,229,438, bearing interest at 2%, for the construction of Aspire Antonio Maria Lugo Academy. Principal and interest are due annually. Matures in 2045.	6,356,225	6,594,348
California Charter School Facilities State Prop 1D Program for Aspire Berkley Maynard Academy. The terms of the agreements provide that 50% of the Prop 1D funding consists of a grant, and the remaining 50% is a local match which will be repaid to the State as a loan. Principal and interest payments due monthly commencing August 2024. The loan bears interest at 2% and matures in 2053.	4,944,000	4,944,000
California School Finance Authority Charter School Revenue Bonds: Series 2020 A&B bonds issued for \$37,435,000, matures August 2059, with an interest rate range of 3% to 5% plus an original premium of \$5,875,672 and debt issuance costs of \$1,200,351. Principal and interest are due annually. Secured by trust deed on properties.	36,605,000	37,025,000

ASPIRE PUBLIC SCHOOLS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 7 – DEBT (Continued)

	<u>2024</u>	<u>2023</u>
Aspire Public Schools Obligated Group Corporate Taxable Bonds, Series 2021 bonds issued for \$11,265,000, matures June 2060, with an interest rate of 4.8%, plus an original discount of \$112,650 and debt issuance costs of \$219,418. Principal and interest are due annually. Secured by trust deed on properties.	\$ 11,150,000	\$ 11,265,000
California School Finance Authority Charter School Revenue Bonds: Series 2021 A&B bonds issued for \$29,875,000, matures August 2061, with an interest rate range of 2.125% to 4%, plus an original premium of \$2,678,895 and debt issuance costs of \$989,826. Principal and interest are due annually. Secured by trust deed on properties.	29,785,000	29,785,000
California School Finance Authority Charter School Revenue Bonds: Series 2022 A&B bonds issued for \$43,815,000, matures August 2061, with an interest rate of 5%, plus an original premium of \$974,822 and debt issuance costs of \$1,276,887. Principal and interest are due annually and commence in 2026. Secured by trust deed on properties.	<u>45,815,000</u>	<u>45,815,000</u>
	227,335,866	230,499,754
Net unamortized premiums/discounts and issuance costs	12,298,757	11,674,592
Less current portion	<u>(3,820,910)</u>	<u>(3,163,889)</u>
Total noncurrent debt	<u>\$235,813,713</u>	<u>\$239,010,457</u>

As of June 30, 2024, aggregate future maturities of debt for each of the next five years ending June 30, and thereafter are as follows:

2025	\$ 3,820,910
2026	4,556,918
2027	4,724,682
2028	4,922,811
2029	5,126,311
Thereafter	<u>204,184,234</u>
	<u>\$227,335,866</u>

The agreements require Aspire to comply with certain financial and nonfinancial covenants which Aspire was in compliance at June 30, 2024 and 2023.

ASPIRE PUBLIC SCHOOLS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 8 – LEASES

Aspire leases buildings for administrative offices in Oakland, Huntington Park, and Stockton and leases land and buildings for school sites in Berkeley, East Palo Alto, Empire, Los Angeles, Modesto, Oakland, Sacramento, and Stockton under various operating leases. Aspire also leases copiers at various school sites. The operating lease agreements range from two to thirty-five years. For the year ended June 30, 2024, total operating lease costs were \$2,780,285, including variable lease costs totaling \$66,036. For the year ended June 30, 2023, total operating lease costs were \$4,484,358, including short-term lease costs totaling \$1,259,162 and variable lease costs totaling \$71,128. Aspire has one variable lease where the monthly rate is based upon the number of students served in the respective school year. Cash paid for amounts included in the measurement of operating lease liabilities totaled \$2,726,427 and \$3,096,983 for the years ended June 30, 2024 and 2023, respectively.

Aspire has made an accounting policy election to use a risk-free rate in lieu of its incremental borrowing rate to discount future lease payments. The weighted-average discount rate applied to calculate lease liabilities as of June 30, 2024 and 2023, was 1.0% and .70%, respectively.

As of June 30, 2024 and 2023, the weighted-average remaining lease term for all operating leases was 14.04 and 13.62 years, respectively.

Future maturities on lease liabilities for the years ending June 30, are as follows:

2025	\$ 2,902,431
2026	1,646,544
2027	809,952
2028	637,529
2029	643,467
Thereafter	<u>8,381,812</u>
	15,021,735
Less present value discount	<u>(320,855)</u>
Total	<u>\$ 14,700,880</u>

ASPIRE PUBLIC SCHOOLS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 9 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions at June 30, 2024 and 2023 are restricted by donors for the following purposes:

	<u>2024</u>	<u>2023</u>
Learning Recovery Emergency Block Grant	\$ 10,186,533	\$ 21,710,097
Expanded Learning Opportunities Grant	11,656,120	12,122,112
Arts, Music, and Instructional Materials	6,795,066	8,835,399
Construction of facilities	1,322,500	5,460,022
Educator Effectiveness Block Grant	719,717	1,708,683
Lottery: Instructional Materials	600,473	600,473
Literacy Coaches and Reading Specialists	964,970	585,291
Kitchen infrastructure and equipment	92,101	504,202
A-G Completion Improvement Grant	154,929	325,647
School programs	<u>5,364,931</u>	<u>1,089,725</u>
	<u>\$ 37,857,340</u>	<u>\$ 52,941,651</u>

Net assets released for the years ended June 30, 2024 and 2023 were released from donor restrictions by incurring expenses satisfying the restricted purpose specified by the donors.

NOTE 10 – COMMITMENTS AND CONTINGENCIES

Legal Proceedings

Aspire is, from time to time, the subject of litigation, claims and assessments arising out of matters occurring in its normal business operations. Aspire has insurance coverage to provide protection against certain contingencies. In the opinion of management, resolution of these matters will not have a material adverse effect on the Aspire's financial position or results of operations.

Examinations

Certain federal and state grants which Aspire administers and for which it receives reimbursements are subject to audit and final acceptance by federal and state granting agencies. The amount of expenditures that may be disallowed by the grantor, if any, cannot be determined at this time. Aspire expects that such amounts, if any, would not have a material impact on the financial position and cash flows of Aspire.

ASPIRE PUBLIC SCHOOLS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 11 – EMPLOYEE RETIREMENT PLANS

Qualified employees are covered under multiple-employer defined-benefit pension plans maintained by agencies of the State of California (the State). Academic employees are members of the State Teachers' Retirement System (STRS), and classified employees are members of the Public Employees' Retirement System.

The risks of participating in these multiple-employer defined-benefit pension plans are different from single-employer plans because: (a) assets contributed to the multiple-employer plan by one employer may be used to provide benefits to employees of other participating employers, (b) the required member, employer and state contribution rates are set by the California Legislature and detailed in Teachers' Retirement Law and the Public Employees' Retirement Law, and (c) if Aspire-affiliated schools choose to stop participating in the multiple-employer plan, it may be required to pay a withdrawal liability to the plan. The Aspire-affiliated schools have no plans to withdraw from these multiple-employer plans.

Copies of the STRS annual financial report may be obtained from the STRS's headquarter, 100 Waterfront Place, West Sacramento, California 95605 and www.calstrs.com.

Funding Policy

Active plan members hired on or before December 31, 2012 and on or after January 1, 2013 are required to contribute 9.20% and 8.56% of their salaries, respectively. The Aspire-affiliated schools are required to contribute at an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by the STRS Teachers' Retirement Board. The required employer contribution rate for fiscal years 2024 and 2023 was 18.48% and 19.10% of annual payroll, respectively. The contribution requirements of the plan members are established and may be amended by State statute.

Aspire-affiliated schools' contributions to STRS for each of the last three years were as follows:

<u>Years Ended June 30,</u>	<u>Required Contribution</u>	<u>Employer Contribution</u>	<u>Percent Contributed</u>
2022	\$ 14,288,647	16.92%	100%
2023	\$ 18,185,920	19.10%	100%
2024	\$ 20,175,140	18.48%	100%

ASPIRE PUBLIC SCHOOLS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 11 – EMPLOYEE RETIREMENT PLANS (Continued)

Public Employees' Retirement System (CalPERS)

Plan Description

Aspire-affiliated schools contribute to the School Employer Pool under the California Public Employees' Retirement System (CalPERS), a cost-sharing, multiple-employer, public employee retirement system defined-benefit pension plan administered by CalPERS (Plan EIN 94-6207465). The plan provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. Benefit provisions are established by State statutes, as legislatively amended, within the Public Employees' Retirement Law. CalPERS issues a separate comprehensive annual financial report that includes required supplementary information. According to the most recently available Schools Pool Actuarial Valuation Report for the year ended June 30, 2023, the Schools Pool total plan assets are \$84.3 billion, the total actuarial present value of accumulated plan benefits is \$150.8 billion, contributions from all employers totaled \$3.8 billion, and the plan is 67.5% funded. The Aspire-affiliated schools did not contribute more than 5% of the total contributions to the plan.

Copies of the CalPERS' annual financial report may be obtained from the CalPERS Executive Office, 400 Q Street, Sacramento, California 95811 and www.calpers.ca.gov.

Funding Policy

Active plan members are required to contribute 8% of their salaries or 7% for Classic status; currently, the Aspire-affiliated schools contribute the employees' portion for California School Employees Association and confidential staff members. The Aspire-affiliated schools are required to contribute at an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by the CalPERS Board of Administration. The required employer contribution rate for fiscal years 2024 and 2023 was 26.68% and 25.37% of annual payroll, respectively.

The Aspire-affiliated schools' contributions to CalPERS for each of the last three fiscal years were as follows:

<u>Years Ended June 30,</u>	<u>Required Contribution</u>	<u>Employer Contribution</u>	<u>Percent Contributed</u>
2022	\$ 6,369,996	22.91%	100%
2023	\$ 8,415,950	25.37%	100%
2024	\$ 10,162,270	26.68%	100%

The State of California may make additional direct payments for retirement benefits to STRS or CalPERS on behalf of all participating employers in the State. The revenue and expenditures associated with these payments, if any, have not been included in these financial statements.

ASPIRE PUBLIC SCHOOLS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 11 – EMPLOYEE RETIREMENT PLANS (Continued)

Defined-contribution Plan

Eligible employees of Aspire can participate in a 403(b) plan sponsored by Aspire. Participants can elect to contribute up to 5% of their pretax annual compensation, as defined in the Plan, subject to Section 403(b) of the Internal Revenue Code contribution limitations. Until December 2021, Aspire made a contribution of 5% of the participant's eligible salary. For the years ended June 30, 2024 and 2023, there were no matching contributions made by Aspire.

SUPPLEMENTARY INFORMATION

ASPIRE PUBLIC SCHOOLS
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
June 30, 2024

	Bay Area Schools	Central Valley Schools	LA Schools	National Office	Total Schools	CFC, Inc.	Aspire Foundation	Eliminations	Total Consolidated
ASSETS									
Current assets									
Cash and cash equivalents	\$ 11,621,391	\$ 35,042,492	\$ 33,639,634	\$ 383,408	\$ 80,686,925	\$ -	\$ 3,381,505	\$ -	\$ 84,068,430
Restricted cash and cash equivalents	-	-	-	-	-	8,409,372	-	-	8,409,372
Grants and contracts receivable	20,240,614	19,837,068	15,694,419	783,511	56,555,612	25,012	-	(34,116)	56,546,508
Related party receivables	1,176,969	1,078,793	445,742	296,087	2,997,591	17,861,361	-	(20,858,952)	-
Prepaid expenses and other assets	190,175	996,650	564,199	1,233,325	2,984,349	-	4,638	-	2,988,987
Total current assets	33,229,149	56,955,003	50,343,994	2,696,331	143,224,477	26,295,745	3,386,143	(20,893,068)	152,013,297
Noncurrent assets									
Restricted cash and cash equivalents	1,322,500	-	-	-	1,322,500	22,326,463	-	-	23,648,963
Right-of-use assets	25,906,032	162,450,435	27,526,111	345,171	216,227,749	-	-	(202,496,416)	13,731,333
Property and equipment, net	13,144,047	13,952,695	27,874,909	177,940	55,149,591	188,182,451	39,470	(1,032,128)	242,339,384
Total noncurrent assets	40,372,579	176,403,130	55,401,020	523,111	272,699,840	210,508,914	39,470	(203,528,544)	279,719,680
Total assets	\$ 73,601,728	\$ 233,358,133	\$ 105,745,014	\$ 3,219,442	\$ 415,924,317	\$ 236,804,659	\$ 3,425,613	\$ (224,421,612)	\$ 431,732,977
LIABILITIES AND NET ASSETS									
Current liabilities									
Line of credit	\$ -	\$ -	\$ -	\$ 15,000,000	\$ 15,000,000	\$ -	\$ -	\$ -	\$ 15,000,000
Accounts payable and accrued expenses	6,966,972	8,803,581	5,924,164	3,468,495	25,163,212	3,103,303	69,830	-	28,336,345
Refundable advances	453,712	3,857,664	322,215	-	4,633,591	-	-	-	4,633,591
Related party payables	1,818,953	11,341,525	5,868	-	13,166,346	-	1,824,588	(14,990,934)	-
Lease liabilities	754,808	3,000,776	665,758	(15,488)	4,405,854	-	-	(1,503,423)	2,902,431
Debt	142,456	174,636	548,818	-	865,910	2,955,000	-	-	3,820,910
Total current liabilities	10,136,901	27,178,182	7,466,823	18,453,007	63,234,913	6,058,303	1,894,418	(16,494,357)	54,693,277
Noncurrent liabilities									
Lease liabilities	25,136,976	165,461,801	27,874,102	369,957	218,842,836	-	-	(207,044,387)	11,798,449
Debt, net	4,801,544	2,421,180	12,357,232	-	19,579,956	216,233,757	-	-	235,813,713
Total noncurrent liabilities	29,938,520	167,882,981	40,231,334	369,957	238,422,792	216,233,757	-	(207,044,387)	247,612,162
Total liabilities	40,075,421	195,061,163	47,698,157	18,822,964	301,657,705	222,292,060	1,894,418	(223,538,744)	302,305,439
Net assets									
Without donor restrictions	25,699,360	25,122,953	42,247,079	(15,713,720)	77,355,672	14,512,599	584,795	(882,868)	91,570,198
With donor restrictions	7,826,947	13,174,017	15,799,778	110,198	36,910,940	-	946,400	-	37,857,340
Total net assets	33,526,307	38,296,970	58,046,857	(15,603,522)	114,266,612	14,512,599	1,531,195	(882,868)	129,427,538
Total liabilities and net assets	\$ 73,601,728	\$ 233,358,133	\$ 105,745,014	\$ 3,219,442	\$ 415,924,317	\$ 236,804,659	\$ 3,425,613	\$ (224,421,612)	\$ 431,732,977

See independent auditor's report.

ASPIRE PUBLIC SCHOOLS
CONSOLIDATING STATEMENT OF ACTIVITIES
Year Ended June 30, 2024

	Bay Area Schools	Central Valley Schools	LA Schools	National Office	Total Schools	CFC, Inc.	Aspire Foundation	Eliminations	Total Consolidated
Revenue and support									
Federal revenue	\$ 9,774,107	\$ 14,513,179	\$ 13,782,743	\$ 774,501	\$ 38,844,530	\$ -	\$ -	\$ -	\$ 38,844,530
State revenue	58,606,065	98,930,550	63,891,457	-	221,428,072	-	-	-	221,428,072
Local revenue	18,196,763	18,012,695	16,634,994	158,494	53,002,946	-	125,441	-	53,128,387
Grants and contributions	(358,864)	-	-	39,892	(318,972)	-	2,806,948	-	2,487,976
Interest income	-	92,718	-	2,530,569	2,623,287	1,686,058	9	-	4,309,354
Related party rent	-	-	-	-	-	13,920,363	-	(13,920,363)	-
Other income	70,468	483,306	99,371	642,767	1,295,912	-	-	-	1,295,912
Total revenue and support	86,288,539	132,032,448	94,408,565	4,146,223	316,875,775	15,606,421	2,932,398	(13,920,363)	321,494,231
Expenses									
Salaries and benefits	59,592,670	89,154,685	67,380,381	19,002,095	235,129,831	-	1,565,612	-	236,695,443
Professional fees and services	13,309,067	14,223,744	11,996,017	5,938,877	45,467,705	1,481	701,406	-	46,170,592
Books and supplies	3,218,908	6,414,273	4,235,516	1,317,271	15,185,968	-	613,917	-	15,799,885
Rent and occupancy	8,656,809	17,045,333	5,015,763	311,198	31,029,103	-	1,814	(13,920,363)	17,110,554
Depreciation and amortization	997,640	1,387,832	1,369,575	61,106	3,816,153	7,596,405	-	-	11,412,558
Interest	-	59,041	192,312	-	251,353	9,501,121	-	(149,260)	9,603,214
Travel and meetings	503,886	1,056,833	473,964	511,630	2,546,313	-	259,788	-	2,806,101
Other expenses	35,228	194,190	(14,429)	510,733	725,722	-	135,614	-	861,336
Cost allocations / transfers	5,404,716	10,693,363	7,158,157	(23,682,968)	(426,732)	-	426,732	-	-
Total expenses	91,718,924	140,229,294	97,807,256	3,969,942	333,725,416	17,099,007	3,704,883	(14,069,623)	340,459,683
Change in net assets	(5,430,385)	(8,196,846)	(3,398,691)	176,281	(16,849,641)	(1,492,586)	(772,485)	149,260	(18,965,452)
Net assets, beginning	38,956,692	46,493,816	61,445,548	(15,779,803)	131,116,253	16,005,185	2,303,680	(1,032,128)	148,392,990
Net assets, ending	<u>\$ 33,526,307</u>	<u>\$ 38,296,970</u>	<u>\$ 58,046,857</u>	<u>\$ (15,603,522)</u>	<u>\$ 114,266,612</u>	<u>\$ 14,512,599</u>	<u>\$ 1,531,195</u>	<u>\$ (882,868)</u>	<u>\$ 129,427,538</u>

See independent auditor's report.

ASPIRE PUBLIC SCHOOLS
CONSOLIDATING STATEMENT OF FINANCIAL POSITION – BAY AREA REGION
June 30, 2024

	Aspire Monarch Academy	Aspire Lionel Wilson College Prep Academy	Aspire East Palo Alto Charter School	Aspire Triumph Technology Academy	Aspire Berkley Maynard Academy	Aspire Richmond California Preparatory Academy	Aspire Richmond Technology Academy	Aspire Golden State College Preparatory Academy	Aspire College Academy	Bay Area Regional Office	Total Bay Area Region
ASSETS											
Current assets											
Cash and cash equivalents	\$ 2,392,780	\$ 1,894,731	\$ 1,567,376	\$ 215,793	\$ 1,216,520	\$ 1,029,425	\$ 186,737	\$ 1,841,129	\$ (61,925)	\$ 1,338,825	\$ 11,621,391
Grants and contracts receivable	1,469,832	2,156,650	3,152,026	2,182,472	2,439,441	2,684,112	2,645,359	2,080,977	1,423,534	6,211	20,240,614
Related party receivables	-	-	3,927	-	27,529	22,500	-	1,000,000	-	123,013	1,176,969
Prepaid expenses and other assets	49,509	(23,624)	60,571	35,774	(41,382)	6,688	40,180	7,017	37,895	17,547	190,175
Total current assets	3,912,121	4,027,757	4,783,900	2,434,039	3,642,108	3,742,725	2,872,276	4,929,123	1,399,504	1,485,596	33,229,149
Noncurrent assets											
Restricted cash and cash equivalents	-	-	-	661,250	-	-	-	-	661,250	-	1,322,500
Right-of-use assets	497,410	7,728,310	7,981,070	340,337	29,453	74,201	47,661	8,937,636	269,954	-	25,906,032
Property and equipment, net	249,393	1,279,580	201,765	78,789	8,629,954	138,457	543,850	2,000,695	21,564	-	13,144,047
Total noncurrent assets	746,803	9,007,890	8,182,835	1,080,376	8,659,407	212,658	591,511	10,938,331	952,768	-	40,372,579
Total assets	\$ 4,658,924	\$ 13,035,647	\$ 12,966,735	\$ 3,514,415	\$ 12,301,515	\$ 3,955,383	\$ 3,463,787	\$ 15,867,454	\$ 2,352,272	\$ 1,485,596	\$ 73,601,728
LIABILITIES AND NET ASSETS											
Current liabilities											
Accounts payable and accrued expenses	\$ 707,831	\$ 640,846	\$ 885,698	\$ 421,088	\$ 602,748	\$ 1,048,052	\$ 1,159,019	\$ 730,744	\$ 433,117	\$ 337,829	\$ 6,966,972
Refundable advances	-	111,226	-	4,769	-	-	-	-	-	337,717	453,712
Related party payables	-	-	-	441,453	-	-	877,500	-	500,000	-	1,818,953
Lease liabilities	91,804	195,415	89,608	64,274	12,941	11,223	3,419	234,265	51,859	-	754,808
Debt	-	-	-	-	142,456	-	-	-	-	-	142,456
Total current liabilities	799,635	947,487	975,306	931,584	758,145	1,059,275	2,039,938	965,009	984,976	675,546	10,136,901
Noncurrent liabilities											
Lease liabilities	466,579	7,464,558	7,916,624	315,039	16,512	62,977	44,807	8,599,120	250,760	-	25,136,976
Debt, net	-	-	-	-	4,801,544	-	-	-	-	-	4,801,544
Total noncurrent liabilities	466,579	7,464,558	7,916,624	315,039	4,818,056	62,977	44,807	8,599,120	250,760	-	29,938,520
Total liabilities	1,266,214	8,412,045	8,891,930	1,246,623	5,576,201	1,122,252	2,084,745	9,564,129	1,235,736	675,546	40,075,421
Net assets											
Without donor restrictions	1,917,321	3,970,493	2,674,872	687,595	6,022,343	2,529,392	1,021,349	5,517,470	548,475	810,050	25,699,360
With donor restrictions	1,475,389	653,109	1,399,933	1,580,197	702,971	303,739	357,693	785,855	568,061	-	7,826,947
Total net assets	3,392,710	4,623,602	4,074,805	2,267,792	6,725,314	2,833,131	1,379,042	6,303,325	1,116,536	810,050	33,526,307
Total liabilities and net assets	\$ 4,658,924	\$ 13,035,647	\$ 12,966,735	\$ 3,514,415	\$ 12,301,515	\$ 3,955,383	\$ 3,463,787	\$ 15,867,454	\$ 2,352,272	\$ 1,485,596	\$ 73,601,728

See independent auditor's report.

ASPIRE PUBLIC SCHOOLS
CONSOLIDATING STATEMENT OF ACTIVITIES – BAY AREA REGION
Year Ended June 30, 2024

	Aspire Monarch Academy	Aspire Lionel Wilson College Prep Academy	Aspire East Palo Alto Charter School	Aspire Triumph Technology Academy	Aspire Berkley Maynard Academy	Aspire Richmond California Preparatory Academy	Aspire Richmond Technology Academy	Aspire Golden State College Preparatory Academy	Aspire College Academy	Bay Area Regional Office	Total Bay Area Region
Revenue and support											
Federal revenue	\$ 1,442,122	\$ 1,480,015	\$ 1,134,540	\$ 1,085,458	\$ 1,076,322	\$ 727,416	\$ 1,033,393	\$ 955,369	\$ 839,472	\$ -	\$ 9,774,107
State revenue	6,681,996	5,993,663	7,009,489	5,164,251	6,907,144	7,761,506	8,237,273	6,466,085	4,013,251	371,407	58,606,065
Local revenue	1,502,824	2,116,512	4,173,555	885,825	1,855,727	2,475,180	2,260,256	2,152,361	768,312	6,211	18,196,763
Grants and contributions	-	-	(378,033)	-	-	-	-	-	3,070	16,099	(358,864)
Interest income	-	-	-	-	-	-	-	-	-	-	-
Other income	3,488	3,634	26,959	2,471	4,942	8,140	3,924	11,975	2,762	2,173	70,468
Total revenue and support	9,630,430	9,593,824	11,966,510	7,138,005	9,844,135	10,972,242	11,534,846	9,585,790	5,626,867	395,890	86,288,539
Expenses											
Salaries and benefits	5,660,516	6,047,280	7,417,123	4,329,443	7,032,271	7,367,637	7,455,200	6,905,589	3,747,038	3,630,573	59,592,670
Professional fees and services	1,616,034	1,237,595	2,036,873	1,077,028	1,538,336	1,243,332	1,965,588	1,083,232	838,214	672,835	13,309,067
Books and supplies	268,012	312,008	297,901	248,904	336,256	277,903	381,442	411,306	227,166	458,010	3,218,908
Rent and occupancy	746,481	915,232	1,231,608	610,701	635,853	1,306,071	1,245,130	1,184,298	597,347	184,088	8,656,809
Depreciation and amortization	63,571	118,027	193,693	4,975	229,118	26,534	170,060	190,560	1,102	-	997,640
Interest	-	-	-	-	-	-	-	-	-	-	-
Travel and meetings	6,764	50,821	27,511	23,988	42,042	64,585	12,651	53,054	60,026	162,444	503,886
Other expenses	393	133	167	(23)	(77)	(7,910)	36,956	1,744	1,516	2,329	35,228
Cost allocations / transfers	1,105,510	1,045,496	952,624	655,100	1,131,164	1,275,919	1,328,307	1,034,988	555,038	(3,679,430)	5,404,716
Total expenses	9,467,281	9,726,592	12,157,500	6,950,116	10,944,963	11,554,071	12,595,334	10,864,771	6,027,447	1,430,849	91,718,924
Change in net assets	163,149	(132,768)	(190,990)	187,889	(1,100,828)	(581,829)	(1,060,488)	(1,278,981)	(400,580)	(1,034,959)	(5,430,385)
Net assets, beginning	3,229,561	4,756,370	4,265,795	2,079,903	7,826,142	3,414,960	2,439,530	7,582,306	1,517,116	1,845,009	38,956,692
Net assets, ending	<u>\$ 3,392,710</u>	<u>\$ 4,623,602</u>	<u>\$ 4,074,805</u>	<u>\$ 2,267,792</u>	<u>\$ 6,725,314</u>	<u>\$ 2,833,131</u>	<u>\$ 1,379,042</u>	<u>\$ 6,303,325</u>	<u>\$ 1,116,536</u>	<u>\$ 810,050</u>	<u>\$ 33,526,307</u>

See independent auditor's report.

ASPIRE PUBLIC SCHOOLS
CONSOLIDATING STATEMENT OF FINANCIAL POSITION – CENTRAL VALLEY REGION
June 30, 2024

	Aspire Vincent Shalvey Academy	Aspire University Charter School	Aspire Summit Charter Academy	Aspire River Oaks Charter School	Aspire Benjamin Holt College Preparatory Academy	Aspire Benjamin Holt Middle School	Aspire Capitol Heights Academy	Aspire Rosa Parks Academy	Aspire Langston Hughes Academy
ASSETS									
Current assets									
Cash and cash equivalents	\$ 1,785,841	\$ 2,135,400	\$ 2,622,118	\$ 4,076,599	\$ 61,730	\$ 7,304,815	\$ (48,175)	\$ 3,730,811	\$ 4,603,349
Grants and contracts receivable	1,017,041	2,343,344	(77,639)	782,985	3,420,544	(1,744,482)	1,013,956	2,019,937	1,926,495
Related party receivables	-	-	-	-	482,942	450,000	-	-	-
Prepaid expenses and other assets	89,381	89,000	93,353	84,236	(24,319)	100,396	21,700	77,486	41,251
Total current assets	2,892,263	4,567,744	2,637,832	4,943,820	3,940,897	6,110,729	987,481	5,828,234	6,571,095
Noncurrent assets									
Restricted cash and cash equivalents	-	-	-	-	-	-	-	-	-
Right-of-use assets	2,342,502	8,092,028	551,643	4,767,781	15,914,247	6,591,541	13,585,916	9,964	13,282,289
Property and equipment, net	859,453	164,263	218,714	428,138	1,143,249	404,024	120,110	7,617,669	368,217
Total noncurrent assets	3,201,955	8,256,291	770,357	5,195,919	17,057,496	6,995,565	13,706,026	7,627,633	13,650,506
Total assets	\$ 6,094,218	\$ 12,824,035	\$ 3,408,189	\$ 10,139,739	\$ 20,998,393	\$ 13,106,294	\$ 14,693,507	\$ 13,455,867	\$ 20,221,601
LIABILITIES AND NET ASSETS									
Current liabilities									
Accounts payable and accrued expenses	\$ 346,115	\$ 469,649	\$ 443,075	\$ 448,168	\$ 656,260	\$ 592,092	\$ 391,077	\$ 612,941	\$ 779,374
Refundable advances	-	-	-	-	-	-	(20,646)	-	-
Related party payables	-	4,310	-	-	-	-	3,369,227	-	97,512
Lease liabilities	10,736	258,679	11,969	111,354	330,040	190,711	-	4,487	346,005
Debt	-	-	-	-	-	-	-	174,636	-
Total current liabilities	356,851	732,638	455,044	559,522	986,300	782,803	3,739,658	792,064	1,222,891
Noncurrent liabilities									
Lease liabilities	2,331,766	7,897,463	539,695	4,476,495	16,444,753	6,538,378	14,796,698	5,477	12,858,321
Debt, net	-	-	-	-	-	-	-	2,421,180	-
Total noncurrent liabilities	2,331,766	7,897,463	539,695	4,476,495	16,444,753	6,538,378	14,796,698	2,426,657	12,858,321
Total liabilities	2,688,617	8,630,101	994,739	5,036,017	17,431,053	7,321,181	18,536,356	3,218,721	14,081,212
Net assets									
Without donor restrictions	2,587,587	2,827,326	1,292,762	3,857,748	2,714,383	4,850,756	(4,307,551)	8,853,498	4,315,623
With donor restrictions	818,014	1,366,608	1,120,688	1,245,974	852,957	934,357	464,702	1,383,648	1,824,766
Total net assets	3,405,601	4,193,934	2,413,450	5,103,722	3,567,340	5,785,113	(3,842,849)	10,237,146	6,140,389
Total liabilities and net assets	\$ 6,094,218	\$ 12,824,035	\$ 3,408,189	\$ 10,139,739	\$ 20,998,393	\$ 13,106,294	\$ 14,693,507	\$ 13,455,867	\$ 20,221,601

See independent auditor's report.

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF FINANCIAL POSITION – CENTRAL VALLEY REGION

June 30, 2024

	Aspire Port City Academy	Aspire Vanguard College Preparatory Academy	Aspire Alexander Twilight College Preparatory Academy	Aspire Alexander Twilight Secondary Academy	Aspire APEX Academy	Aspire Arts & Sciences Academy	Aspire Stockton Secondary Academy	Central Valley Regional Office	Total Central Valley Region
ASSETS									
Current assets									
Cash and cash equivalents	\$ 1,513,641	\$ 1,117,181	\$ 1,009,896	\$ 1,814,071	\$ 190,877	\$ (4,604)	\$ (308,981)	\$ 3,437,923	\$ 35,042,492
Grants and contracts receivable	1,858,720	1,619,933	(95,166)	2,533,743	1,316,530	1,087,069	718,664	95,394	19,837,068
Related party receivables	-	-	-	-	-	-	-	145,851	1,078,793
Prepaid expenses and other assets	77,019	57,097	82,775	49,211	69,221	34,198	41,121	13,524	996,650
Total current assets	3,449,380	2,794,211	997,505	4,397,025	1,576,628	1,116,663	450,804	3,692,692	56,955,003
Noncurrent assets									
Restricted cash and cash equivalents	-	-	-	-	-	-	-	-	-
Right-of-use assets	7,329,066	12,107,513	6,674,352	10,690,393	16,025,904	18,456,962	25,839,046	189,288	162,450,435
Property and equipment, net	385,349	378,505	595,320	397,745	290,961	122,868	410,907	47,203	13,952,695
Total noncurrent assets	7,714,415	12,486,018	7,269,672	11,088,138	16,316,865	18,579,830	26,249,953	236,491	176,403,130
Total assets	\$ 11,163,795	\$ 15,280,229	\$ 8,267,177	\$ 15,485,163	\$ 17,893,493	\$ 19,696,493	\$ 26,700,757	\$ 3,929,183	\$ 233,358,133
LIABILITIES AND NET ASSETS									
Current liabilities									
Accounts payable and accrued expenses	\$ 456,513	\$ 720,339	\$ 707,793	\$ 744,518	\$ 255,905	\$ 172,115	\$ 496,885	\$ 510,762	\$ 8,803,581
Refundable advances	-	-	-	-	-	-	-	3,878,310	3,857,664
Related party payables	6,302	201,209	174,976	1,256,613	1,512,128	2,069,140	2,650,108	-	11,341,525
Lease liabilities	191,952	352,919	176,460	255,733	164,624	270,515	265,428	59,164	3,000,776
Debt	-	-	-	-	-	-	-	-	174,636
Total current liabilities	654,767	1,274,467	1,059,229	2,256,864	1,932,657	2,511,770	3,412,421	4,448,236	27,178,182
Noncurrent liabilities									
Lease liabilities	7,062,658	11,859,707	6,422,319	10,500,791	17,074,268	18,987,803	27,529,353	135,856	165,461,801
Debt, net	-	-	-	-	-	-	-	-	2,421,180
Total noncurrent liabilities	7,062,658	11,859,707	6,422,319	10,500,791	17,074,268	18,987,803	27,529,353	135,856	167,882,981
Total liabilities	7,717,425	13,134,174	7,481,548	12,757,655	19,006,925	21,499,573	30,941,774	4,584,092	195,061,163
Net assets									
Without donor restrictions	3,100,670	1,406,432	14,866	2,194,591	(1,654,090)	(1,892,184)	(4,384,555)	(654,909)	25,122,953
With donor restrictions	345,700	739,623	770,763	532,917	540,658	89,104	143,538	-	13,174,017
Total net assets	3,446,370	2,146,055	785,629	2,727,508	(1,113,432)	(1,803,080)	(4,241,017)	(654,909)	38,296,970
Total liabilities and net assets	\$ 11,163,795	\$ 15,280,229	\$ 8,267,177	\$ 15,485,163	\$ 17,893,493	\$ 19,696,493	\$ 26,700,757	\$ 3,929,183	\$ 233,358,133

See independent auditor's report.

ASPIRE PUBLIC SCHOOLS
CONSOLIDATING STATEMENT OF ACTIVITIES – CENTRAL VALLEY REGION
Year Ended June 30, 2024

	Aspire Vincent Shalvey Academy	Aspire University Charter School	Aspire Summit Charter Academy	Aspire River Oaks Charter School	Aspire Benjamin Holt College Preparatory Academy	Aspire Benjamin Holt Middle School	Aspire Capitol Heights Academy	Aspire Rosa Parks Academy	Aspire Langston Hughes Academy
Revenue and support									
Federal revenue	\$ 812,135	\$ 1,128,927	\$ 908,784	\$ 1,267,450	\$ 766,179	\$ 1,230,938	\$ 635,077	\$ 1,654,052	\$ 1,431,168
State revenue	5,164,278	6,947,584	6,855,961	6,654,681	8,472,077	5,932,430	3,405,061	6,330,554	9,983,422
Local revenue	1,241,702	645,508	505,531	1,271,724	2,006,318	1,651,504	649,577	885,799	1,710,943
Grants and contributions	-	-	-	-	-	-	-	-	-
Interest income	6,557	9,372	12,023	7,797	8,910	6,931	-	7,649	10,611
Other income	20,077	2,613	25,522	27,378	72,633	31,682	2,907	23,727	9,069
Total revenue and support	7,244,749	8,734,004	8,307,821	9,229,030	11,326,117	8,853,485	4,692,622	8,901,781	13,145,213
Expenses									
Salaries and benefits	4,600,360	5,315,294	5,715,772	5,094,170	7,082,793	4,903,414	3,297,284	4,770,956	8,270,563
Professional fees and services	593,028	745,365	1,096,384	714,909	842,205	558,260	621,794	689,878	848,074
Books and supplies	247,905	340,917	354,871	289,752	360,763	214,836	361,744	680,820	641,829
Rent and occupancy	520,009	837,119	574,340	812,851	1,585,193	784,388	1,232,420	344,787	1,397,946
Depreciation and amortization	80,683	33,800	48,937	78,339	118,123	50,328	35,067	480,868	76,868
Interest	-	-	-	-	-	-	-	59,041	-
Travel and meetings	23,447	22,837	25,879	14,041	36,138	10,263	23,860	14,805	96,646
Other expenses	78	39	5	406	23	23	18,205	796	5
Cost allocations / transfers	976,090	1,097,341	997,347	1,157,530	1,445,638	1,175,229	511,499	1,147,254	1,660,819
Total expenses	7,041,600	8,392,712	8,813,535	8,161,998	11,470,876	7,696,741	6,101,873	8,189,205	12,992,750
Change in net assets	203,149	341,292	(505,714)	1,067,032	(144,759)	1,156,744	(1,409,251)	712,576	152,463
Net assets, beginning	3,202,452	3,852,642	2,919,164	4,036,690	3,712,099	4,628,369	(2,433,598)	9,524,570	5,987,926
Net assets, ending	<u>\$ 3,405,601</u>	<u>\$ 4,193,934</u>	<u>\$ 2,413,450</u>	<u>\$ 5,103,722</u>	<u>\$ 3,567,340</u>	<u>\$ 5,785,113</u>	<u>\$ (3,842,849)</u>	<u>\$ 10,237,146</u>	<u>\$ 6,140,389</u>

See independent auditor's report.

ASPIRE PUBLIC SCHOOLS
CONSOLIDATING STATEMENT OF ACTIVITIES – CENTRAL VALLEY REGION
Year Ended June 30, 2024

	Aspire Port City Academy	Aspire Vanguard College Preparatory Academy	Aspire Alexander Twilight College Preparatory Academy	Aspire Alexander Twilight Secondary Academy	Aspire APEX Academy	Aspire Arts & Sciences Academy	Aspire Stockton Secondary Academy	Central Valley Regional Office	Total Central Valley Region
Revenue and support									
Federal revenue	\$ 693,103	\$ 862,030	\$ 598,548	\$ 1,062,252	\$ 905,650	\$ 244,825	\$ 312,061	\$ -	\$ 14,513,179
State revenue	6,527,841	7,352,231	5,740,294	5,960,577	4,836,607	4,296,197	3,425,730	1,045,025	98,930,550
Local revenue	984,729	2,106,645	1,285,639	1,429,637	657,136	546,228	425,276	8,799	18,012,695
Grants and contributions	-	-	-	-	-	-	-	-	-
Interest income	7,222	9,903	-	-	2,558	1,723	1,462	-	92,718
Other income	56,347	60,168	34,041	92,255	14,601	8,113	-	2,173	483,306
Total revenue and support	8,269,242	10,390,977	7,658,522	8,544,721	6,416,552	5,097,086	4,164,529	1,055,997	132,032,448
Expenses									
Salaries and benefits	5,749,148	7,170,778	5,576,988	5,915,428	4,630,889	3,553,922	2,724,422	4,782,504	89,154,685
Professional fees and services	514,459	912,533	1,442,262	784,344	845,476	461,736	488,788	2,064,249	14,223,744
Books and supplies	393,170	609,153	308,091	419,935	(2,666)	100,531	377,309	715,313	6,414,273
Rent and occupancy	881,541	1,126,289	861,831	976,778	1,379,105	1,382,530	2,119,035	229,171	17,045,333
Depreciation and amortization	49,081	68,050	56,140	44,395	101,529	24,637	29,103	11,884	1,387,832
Interest	-	-	-	-	-	-	-	-	59,041
Travel and meetings	33,023	107,365	93,142	65,117	15,423	20,979	25,596	428,272	1,056,833
Other expenses	-	3,998	-	9	363	78	-	170,162	194,190
Cost allocations / transfers	1,034,866	1,353,573	975,743	1,085,492	736,512	657,725	506,039	(5,825,334)	10,693,363
Total expenses	8,655,288	11,351,739	9,314,197	9,291,498	7,706,631	6,202,138	6,270,292	2,576,221	140,229,294
Change in net assets	(386,046)	(960,762)	(1,655,675)	(746,777)	(1,290,079)	(1,105,052)	(2,105,763)	(1,520,224)	(8,196,846)
Net assets, beginning	3,832,416	3,106,817	2,441,304	3,474,285	176,647	(698,028)	(2,135,254)	865,315	46,493,816
Net assets, ending	\$ 3,446,370	\$ 2,146,055	\$ 785,629	\$ 2,727,508	\$ (1,113,432)	\$ (1,803,080)	\$ (4,241,017)	\$ (654,909)	\$ 38,296,970

See independent auditor's report.

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF FINANCIAL POSITION – LA REGION

June 30, 2024

	Aspire Antonio Maria Lugo Academy	Aspire Ollin University Preparatory Academy	Aspire Junior Collegiate Academy	Aspire Titan Academy	Aspire Pacific Academy	Aspire Firestone Academy	Aspire Gateway Academy
ASSETS							
Current assets							
Cash and cash equivalents	\$ 1,513,055	\$ 2,569,564	\$ 3,585,423	\$ 2,352,453	\$ 3,139,095	\$ 1,569,475	\$ 2,620,618
Grants and contracts receivable	1,330,357	3,102,891	825,356	1,729,707	2,135,591	1,798,608	1,673,656
Related party receivables	21,451	305,652	-	-	9,013	16,205	-
Prepaid expenses and other assets	50,917	2,633	133,890	27,213	33,863	60,316	60,047
Total current assets	2,915,780	5,980,740	4,544,669	4,109,373	5,317,562	3,444,604	4,354,321
Noncurrent assets							
Restricted cash and cash equivalents	-	-	-	-	-	-	-
Right-of-use assets	12,297	12,679	4,973,485	5,088,292	9,023,372	-	-
Property and equipment, net	12,736,533	13,435,148	392,178	246,653	345,446	92,359	92,290
Total noncurrent assets	12,748,830	13,447,827	5,365,663	5,334,945	9,368,818	92,359	92,290
Total assets	\$ 15,664,610	\$ 19,428,567	\$ 9,910,332	\$ 9,444,318	\$ 14,686,380	\$ 3,536,963	\$ 4,446,611
LIABILITIES AND NET ASSETS							
Current liabilities							
Accounts payable and accrued expenses	\$ 398,953	\$ 493,072	\$ 452,967	\$ 426,762	\$ 646,238	\$ 538,620	\$ 499,632
Refundable advances	7,503	-	-	-	-	-	1,114
Related party payables	-	-	-	-	-	-	4,218
Lease liabilities	5,537	9,276	133,631	131,226	234,412	-	-
Debt	242,927	305,891	-	-	-	-	-
Total current liabilities	654,920	808,239	586,598	557,988	880,650	538,620	504,964
Noncurrent liabilities							
Lease liabilities	6,760	3,403	4,776,703	4,892,346	8,950,034	-	-
Debt, net	6,113,298	6,243,934	-	-	-	-	-
Total noncurrent liabilities	6,120,058	6,247,337	4,776,703	4,892,346	8,950,034	-	-
Total liabilities	6,774,978	7,055,576	5,363,301	5,450,334	9,830,684	538,620	504,964
Net assets							
Without donor restrictions	7,092,456	10,666,621	2,857,298	2,338,664	4,055,314	2,107,444	2,566,456
With donor restrictions	1,797,176	1,706,370	1,689,733	1,655,320	800,382	890,899	1,375,191
Total net assets	8,889,632	12,372,991	4,547,031	3,993,984	4,855,696	2,998,343	3,941,647
Total liabilities and net assets	\$ 15,664,610	\$ 19,428,567	\$ 9,910,332	\$ 9,444,318	\$ 14,686,380	\$ 3,536,963	\$ 4,446,611

See independent auditor's report.

ASPIRE PUBLIC SCHOOLS
CONSOLIDATING STATEMENT OF FINANCIAL POSITION – LA REGION
June 30, 2024

	Aspire Tate Academy	Aspire Inkeep Academy	Aspire Slauson Academy	Aspire Centennial College Preparatory Academy	LA Regional Office	Total LA Region
ASSETS						
Current assets						
Cash and cash equivalents	\$ 2,962,579	\$ 2,519,830	\$ 2,673,431	\$ 5,168,771	\$ 2,965,340	\$ 33,639,634
Grants and contracts receivable	561,990	682,758	1,178,591	530,910	144,004	15,694,419
Related party receivables	48,170	-	-	-	45,251	445,742
Prepaid expenses and other assets	54,990	38,800	51,593	37,121	12,816	564,199
Total current assets	3,627,729	3,241,388	3,903,615	5,736,802	3,167,411	50,343,994
Noncurrent assets						
Restricted cash and cash equivalents	-	-	-	-	-	-
Right-of-use assets	-	3,083	3,083	8,095,481	314,339	27,526,111
Property and equipment, net	124,129	81,076	37,435	291,294	368	27,874,909
Total noncurrent assets	124,129	84,159	40,518	8,386,775	314,707	55,401,020
Total assets	\$ 3,751,858	\$ 3,325,547	\$ 3,944,133	\$ 14,123,577	\$ 3,482,118	\$ 105,745,014
LIABILITIES AND NET ASSETS						
Current liabilities						
Accounts payable and accrued expenses	\$ 567,296	\$ 496,295	\$ 524,158	\$ 688,714	\$ 191,457	\$ 5,924,164
Refundable advances	-	-	-	-	313,598	322,215
Related party payables	-	1,650	-	-	-	5,868
Lease liabilities	-	3,083	3,083	21,932	123,578	665,758
Debt	-	-	-	-	-	548,818
Total current liabilities	567,296	501,028	527,241	710,646	628,633	7,466,823
Noncurrent liabilities						
Lease liabilities	-	-	-	9,037,771	207,085	27,874,102
Debt, net	-	-	-	-	-	12,357,232
Total noncurrent liabilities	-	-	-	9,037,771	207,085	40,231,334
Total liabilities	567,296	501,028	527,241	9,748,417	835,718	47,698,157
Net assets						
Without donor restrictions	1,427,563	1,538,574	1,872,551	3,077,738	2,646,400	42,247,079
With donor restrictions	1,756,999	1,285,945	1,544,341	1,297,422	-	15,799,778
Total net assets	3,184,562	2,824,519	3,416,892	4,375,160	2,646,400	58,046,857
Total liabilities and net assets	\$ 3,751,858	\$ 3,325,547	\$ 3,944,133	\$ 14,123,577	\$ 3,482,118	\$ 105,745,014

See independent auditor's report.

ASPIRE PUBLIC SCHOOLS
CONSOLIDATING STATEMENT OF ACTIVITIES – LA REGION
Year Ended June 30, 2024

	Aspire Antonio Maria Lugo Academy	Aspire Ollin University Preparatory Academy	Aspire Junior Collegiate Academy	Aspire Titan Academy	Aspire Pacific Academy	Aspire Firestone Academy	Aspire Gateway Academy
Revenue and support							
Federal revenue	\$ 1,463,112	\$ 2,017,803	\$ 1,344,839	\$ 1,074,034	\$ 1,282,411	\$ 1,099,000	\$ 1,017,936
State revenue	5,961,341	7,975,412	4,778,822	5,470,034	7,938,786	5,501,875	5,082,803
Local revenue	1,541,357	2,115,392	1,248,910	1,224,900	2,073,235	1,344,326	1,311,361
Grants and contributions	-	-	-	-	-	-	-
Interest income	-	-	-	-	-	-	-
Other income	10,479	14,015	(31,975)	9,462	12,953	14,116	8,447
Total revenue and support	8,976,289	12,122,622	7,340,596	7,778,430	11,307,385	7,959,317	7,420,547
Expenses							
Salaries and benefits	6,089,226	7,782,390	4,318,952	4,784,873	7,992,300	6,007,141	5,344,849
Professional fees and services	935,088	1,125,521	807,841	1,053,373	1,107,967	962,021	956,746
Books and supplies	314,186	414,158	348,907	238,024	454,506	240,311	284,070
Rent and occupancy	190,245	267,699	590,227	579,015	1,002,847	312,356	298,019
Depreciation and amortization	513,795	599,143	77,551	27,227	41,599	7,522	7,905
Interest	129,754	62,558	-	-	-	-	-
Travel and meetings	8,887	22,391	19,160	20,960	28,195	10,510	6,708
Other expenses	(4,059)	8,851	(9,198)	(8,021)	-	-	-
Cost allocations / transfers	1,097,828	1,464,525	895,379	864,079	1,340,622	881,948	862,519
Total expenses	9,274,950	11,747,236	7,048,819	7,559,530	11,968,036	8,421,809	7,760,816
Change in net assets	(298,661)	375,386	291,777	218,900	(660,651)	(462,492)	(340,269)
Net assets, beginning	9,188,293	11,997,605	4,255,254	3,775,084	5,516,347	3,460,835	4,281,916
Net assets, ending	<u>\$ 8,889,632</u>	<u>\$ 12,372,991</u>	<u>\$ 4,547,031</u>	<u>\$ 3,993,984</u>	<u>\$ 4,855,696</u>	<u>\$ 2,998,343</u>	<u>\$ 3,941,647</u>

See independent auditor's report.

ASPIRE PUBLIC SCHOOLS
CONSOLIDATING STATEMENT OF ACTIVITIES – LA REGION
Year Ended June 30, 2024

	Aspire Tate Academy	Aspire Inkeep Academy	Aspire Slauson Academy	Aspire Centennial College Preparatory Academy	LA Regional Office	Total LA Region
Revenue and support						
Federal revenue	\$ 930,468	\$ 1,221,436	\$ 893,347	\$ 1,438,357	\$ -	\$ 13,782,743
State revenue	4,728,638	4,622,693	5,012,520	6,003,967	814,566	63,891,457
Local revenue	1,296,051	1,294,406	1,246,341	1,931,123	7,592	16,634,994
Grants and contributions	-	-	-	-	-	-
Interest income	-	-	-	-	-	-
Other income	22,532	9,704	8,248	12,809	8,581	99,371
Total revenue and support	6,977,689	7,148,239	7,160,456	9,386,256	830,739	94,408,565
Expenses						
Salaries and benefits	5,078,293	5,119,178	4,702,276	6,395,242	3,765,661	67,380,381
Professional fees and services	1,020,413	893,324	1,183,922	789,453	1,160,348	11,996,017
Books and supplies	408,101	445,185	441,106	366,516	280,446	4,235,516
Rent and occupancy	281,339	277,584	275,760	687,874	252,798	5,015,763
Depreciation and amortization	16,637	18,425	11,424	47,611	736	1,369,575
Interest	-	-	-	-	-	192,312
Travel and meetings	15,091	59,198	22,920	23,842	236,102	473,964
Other expenses	-	381	-	(6)	(2,377)	(14,429)
Cost allocations / transfers	883,825	887,997	825,198	1,209,187	(4,054,950)	7,158,157
Total expenses	7,703,699	7,701,272	7,462,606	9,519,719	1,638,764	97,807,256
Change in net assets	(726,010)	(553,033)	(302,150)	(133,463)	(808,025)	(3,398,691)
Net assets, beginning	3,910,572	3,377,552	3,719,042	4,508,623	3,454,425	61,445,548
Net assets, ending	<u>\$ 3,184,562</u>	<u>\$ 2,824,519</u>	<u>\$ 3,416,892</u>	<u>\$ 4,375,160</u>	<u>\$ 2,646,400</u>	<u>\$ 58,046,857</u>

See independent auditor's report.

ASPIRE PUBLIC SCHOOLS
LOCAL EDUCATION AGENCY ORGANIZATIONAL STRUCTURE
Year Ended June 30, 2024

Organization

See notes to consolidated financial statements – Note 1

Governing Board

Name	Title	Term Expires
Beth Hunkapiller	Board Chair	June 30, 2027
Anthony Barkett	Member	June 30, 2027
Carol J. Ornelas	Member	June 30, 2027
Ay'Anna Moody	Member	June 30, 2027
Lorea Martinez	Member	June 30, 2027
Christina Laster	Member	June 30, 2027
Veleta Savannah	Member	June 30, 2027

Administrators

Mala Batra, Chief Executive Officer
Mary Cha-Caswell, Chief Operating Officer
Michael Wimbish, Chief Financial Officer

See independent auditor's report.

ASPIRE PUBLIC SCHOOLS
LOCAL EDUCATION AGENCY ORGANIZATIONAL STRUCTURE
Year Ended June 30, 2024

Charter School Name	Charter Number	Sponsoring District	Charter Granted/ Renewed
Aspire Alexander Twilight College Preparatory Academy	1554	San Juan Unified	Nov. 2015
Aspire Alexander Twilight Secondary Academy	1555	San Juan Unified	Nov. 2015
Aspire Antonio Maria Lugo Academy	694	LA County Office of Education	April 2019
Aspire APEX Academy	1552	Stockton Unified	Jan. 2018
Aspire Benjamin Holt College Preparatory Academy	565	Lodi Unified	Oct. 2017
Aspire Benjamin Holt Middle School	1782	Lodi Unified	Nov. 2015
Aspire Berkley Maynard Academy	726	Oakland Unified	Jan. 2015
Aspire Capitol Heights Academy	598	Sacramento City Unified	April 2018
Aspire Centennial College Preparatory Academy	1436	LA Unified	Nov. 2017
Aspire College Academy	1577	Oakland Unified	Jan. 2018
Aspire East Palo Alto Charter	125	Ravenswood City	Aug. 2018
Aspire Firestone Academy	1214	LA Unified	Oct. 2014
Aspire Gateway Academy	1213	LA Unified	Oct. 2014
Aspire Golden State College Preparatory Academy	1023	Oakland Unified	Jan. 2018
Aspire Inskeep Academy	1332	LA Unified	Oct. 2015
Aspire Junior Collegiate Academy	1551	LA Unified	Nov. 2017
Aspire Langston Hughes Academy	1048	Stockton Unified	Jan. 2018
Aspire Lionel Wilson College Preparatory Academy	465	Oakland Unified	Dec. 2016
Aspire Monarch Academy	252	Oakland Unified	Nov. 2018
Aspire Ollin University Preparatory Academy	693	LA County Office of Education	April 2019
Aspire Pacific Academy	1230	LA Unified	Oct. 2014
Aspire Port City Academy	1553	Stockton Unified	Jan. 2018
Aspire Richmond California Preparatory Academy	1739	West Contra Costa Unified	June 2019
Aspire Richmond Technology Academy	1740	West Contra Costa Unified	Dec. 2019
Aspire River Oaks Charter School	364	Lodi Unified	Feb. 2016
Aspire Stockton Secondary Academy	2064	Stockton Unified	Aug. 2020
Aspire Arts & Sciences Academy	2063	Stockton Unified	Aug. 2020
Aspire Rosa Parks Academy	554	Stockton Unified	Jan. 2015
Aspire Slauson Academy	1330	LA Unified	Oct. 2015
Aspire Summit Charter Academy	812	Ceres Unified	Jan. 2016
Aspire Tate Academy	1331	LA Unified	Oct. 2015
Aspire Titan Academy	1550	LA Unified	Nov. 2017
Aspire Triumph Technology	1663	Oakland Unified	Nov. 2018
Aspire University Charter School	1963	Modesto City Schools	Jan. 2018
Aspire Vanguard College Preparatory Academy	1125	Modesto City Schools	July 2018
Aspire Vincent Shalvey Academy	178	Lodi Unified	Dec. 2018

See independent auditor's report.

ASPIRE PUBLIC SCHOOLS
SCHEDULE OF AVERAGE DAILY ATTENDANCE
Year Ended June 30, 2024

	Classroom-based ADA	
	Second	
	Period Report	Annual Report
Aspire Monarch Academy		
Grades K through 3	250.12	252.20
Grades 4 through 6	<u>120.83</u>	<u>119.46</u>
Total	<u>370.95</u>	<u>371.66</u>
Aspire Lionel Wilson College Preparatory Academy		
Grade 6	41.65	41.76
Grades 7 and 8	106.73	107.42
Grades 9 through 12	<u>221.05</u>	<u>222.25</u>
Total	<u>369.43</u>	<u>371.43</u>
Aspire East Palo Alto Charter School		
Grades K through 3	220.49	219.49
Grades 4 through 6	185.23	184.21
Grades 7 and 8	<u>111.42</u>	<u>111.07</u>
Total	<u>517.14</u>	<u>514.77</u>
Aspire Triumph Technology Academy		
Grades K through 3	145.22	144.02
Grades 4 through 6	<u>68.96</u>	<u>68.74</u>
Total	<u>214.18</u>	<u>212.76</u>
Aspire Berkley Maynard Academy		
Grades K through 3	211.66	210.55
Grades 4 through 6	150.83	149.91
Grades 7 and 8	<u>89.94</u>	<u>90.31</u>
Total	<u>452.43</u>	<u>450.77</u>
Aspire Richmond California College Preparatory Academy		
Grade 6	90.95	91.03
Grades 7 and 8	178.45	180.57
Grades 9 through 12	<u>292.33</u>	<u>295.17</u>
Total	<u>561.73</u>	<u>566.77</u>
Aspire Richmond Technology Academy		
Grades K through 3	363.95	363.52
Grades 4 through 6	<u>154.45</u>	<u>153.85</u>
Total	<u>518.40</u>	<u>517.37</u>

See independent auditor's report.

ASPIRE PUBLIC SCHOOLS
SCHEDULE OF AVERAGE DAILY ATTENDANCE
Year Ended June 30, 2024

	Classroom-based ADA	
	Second	
	Period Report	Annual Report
Aspire Golden State College Preparatory Academy		
Grades 4 through 6	59.50	58.51
Grades 7 and 8	102.49	101.53
Grades 9 through 12	233.16	230.55
Total	<u>395.15</u>	<u>390.59</u>
Aspire College Academy		
Grades K through 3	115.48	115.02
Grades 4 through 6	70.74	70.57
Total	<u>186.22</u>	<u>185.59</u>
Aspire Vincent Shalvey Academy		
Grades K through 3	294.19	293.78
Grades 4 through 6	127.79	127.20
Total	<u>421.98</u>	<u>420.98</u>
Aspire University Charter School		
Grades K through 3	275.31	274.22
Grades 4 through 6	116.38	116.65
Total	<u>391.69</u>	<u>390.87</u>
Aspire Summit Charter Academy		
Grades K through 3	241.05	238.24
Grades 4 through 6	110.26	108.57
Total	<u>351.31</u>	<u>346.81</u>
Aspire River Oaks Charter School		
Grades K through 3	292.07	292.16
Grades 4 through 6	132.83	132.73
Total	<u>424.90</u>	<u>424.89</u>
Aspire Benjamin Holt College Preparatory Academy		
Grades 9 through 12	<u>652.78</u>	<u>649.97</u>
Aspire Benjamin Holt Middle School		
Grades 4 through 6	182.25	181.77
Grades 7 and 8	359.57	358.58
Total	<u>541.82</u>	<u>540.35</u>

See independent auditor's report.

ASPIRE PUBLIC SCHOOLS
SCHEDULE OF AVERAGE DAILY ATTENDANCE
Year Ended June 30, 2024

	Classroom-based ADA	
	Second	
	Period Report	Annual Report
Aspire Capitol Heights Academy		
Grades K through 3	83.28	83.10
Grades 4 through 6	59.44	58.68
Grades 7 through 8	44.76	43.71
Total	<u>187.48</u>	<u>185.49</u>
Aspire Rosa Parks Academy		
Grades K through 3	256.55	255.29
Grades 4 through 6	111.92	110.70
Total	<u>368.47</u>	<u>365.99</u>
Aspire Langston Hughes Academy		
Grades 4 through 6	111.07	111.13
Grades 7 and 8	217.41	216.64
Grades 9 through 12	369.51	368.40
Total	<u>697.99</u>	<u>696.17</u>
Aspire Port City Academy		
Grades K through 3	289.40	288.31
Grades 4 through 6	125.21	124.27
Total	<u>414.61</u>	<u>412.58</u>
Aspire Vanguard College Preparatory Academy		
Grades 4 through 6	112.83	111.92
Grades 7 and 8	201.98	199.66
Grades 9 through 12	253.57	248.98
Total	<u>568.38</u>	<u>560.56</u>
Aspire Alexander Twilight College Preparatory Academy		
Grades K through 3	276.56	273.72
Grades 4 through 6	116.44	115.17
Total	<u>393.00</u>	<u>388.89</u>
Aspire Alexander Twilight Secondary Academy		
Grades 4 through 6	67.54	68.28
Grades 7 and 8	165.65	165.74
Grades 9 through 12	196.02	194.34
Total	<u>429.21</u>	<u>428.36</u>

See independent auditor's report.

ASPIRE PUBLIC SCHOOLS
SCHEDULE OF AVERAGE DAILY ATTENDANCE
Year Ended June 30, 2024

	Classroom-based ADA	
	Second	
	Period Report	Annual Report
Aspire APEX Academy		
Grades K through 3	189.92	190.16
Grades 4 through 6	95.95	96.39
Total	<u>285.87</u>	<u>286.55</u>
Aspire Arts & Sciences Academy		
Grades K through 3	<u>268.25</u>	<u>266.69</u>
Aspire Stockton Secondary Academy		
Grades 4 through 6	49.83	50.00
Grades 7 through 8	108.17	108.23
Grades 9 through 12	50.85	49.81
Total	<u>208.85</u>	<u>208.04</u>
Aspire Antonio Maria Lugo Academy		
Grades K through 3	238.31	239.37
Grades 4 through 6	129.16	129.30
Total	<u>367.47</u>	<u>368.67</u>
Aspire Ollin University Preparatory Academy		
Grade 6	68.04	67.99
Grades 7 and 8	134.43	134.25
Grades 9 through 12	312.50	311.35
Total	<u>514.97</u>	<u>513.59</u>
Aspire Junior Collegiate Academy		
Grades K through 3	196.66	197.17
Grades 4 through 6	103.22	103.94
Total	<u>299.88</u>	<u>301.11</u>
Aspire Titan Academy		
Grades K through 3	183.67	183.64
Grades 4 through 6	111.25	110.76
Total	<u>294.92</u>	<u>294.40</u>

See independent auditor's report.

ASPIRE PUBLIC SCHOOLS
SCHEDULE OF AVERAGE DAILY ATTENDANCE
Year Ended June 30, 2024

	Classroom-based ADA	
	Second	
	Period Report	Annual Report
Aspire Pacific Academy		
Grades 4 through 6	58.81	58.65
Grades 7 and 8	167.42	167.68
Grades 9 through 12	279.81	281.49
Total	<u>506.04</u>	<u>507.82</u>
Aspire Firestone Academy		
Grades K through 3	198.38	197.96
Grades 4 through 6	119.59	120.01
Total	<u>317.97</u>	<u>317.97</u>
Aspire Gateway Academy		
Grades K through 3	212.06	211.89
Grades 4 through 6	107.06	107.07
Total	<u>319.12</u>	<u>318.96</u>
Aspire Tate Academy		
Grades K through 3	165.41	166.54
Grades 4 through 6	145.21	145.01
Total	<u>310.62</u>	<u>311.55</u>
Aspire Inskeep Academy		
Grades K through 3	157.76	159.29
Grades 4 through 6	147.67	146.99
Total	<u>305.43</u>	<u>306.28</u>
Aspire Slauson Academy		
Grades K through 3	174.71	174.26
Grades 4 through 6	123.59	124.88
Total	<u>298.30</u>	<u>299.14</u>
Aspire Centennial College Preparatory Academy		
Grades 4 through 6	125.96	125.49
Grades 7 through 8	350.45	347.86
Total	<u>476.41</u>	<u>473.35</u>

See independent auditor's report.

ASPIRE PUBLIC SCHOOLS
SCHEDULE OF INSTRUCTION TIME
Year Ended June 30, 2024

The actual minutes provided during the year ended June 30, 2024, as reported below, are in compliance with the instructional minutes' and days' provisions and are provided based on a traditional calendar of days.

	<u>Minutes Requirement</u>	<u>Minutes Offered</u>	<u>Days Offered</u>
Aspire Monarch Academy			
Grade K	36,000	50,860	190
Grade 1	50,400	52,060	190
Grades 2 – 3	50,400	55,810	190
Grades 4 – 6	54,000	55,810	190
Aspire Lionel Wilson College Preparatory Academy			
Grades 6 - 8	54,000	59,490	180
Grades 9 - 12	64,800	67,030	180
Aspire East Palo Alto Charter School			
Grade K	36,000	52,660	180
Grades 1 - 2	50,400	52,660	180
Grade 3	50,400	54,370	180
Grades 4 - 5	54,000	54,370	180
Grades 6 - 8	54,000	56,600	180
Aspire Triumph Technology Academy			
Grade K	36,000	55,605	180
Grade 1	50,400	54,525	180
Grades 1 - 3	50,400	54,555	180
Grades 4 - 5	54,000	55,455	180
Aspire Berkley Maynard Academy			
Grade K	36,000	50,740	180
Grades 1 - 3	50,400	52,660	180
Grades 4 - 5	54,000	54,740	180
Grades 6 - 8	54,000	54,082	180

See independent auditor's report.

ASPIRE PUBLIC SCHOOLS
SCHEDULE OF INSTRUCTION TIME
Year Ended June 30, 2024

The actual minutes provided during the year ended June 30, 2024, as reported below, are in compliance with the instructional minutes' and days' provisions and are provided based on a traditional calendar of days.

	Minutes Requirement	Minutes Offered	Days Offered
Aspire Richmond California College Preparatory Academy			
Grades 6 - 8	54,000	59,970	180
Grades 9 - 12	64,800	65,135	180
Aspire Richmond Technology Academy			
Grade K	36,000	50,145	180
Grade 1	50,400	51,405	180
Grade 2	50,400	54,400	180
Grade 3	50,400	54,695	180
Grades 4 - 6	54,000	54,695	180
Aspire Golden State College Preparatory Academy			
Grades 6 - 8	54,000	60,360	180
Grades 9 - 12	64,800	66,064	181
Aspire College Academy			
Grade K	36,000	56,300	180
Grades 1 - 3	50,400	58,060	180
Grades 4 - 6	54,000	58,060	180
Aspire Vincent Shalvey Academy			
Grade K	36,000	59,040	184
Grades 1 - 3	50,400	59,880	184
Grades 4 - 6	54,000	59,880	184
Aspire University Charter School			
Grade K	36,000	57,395	184
Grade 1	50,400	58,635	184
Grades 1 - 3	50,400	58,910	184
Grades 4 - 6	54,000	58,910	184

See independent auditor's report.

ASPIRE PUBLIC SCHOOLS
SCHEDULE OF INSTRUCTION TIME
Year Ended June 30, 2024

The actual minutes provided during the year ended June 30, 2024, as reported below, are in compliance with the instructional minutes' and days' provisions and are provided based on a traditional calendar of days.

	Minutes Requirement	Minutes Offered	Days Offered
Aspire Summit Charter Academy			
Grade K	36,000	57,880	184
Grades 1 - 3	50,400	58,840	184
Grades 4 - 6	54,000	58,840	184
Aspire River Oaks Charter School			
Grade K	36,000	55,915	184
Grades 1 - 3	50,400	58,890	184
Grades 4 - 6	54,000	58,890	184
Aspire Benjamin Holt College Preparatory Academy			
Grades 9 - 12	64,800	65,415	184
Aspire Benjamin Holt Middle School			
Grades 4 - 8	54,000	65,010	184
Aspire Capitol Heights Academy			
Grade K	36,000	55,980	180
Grades 1 - 3	50,400	59,200	180
Grades 4 - 5	54,000	61,430	180
Grades 4 - 8	54,000	62,525	180
Aspire Rosa Parks Academy			
Grade K	36,000	54,680	184
Grades 1 - 3	50,400	57,380	184
Grades 4 - 8	54,000	57,380	184
Aspire Langston Hughes Academy			
Grades 4 - 8	54,000	63,008	184
Grades 9 - 12	64,800	66,519	184

See independent auditor's report.

ASPIRE PUBLIC SCHOOLS
SCHEDULE OF INSTRUCTION TIME
Year Ended June 30, 2024

The actual minutes provided during the year ended June 30, 2024, as reported below, are in compliance with the instructional minutes' and days' provisions and are provided based on a traditional calendar of days.

	Minutes Requirement	Minutes Offered	Days Offered
Aspire Port City Academy			
Grade K	36,000	58,090	184
Grade 1	50,400	58,090	184
Grades 2 - 3	50,400	60,115	184
Grades 4 - 6	54,000	60,360	184
Aspire Vanguard College Preparatory Academy			
Grades 4 - 8	54,000	63,536	184
Grades 9 - 12	64,800	65,680	184
Aspire Alexander Twilight College Preparatory Academy			
Grade K	36,000	58,190	182
Grade 1	50,400	59,990	182
Grades 2 - 3	50,400	60,900	182
Grades 4 - 5	54,000	63,035	182
Aspire Alexander Twilight Secondary Academy			
Grades 6 - 8	54,000	64,760	184
Grades 9 - 12	64,800	64,810	184
Aspire APEX Academy			
Grade K	36,000	54,625	175
Grade 1	50,400	56,875	175
Grades 2 - 3	50,400	58,135	175
Grades 4 - 5	54,000	56,875	175
Aspire Arts & Sciences Academy			
Grade K	36,000	57,400	184
Grades 1 - 2	50,400	59,820	184
Grade 3	50,400	60,660	184

See independent auditor's report.

ASPIRE PUBLIC SCHOOLS
SCHEDULE OF INSTRUCTION TIME
Year Ended June 30, 2024

The actual minutes provided during the year ended June 30, 2024, as reported below, are in compliance with the instructional minutes' and days' provisions and are provided based on a traditional calendar of days.

	Minutes Requirement	Minutes Offered	Days Offered
Aspire Stockton Secondary Academy			
Grades 6 - 8	54,000	60,565	175
Grade 9 - Cohort A	64,800	65,000	180
Grade 9 - Cohort B	64,800	65,740	180
Aspire Antonio Maria Lugo Academy			
Grade K	36,000	56,865	180
Grades 1 - 3	50,400	56,865	180
Grades 4 - 6	54,000	56,865	180
Aspire Ollin University Preparatory Academy			
Grades 6 - 8	54,000	64,800	180
Grades 9 - 12	64,800	64,800	180
Aspire Junior Collegiate Academy			
Grade K	36,000	55,945	180
Grade 1	50,400	57,600	180
Grades 2 - 3	50,400	60,000	180
Grades 4 - 5	54,000	60,000	180
Aspire Titan Academy			
Grade K	36,000	54,355	180
Grades 1 - 3	50,400	58,200	180
Grades 4 - 6	54,000	58,200	180
Aspire Pacific Academy			
Grades 6 - 8	54,000	64,845	180
Grades 9 - 12	64,800	64,845	180

See independent auditor's report.

ASPIRE PUBLIC SCHOOLS
SCHEDULE OF INSTRUCTION TIME
Year Ended June 30, 2024

The actual minutes provided during the year ended June 30, 2024, as reported below, are in compliance with the instructional minutes' and days' provisions and are provided based on a traditional calendar of days.

	Minutes Requirement	Minutes Offered	Days Offered
Aspire Firestone Academy			
Grade K	36,000	56,400	180
Grades 1 - 3	50,400	57,600	180
Grades 4 - 6	54,000	57,600	180
Aspire Gateway Academy			
Grade K	36,000	56,400	180
Grades 1 - 3	50,400	57,600	180
Grades 4 - 5	54,000	57,600	180
Aspire Tate Academy			
Grade K	36,000	50,100	180
Grades 1 - 3	50,400	54,000	180
Grades 4 - 6	54,000	54,000	180
Aspire Inskeep Academy			
Grade K	36,000	51,840	180
Grades 1 - 3	50,400	54,000	180
Grades 4 - 6	54,000	54,000	180
Aspire Slauson Academy			
Grade K	36,000	50,100	180
Grades 1 - 3	50,400	54,000	180
Grades 4 - 6	54,000	54,000	180
Aspire Centennial College Preparatory Academy			
Grades 6 - 7	54,000	59,484	180
Grade 8	54,000	59,676	180

See independent auditor's report.

ASPIRE PUBLIC SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2024

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-through Identifying Number	Total Federal Expenditures
U.S. Department of Education			
<i>California Department of Education</i>			
Education Stabilization Fund			
American Rescue Plan - Elementary and Secondary School Emergency Relief (ARP ESSER)	84.425U	15559, 10155, 15621, 15650, 15752	\$ 19,658,436
 Title I Grants to Local Educational Agencies	 84.010	 14329	 6,752,234
English Language Acquisition State Grants	84.365	14346	531,052
Twenty-First Century Community Learning Centers	84.287	14349	654,753
Student Support and Academic Enrichment Program	84.424F	15396	353,942
Special Education Grant to States	84.027	13379	<u>2,818,461</u>
Total U.S. Department of Education			<u>30,768,878</u>
U.S. Department of Agriculture			
<i>California Department of Education</i>			
Child Nutrition Cluster			
School Breakfast Program	10.553	13390, 13525 - 6	4,813,452
National School Lunch Program	10.555	13396, 13391	1,056,611
Summer Food Service Program for Children	10.559	13004	<u>140,671</u>
Total Child Nutrition Cluster			<u>6,010,734</u>
 Child and Adult Care Food Program	 10.558	 13666	 <u>1,329,195</u>
Total U.S. Department of Agriculture			<u>7,339,929</u>
Total Expenditures of Federal Awards			<u>\$ 38,108,807</u>

See notes to schedule of expenditures of federal awards.

ASPIRE PUBLIC SCHOOLS

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (Schedule) includes the federal award activity of Aspire Public Schools (Aspire) under programs of the federal government for the year ended June 30, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Aspire, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Aspire.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 – INDIRECT COST RATE

Aspire has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

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

Board of Directors
Aspire Public Schools

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 consolidated financial statements of Aspire Public Schools and its affiliates (Aspire), which comprise the consolidated statement of financial position as of June 30, 2024, the related consolidated statements of activities, functional expenses, and cash flows for the year then ended and the related notes to the consolidated financial statements (collectively, the financial statements), and have issued our report thereon dated December 13, 2024.

Report on Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2024-001 and 2024-002 that we consider to be material weaknesses.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Aspire's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2024-002.

Aspire's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on Aspire's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. Aspire's response was not subjected to the other auditing procedures applied in the audit of the financial statements 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 Aspire's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Aspire's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

The image shows a handwritten signature in black ink that reads "Singer Lewak LLP". The signature is written in a cursive, flowing style.

December 13, 2024

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE;
AS REQUIRED BY THE UNIFORM GUIDANCE**

Board of Directors
Aspire Public Schools

Report on Compliance for Each Major Federal Program

Opinion on each Major Federal Program

We have audited Aspire Public Schools and its affiliates' (Aspire) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Aspire's major federal programs for the year ended June 30, 2024. Aspire's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Aspire complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis of Opinion on Each Major Federal Program

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 (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Aspire 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 on compliance for each major federal program. Our audit does not provide a legal determination of Aspire'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 Aspire's federal programs.

Auditors' Responsibilities 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 Aspire'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 the Uniform Guidance 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 Aspire's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, 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 Aspire'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 Aspire'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 Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Aspire'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.

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 federal program 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 material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's 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. Given these limitations, during our audit, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies 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 Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

The signature is written in a cursive, handwritten style. It reads "Singer Lewak" followed by "LLP" in a slightly more formal, blocky font.

December 13, 2024

**INDEPENDENT AUDITOR'S REPORT ON STATE COMPLIANCE AND ON
INTERNAL CONTROL OVER COMPLIANCE FOR STATE PROGRAMS**

Board of Directors
Aspire Public Schools

Report on State Compliance

Qualified and Unmodified Opinions

We have audited Aspire Public Schools' (Aspire) compliance with the types of compliance requirements identified as subject to audit in the *2023-24 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, published by the Education Audit Appeals Panel identified in the schedule below for the year ended June 30, 2024.

Qualified Opinion on Transitional Kindergarten

In our opinion, except for the noncompliance described in the Basis for Qualified and Unmodified Opinions section of our report, Aspire complied, in all material respects, with the compliance requirements that are applicable to the laws and regulations of the state programs noted in the table below for the year ended June 30, 2024.

Unmodified Opinion on Each of the Other State Programs

In our opinion, Aspire complied, in all material respects, with the compliance requirements that are applicable to the laws and regulations of the state programs noted in the table below for the year ended June 30, 2024.

Basis for Qualified and Unmodified Opinions

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 (*Government Auditing Standards*); and the audit requirements of the *2023-24 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Our responsibilities under those standards, and the *2023-24 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Aspire 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 on compliance for each applicable state program. Our audit does not provide a legal determination of the Aspire's compliance with the compliance requirements referred to above.

Matter Giving Rise to Qualified Opinion on Transitional Kindergarten

As described in the accompanying schedule of findings and questioned costs, Aspire did not comply with requirements regarding Transitional Kindergarten as described in finding number 2024-003 for maximum pupil enrollment. Compliance with such requirements is necessary, in our opinion, for Aspire to comply with the requirements applicable to that program.

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 grants agreements applicable to Aspire's state programs.

Auditor's Responsibilities 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 Aspire'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 the *2023-24 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 Aspire's compliance with the requirements of the state programs as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the 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 Aspire'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 Aspire'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 *2023-24 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 Aspire's internal control over compliance. Accordingly, we express no such opinion; and

- Select and test transactions and records to determine Aspire's compliance with the state laws and regulations applicable to the following items:

<u>For Charter Schools</u>	<u>Procedures Performed</u>
Proposition 28 Arts and Music in Schools	Yes
After/Before School Education and Safety Program	Yes
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	N/A
Immunizations	N/A
Educator Effectiveness	Yes
Expanded Learning Opportunity Grant (ELO-G)	N/A
Career Technical Education Incentive Grant	N/A
Expanded Learning Opportunity Program	Yes
Transitional Kindergarten	Yes
Attendance	Yes
Mode of Instruction	Yes
Nonclassroom-Based Instruction/Independent Study	N/A
Determination of Funding for Nonclassroom-Based Instruction	N/A
Annual Instructional Minutes – Classroom Based	Yes
Charter School Facility Grant Program	Yes

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.

The results of our auditing procedures disclosed an instance of noncompliance, which is described in the accompanying Schedule of Findings and Questioned Costs as item 2024-03. *Government Auditing Standards* requires the auditor to perform limited procedures on Aspire's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. Aspire's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

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 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 material noncompliance with a type of 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 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 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 as defined above. 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 2023-24 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting. Accordingly, this report is not suitable for any other purpose.

The signature is written in a cursive, handwritten style. It reads "Singer Lewak" followed by "LLP" in a slightly more formal, blocky font.

December 13, 2024

ASPIRE PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

SECTION I – SUMMARY OF AUDITOR’S RESULTS

Financial Statements

Type of auditor’s report issued on whether
the financial statements audited were prepared
in accordance with GAAP Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? X Yes No
- Significant deficiency(ies) identified? Yes X None Reported

Noncompliance material to financial
statements noted? Yes X No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? Yes X No
- Significant deficiency(ies) identified? Yes X None Reported

Type of auditor’s report issued on
compliance for major federal programs Unmodified

Any audit findings disclosed that are required
to be reported in accordance with 2 CFR
200.516(a)? Yes X No

Identification of Major Federal Programs

<u>Federal Assistance</u> <u>Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
10.558	Child and Adult Care Food Program
84.425 U	Education Stabilization Fund

Dollar threshold used to distinguish between
Type A and Type B programs \$1,143,264

Auditee qualified as low-risk auditee? Yes X No

ASPIRE PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

SECTION I – SUMMARY OF AUDITOR’S RESULTS (Continued)

State Awards

Internal control over major federal programs:

- Material weakness(es) identified? _____ Yes X No
- Significant deficiency(ies) identified? _____ Yes X None Reported

Type of auditor’s report issued on
compliance for state programs Modified

Any audit findings disclosed that are required
to be reported in accordance with Audits of
California K-12 Local Education Agencies? X Yes _____ No

ASPIRE PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

SECTION II – FINANCIAL STATEMENT FINDINGS

2024–001 Financial Management

Finding Type: Material Weakness in Internal Controls over Financial Reporting

Criteria: Title 2 CFR Section 200.302 requires non-federal entity's financial management systems, including records documenting compliance with federal statutes, regulations, and the terms and conditions of the federal award, must be sufficient to permit the preparation of reports required by general and program-specific terms and conditions; and the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the federal statutes, regulations, and the terms and conditions of the federal award. The records should identify adequately the source and application of funds for federally funded activities. These records must contain information pertaining to federal awards, authorizations, financial obligations, unobligated balances, assets, expenditures, income and interest and be supported by source documentation.

Condition/Context: During our audit, we identified audit adjustments of approximately \$2.6 million which overstated prepaid expenses and accrued liabilities and had a material impact on the financial statements for the year ended June 30, 2024.

Cause: Aspire's existing internal controls were not effective to detect the error.

Effect: Account balances for prepaid expenses and accounts payable were overstated.

Repeat finding: No

Recommendation: We recommend Aspire enhance its close process to ensure all transactions are accounted for in accordance with U.S. GAAP.

Views of responsible officials and planned corrective actions: Management concurs with the finding and recommendation. Please see attached corrective action plan.

ASPIRE PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

SECTION II – FINANCIAL STATEMENT FINDINGS

2024-002 Schedule of Expenditures of Federal Awards Completeness and Accuracy

Finding Type: Material Weakness in Internal Controls over Financial Reporting and noncompliance

Criteria: According to Title 2 CFR Section 200.510 (b) Schedule of Expenditures of Federal Awards, the auditee must prepare a schedule of expenditures of federal awards for the period covered by auditee's financial statements which must include the total federal awards expended as determined in accordance with Title 2 CFR Section 200.502.

Condition/Context: The Schedule of Expenditures of Federal Awards prepared by Aspire was incomplete and inaccurately reported expenditures of federal awards. Once the corrections were made, the Schedule of Expenditures of Federal Awards increased by \$2,873,737. Furthermore, there was no evidence that the schedule was reviewed by a member of management not involved with the preparation of the schedule.

Cause: Aspire had an ineffective control system over the identification of federal awards on the schedule of expenditures of federal awards.

Effect: The Schedule of Expenditures of Federal Awards was inaccurate.

Repeat Finding: No.

Recommendation: We recommend Aspire implement procedures to accurately capture all federal award expenditures expended during the period covered by the financial statements.

Views of responsible officials and planned corrective actions: Management concurs with the finding and recommendation. Please see attached corrective action plan.

ASPIRE PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There were no findings for the year ended June 30, 2024.

FINDINGS AND QUESTIONED COSTS FOR STATE COMPLIANCE

2024-003 Transitional Kindergarten – CDDC #40000

Finding Type: Noncompliance

Criteria: According to Education Code (EC) Section 48000 (g)(1), a condition of receiving apportionment for pupils in a transitional kindergarten (TK) program pursuant to Education Code Section 46300 is the maintenance of an average transitional kindergarten class enrollment of no more than 24 pupils for each school site.

Condition: During our testing of transitional kindergarten, the transitional kindergarten average class enrollment at Aspire Port City Academy exceeded 24 pupils per class.

Cause: The school site did not have sufficient procedures in place to ensure compliance of transitional kindergarten average class enrollment requirements.

Effect/Questioned Cost: Per (EC) Section 48000(C), the penalty for an excess of 24 pupils per class for transitional kindergarten is the loss of the kindergarten through grade 3 Local Control Funding Formula grade span adjustment for all transitional kindergarten average daily attendance in the local educational agency.

The second principal apportionment transitional kindergarten average daily attendance for Aspire Port City Academy was 23.56, resulting in a loss of apportionment of \$24,313.92.

Repeat Finding: Yes, similar condition was noted in the prior year, see finding 2023-001.

Recommendation: The school site should ensure procedures are in place to ensure transitional kindergarten average class enrollment does not exceed statutory maximums. We recommend that active enrollment is reviewed on a monthly basis.

Views of responsible officials and planned corrective actions: Management concurs with the finding and recommendation. Please see attached corrective action plan.

**Management's Corrective Action Plan and
Summary Schedule of Prior Year Findings**

June 30, 2024



**CORRECTIVE ACTION PLAN
YEAR ENDED JUNE 30, 2024**

2024-001 Financial Management

Finding Type: Material Weakness in Internal Controls over Financial Reporting

Criteria: Title 2 CFR Section 200.302 requires non-federal entity's financial management systems, including records documenting compliance with federal statutes, regulations, and the terms and conditions of the federal award, must be sufficient to permit the preparation of reports required by general and program-specific terms and conditions; and the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the federal statutes, regulations, and the terms and conditions of the federal award. The records should identify adequately the source and application of funds for federally funded activities. These records must contain information pertaining to federal awards, authorizations, financial obligations, unobligated balances, assets, expenditures, income and interest and be supported by source documentation.

Condition/Context: During our audit, we identified audit adjustments of \$2.6 million which had a material impact on the financial statements for the year ended June 30, 2024.

Cause: Aspire has an ineffective control system to ensure the financial information is reported timely and in accordance with U.S. GAAP.

Effect: Account balances for prepaid expenses and accounts payable were misstated resulting in material adjustments to the financial statements.

Repeat finding: No

Recommendation: We recommend Aspire enhance its close process to ensure all transactions are accounted for in accordance with U.S. GAAP.

Corrective Actions Taken or Planned: In order to address the criteria under "**Title 2 CFR Section 200.302**", we are adding an additional check and review step to our regular pre-paid expense review process to ensure that we correctly account for the timing of pre-paid expenses entries, especially as it pertains to year-end timing. We will implement this plan by March 31st, 2025. Please note that the items highlighted above had an immaterial impact on net assets (~\$24K). The names, titles, and contact information of the people responsible for this corrective action are listed below:

- Michael Wimbish – Chief Financial Officer
 - Contact Information: (510) 434-5000 or Michael.Wimbish@aspirepublicschools.org
- Yalun Xi – Controller
 - Contact Information: (510) 434-5000 or Yalun.Xi@aspirepublicschools.org
- James Linscheid – Assistant Controller
 - Contact Information: (510) 434-5000 or James.Linscheid@aspirepublicschools.org

2024-002 Schedule of Expenditures of Federal Awards Completeness and Accuracy

Finding Type: Material Weakness in Internal Controls over Financial Reporting and noncompliance

Criteria: According to Title 2 CFR Section 200.510 (b) Schedule of Expenditures of Federal Awards, the auditee must prepare a schedule of expenditures of federal awards for the period covered by auditee's financial statements which must include the total federal awards expended as determined in accordance with Title 2 CFR Section 200.502.

Condition/Context: The Schedule of Expenditures of Federal Awards prepared by Aspire was incomplete and inaccurately reported expenditures of federal awards. Once the corrections were made, the Schedule of Expenditures of Federal Awards increased by \$2,873,737. Furthermore, there was no evidence that the schedule was reviewed by a member of management.

Cause: Aspire had an ineffective control system over the identification of federal awards on the schedule of expenditures of federal awards.

Effect: The Schedule of Expenditures of Federal Awards was inaccurate.

Repeat Finding: No.

Recommendation: We recommend Aspire implement procedures to accurately capture all federal award expenditures expended during the period covered by the financial statements.

Corrective Actions Taken or Planned: Please note that expenses were accurately coded and allocated in our system at a resource code level, as well as at a State and Federal level. The mix-up was entirely related to the manual preparation of The Schedule of Expenditures of Federal Awards.

In order to address the criteria under “**Title 2 CFR Section 200.510(b)**”, we will clearly tag the funding source of resources codes in our financial system of record in a way that allows us to pull the schedule together in a more automated fashion. We will implement this plan by March 31st, 2025. The names and titles of the people responsible for this corrective action are listed below:

- Michael Wimbish – Chief Financial Officer
 - Contact Information: (510) 434-5000 or Michael.Wimbish@aspirepublicschools.org
- Yalun Xi – Controller
 - Contact Information: (510) 434-5000 or Yalun.Xi@aspirepublicschools.org

2024-003 Transitional Kindergarten – CDDC #40000

Finding Type: Noncompliance

Criteria: According to Education Code (EC) Section 48000 (g)(1) a condition of receiving apportionment for pupils in a transitional kindergarten (TK) program pursuant to Education Code Section 46300 is the maintenance of an average transitional kindergarten class enrollment of no more than 24 pupils for each school site.

Condition: During our testing of transitional kindergarten, the transitional kindergarten average class enrollment at Aspire Port City Academy exceeded 24 pupils per class.

Cause: The school site did not have sufficient procedures in place to ensure compliance of transitional kindergarten average class enrollment requirements.

Effect/Questioned Cost: Per (EC) Section 48000(C) the penalty for an excess of 24 pupils per class for transitional kindergarten is the loss of the kindergarten through grade 3 Local Control Funding Formula grade span adjustment for all transitional kindergarten average daily attendance in the local educational agency.

The second principal apportionment transitional kindergarten average daily attendance for Aspire Port City Academy was 23.56, resulting in a loss of apportionment of \$24,313.92.

Repeat Finding: Yes, see finding 2023-001

Recommendation: The school site should ensure procedures are in place to ensure transitional kindergarten average class enrollment does not exceed statutory maximums. We recommend that active enrollment is reviewed on a monthly basis.

Corrective Actions Taken or Planned: Please note, that because this item was highlighted after the start of the 23-24 school year, compliance would have required us to disenroll families during the middle of the school year. Taking this action would have been extremely disruptive for our impacted students and families. As a temporary workaround, we added an additional adult to the classroom to ensure that our adult-to-student ratio was well below the 12-to-1 requirement.

Moving forward, we will cap TK enrollment at 24 students for beginning of the year lottery drawings. We previously implemented the corrective action plan to address “**Education Code (EC) Section 48000**” as part of the 24-25 school year lottery process (Spring 2024)



**Summary Schedule of Prior Year Audit Findings
YEAR ENDED JUNE 30, 2024**

2023-001: Transitional Kindergarten- CDDC#40000

Criteria: According to Education Code (EC) Section 48000 (g)(1) a condition of receiving apportionment for pupils in a transitional kindergarten (TK) program pursuant to Education Code Section 46300 is the maintenance of an average transitional kindergarten class enrollment of no more than 24 pupils for each school site.

Condition: During our testing of transitional kindergarten, we found the TK average class enrollment at Aspire Port City Academy exceeded 24 pupils per class.

Cause:

The Organization did not have sufficient procedures in place to ensure the compliance of TK average class enrollment requirements.

Effect/Questioned Cost: Per (EC) Section 48000(C) the penalty for an excess of 24 pupils per class for TK is the loss of the kindergarten through grade 3 Local Control Funding Formula grade span adjustment for all TK ADA in the local educational agency. The second principal apportionments TK ADA for Aspire Port City Academy was 21.14 ADA resulting in a loss of apportionment of \$20,146.42.

Recommendation: The Organization should ensure procedures are in place to ensure TK average class enrollment does not exceed statutory maximums. We recommend that active enrollment is reviewed on a monthly basis.

Status: Similar finding was noted during the year, see finding 2024-003

2023-002. AFTER SCHOOL AND EDUCATION SAFETY PROGRAM (ASES)– CDDC # 40000

Criteria: California Education Code Section 8482-8484.6 8483 (a)(1) and (2) Elementary school and middle school or junior high school pupils must participate in the full day of the program, except as allowed by the early release policy. Reported number of pupils served should be supported by written records.

Condition: Supporting documents for daily attendance records selected as part of our sample did not support the number of students served as reported to the CDE in 6 of 145 sampled days at the following sites: Aspire Langston Hughes Academy and Aspire Alexander Twilight College Preparatory Academy. Additionally, the January 2023-June 2023 monthly attendance records did not support the attendance reported to the California Department of Education for the time period January 2023-June 2023 at the following sites: Aspire Antonio Maria Lugo Academy, Aspire Berkley Maynard Academy, Aspire Richmond California College Preparatory Academy, Aspire Port City Academy, Aspire Titan Academy, Aspire Golden State Preparatory Academy, Aspire Triumph Technology Academy, Aspire East Palo Alto Charter School, Aspire Langston Hughes Academy, Aspire Gateway Academy, Aspire Alexander Twilight College Preparatory Academy, Aspire, Aspire River Oaks Charter School, Aspire Firestone Academy, Aspire Alexander Twilight Secondary Academy, Aspire Ollin University Preparatory Academy, Aspire Rosa Parks Academy, Aspire APEX Academy, Aspire Inskeep Academy, Aspire College Academy, Aspire Centennial College Preparatory Academy, Aspire Slauson Academy, Aspire Pacific Academy, and Aspire Richmond California College Preparatory Academy.

Effect: The number of students who were claimed for attendance in 6 of 145 sampled days were not accurately supported. Attendance claimed over a six month period was not supported by monthly attendance reports.

Cause: Manual errors in underlying data for reported program attendance resulted in errors in data submitted for program attendance.

Questioned Cost: Questioned costs could not be calculated since the funding for this program is based on a preapproved 3 year grant cycle and is not based on a per-ADA rate.

Recommendation: This is a repeat of a finding in the previous year audit. We recommend that the Organization adequately train ASES program providers to ensure that reported attendance data is accurate and sufficiently supported. Furthermore, we recommend the Organization perform a secondary review to ensure there are no differences between the recorded attendance data and the supporting records.

Status: The corrective action related to this finding was implemented and the finding has been corrected in the current year.

G. LCFF Calculator

On following page.

Aspire College Academy (128413)								
	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
General Assumptions								
COLA & Augmentation	5.07%	13.26%	8.22%	1.07%	2.43%	3.52%	3.63%	3.49%
Base Grant Proration Factor	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Add-on, ERT & MSA Proration Factor	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Student Assumptions:								
Enrollment Count	233	201	203	222	222	222	222	222
Unduplicated Pupil Count (UPC)	199	186	194	203	203	203	203	203
Unduplicated Pupil Percentage (UPP)	88.83%	88.94%	90.89%	93.13%	92.74%	91.44%	91.44%	91.44%
Current Year LCFF Average Daily Attendance (ADA)	221.15	180.38	186.22	190.96	197.03	203.50	-	-
Funded LCFF ADA	221.15	180.38	186.22	190.96	197.03	203.50	-	-
LCFF ADA Funding Method	Current Year	Current Year	Current Year	Current Year	Current Year	Current Year	Current Year	Current Year
Current Year Necessary Small School (NSS) ADA	-	-	-	-	-	-	-	-
Funded NSS ADA	-	-	-	-	-	-	-	-
NSS ADA Funding Method(s)								

Aspire College Academy (128413)																	
		2021-22		2022-23		2023-24		2024-25		2025-26		2026-27		2027-28		2028-29	
LCFF Entitlement Summary																	
Base Grant		\$1,800,615		\$1,662,691		\$1,857,727		\$1,924,725		\$2,031,995		\$2,176,013		\$-		\$-	
Grade Span Adjustment		111,338		107,480		119,175		127,969		150,161		137,088		-		-	
Adjusted Base Grant		\$1,911,953		\$1,770,171		\$1,976,902		\$2,052,694		\$2,182,156		\$2,313,101		\$-		\$-	
Supplemental Grant		339,678		314,878		359,361		382,335		404,747		423,020		-		-	
Concentration Grant		268,563		264,066		322,532		357,713		380,273		403,092		-		-	
Total Base, Supplemental and Concentration Grant		\$2,520,194		\$2,349,115		\$2,658,795		\$2,792,742		\$2,967,176		\$3,139,213		\$-		\$-	
Allowance: Necessary Small School		-		-		-		-		-		-		-		-	
Add-on: Targeted Instructional Improvement Block Grant		-		-		-		-		-		-		-		-	
Add-on: Home-to-School Transportation		-		-		-		-		-		-		-		-	
Add-on: Small School District Bus Replacement Program		-		-		-		-		-		-		-		-	
Add-on: Economic Recovery Target		-		-		-		-		-		-		-		-	
Add-on: Transitional Kindergarten		-		16,118		38,263		45,417		58,312		60,366		-		-	
Total Allowance and Add-On Amounts		\$-		\$16,118		\$38,263		\$45,417		\$58,312		\$60,366		\$-		\$-	
Total LCFF Entitlement Before Adjustments (excludes Additional State Aid)		\$2,520,194		\$2,365,233		\$2,697,058		\$2,838,159		\$3,025,488		\$3,199,579		\$-		\$-	
Miscellaneous Adjustments		-		-		-		-		-		-		-		-	
Total LCFF Entitlement (excludes Additional State Aid)		\$ 2,520,194		\$ 2,365,233		\$ 2,697,058		\$ 2,838,159		\$ 3,025,488		\$ 3,199,579		\$ -		\$ -	
LCFF Entitlement Per ADA (excludes Categorical MSA)		\$ 11,396		\$ 13,113		\$ 14,483		\$ 14,863		\$ 15,356		\$ 15,723		\$ -		\$ -	
Additional State Aid		-		-		-		-		-		-		-		-	
Total LCFF Entitlement with Additional State Aid		2,520,194		2,365,233		2,697,058		2,838,159		3,025,488		3,199,579		-		-	
LCFF Sources Summary																	
Funding Source Summary																	
Local Revenue and In-Lieu of Property Taxes (net for school districts)		\$ 669,978		\$ 606,154		\$ 688,405		\$ 741,493		\$ 741,493		\$ 741,493		\$ -		\$ -	
Education Protection Account Entitlement (includes \$200/minimum per ADA)		\$ 44,230		\$ 36,076		\$ 37,244		\$ 38,192		\$ 39,405		\$ 40,700		\$ -		\$ -	
Net State Aid (excludes Additional State Aid)		\$ 1,805,986		\$ 1,723,003		\$ 1,971,409		\$ 2,058,475		\$ 2,244,590		\$ 2,417,386		\$ -		\$ -	
Additional State Aid		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -	
Total Funding Sources		\$ 2,520,194		\$ 2,365,233		\$ 2,697,058		\$ 2,838,159		\$ 3,025,488		\$ 3,199,579		\$ -		\$ -	
Funding Source by Resource-Object																	
State Aid (Resource Code 0000, Object Code 8011)		\$ 1,805,986		\$ 1,723,003		\$ 1,971,409		\$ 2,058,475		\$ 2,244,590		\$ 2,417,386		\$ -		\$ -	
EPA, Current Year (Resource 1400, Object Code 8012)		\$ 44,230		\$ 36,076		\$ 37,244		\$ 38,192		\$ 39,405		\$ 40,700		\$ -		\$ -	
(P-2 plus Current Year Accrual)																	
EPA, Prior Year Adjustment (Resource 1400, Object Code 8019)		\$ -		\$ 4,796		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -	
(P-A less Prior Year Accrual)																	
Property Taxes (Object 8021 to 8089)		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -	
In-Lieu of Property Taxes (Object Code 8096)		669,978		606,154		688,405		741,493		741,493		741,493		-		-	
Entitlement and Source Reconciliation																	
Basic Aid/Excess Tax District Status		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -	
Total LCFF Entitlement		\$ 2,520,194		\$ 2,365,233		\$ 2,697,058		\$ 2,838,159		\$ 3,025,488		\$ 3,199,579		\$ -		\$ -	
Additional State Aid		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -	
Additional EPA Minimum Entitlement (excess to LCFF Entitlement)		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -	
Excess Taxes before Minimum State Aid		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -	
Total Funding Sources		\$ 2,520,194		\$ 2,365,233		\$ 2,697,058		\$ 2,838,159		\$ 3,025,488		\$ 3,199,579		\$ -		\$ -	

Aspire College Academy (128413)																
	2021-22		2022-23		2023-24		2024-25		2025-26		2026-27		2027-28		2028-29	
LCAP Percentage to Increase or Improve Services Calculation																
Base Grant (Excludes add-ons for TIIG & Transportation)	\$	1,911,953	\$	1,786,289	\$	2,015,165	\$	2,098,111	\$	2,240,468	\$	2,373,467	\$	-	\$	-
Supplemental and Concentration Grant funding in the LCAP year	\$	608,241	\$	578,944	\$	681,893	\$	740,048	\$	785,020	\$	826,112	\$	-	\$	-
Projected Additional 15% Concentration Grant funding in the LCAP year	\$	61,977	\$	60,939	\$	74,431	\$	82,549	\$	87,755	\$	93,021	\$	-	\$	-
Percentage to Increase or Improve Services		31.81%		32.41%		33.84%		35.27%		35.04%		34.81%		0.00%		0.00%

Aspire College Academy (128413)																
	2021-22		2022-23		2023-24		2024-25		2025-26		2026-27		2027-28		2028-29	
PER-ADA FUNDING LEVELS																
Base, Supplemental and Concentration Rate per ADA																
Grades TK-3	\$	11,777.45	\$	13,428.47	\$	14,728.33	\$	15,058.29	\$	15,415.43	\$	15,927.45	\$	16,505.60	\$	17,081.03
Grades 4-6	\$	10,828.40	\$	12,346.92	\$	13,542.10	\$	13,846.06	\$	14,173.98	\$	14,644.95	\$	15,176.95	\$	15,706.24
Grades 7-8	\$	11,148.70	\$	12,713.19	\$	13,942.89	\$	14,255.58	\$	14,594.14	\$	15,079.24	\$	15,626.17	\$	16,171.74
Grades 9-12	\$	13,256.38	\$	15,116.48	\$	16,578.95	\$	16,952.14	\$	17,353.07	\$	17,930.60	\$	18,580.67	\$	19,229.39
Base Grants																
Grades TK-3	\$	8,093	\$	9,166	\$	9,919	\$	10,025	\$	10,269	\$	10,630	\$	11,016	\$	11,400
Grades 4-6	\$	8,215	\$	9,304	\$	10,069	\$	10,177	\$	10,424	\$	10,791	\$	11,183	\$	11,573
Grades 7-8	\$	8,458	\$	9,580	\$	10,367	\$	10,478	\$	10,733	\$	11,111	\$	11,514	\$	11,916
Grades 9-12	\$	9,802	\$	11,102	\$	12,015	\$	12,144	\$	12,439	\$	12,877	\$	13,344	\$	13,810
Grade Span Adjustment																
Grades TK-3	\$	842	\$	953	\$	1,032	\$	1,043	\$	1,068	\$	1,106	\$	1,146	\$	1,186
Grades 9-12	\$	255	\$	289	\$	312	\$	316	\$	323	\$	335	\$	347	\$	359
Supplemental Grant		20%		20%		20%		20%		20%		20%		20%		20%
Maximum - 1.00 ADA, 100% UPP																
Grades TK-3	\$	1,787	\$	2,024	\$	2,190	\$	2,214	\$	2,267	\$	2,347	\$	2,432	\$	2,517
Grades 4-6	\$	1,643	\$	1,861	\$	2,014	\$	2,035	\$	2,085	\$	2,158	\$	2,237	\$	2,315
Grades 7-8	\$	1,692	\$	1,916	\$	2,073	\$	2,096	\$	2,147	\$	2,222	\$	2,303	\$	2,383
Grades 9-12	\$	2,011	\$	2,278	\$	2,465	\$	2,492	\$	2,552	\$	2,642	\$	2,738	\$	2,834
Actual - 1.00 ADA, Local UPP as follows:		88.83%		88.94%		90.89%		93.13%		92.74%		91.44%		91.44%		91.44%
Grades TK-3	\$	1,587	\$	1,800	\$	1,991	\$	2,062	\$	2,103	\$	2,146	\$	2,224	\$	2,302
Grades 4-6	\$	1,459	\$	1,655	\$	1,830	\$	1,896	\$	1,933	\$	1,973	\$	2,045	\$	2,116
Grades 7-8	\$	1,503	\$	1,704	\$	1,885	\$	1,952	\$	1,991	\$	2,032	\$	2,106	\$	2,179
Grades 9-12	\$	1,787	\$	2,026	\$	2,241	\$	2,321	\$	2,367	\$	2,416	\$	2,504	\$	2,591
Concentration Grant (>55% population)		65%		65%		65%		65%		65%		65%		65%		65%
Maximum - 1.00 ADA, 100% UPP																
Grades TK-3	\$	5,808	\$	6,577	\$	7,118	\$	7,194	\$	7,369	\$	7,628	\$	7,905	\$	8,181
Grades 4-6	\$	5,340	\$	6,048	\$	6,545	\$	6,615	\$	6,776	\$	7,014	\$	7,269	\$	7,522
Grades 7-8	\$	5,498	\$	6,227	\$	6,739	\$	6,811	\$	6,976	\$	7,222	\$	7,484	\$	7,745
Grades 9-12	\$	6,537	\$	7,404	\$	8,013	\$	8,099	\$	8,295	\$	8,588	\$	8,899	\$	9,210
Actual - 1.00 ADA, Local UPP >55% as follows:		21.6100%		22.9500%		25.1000%		26.8100%		26.8100%		26.8100%		26.8100%		26.8100%
Grades TK-3	\$	1,255	\$	1,510	\$	1,787	\$	1,929	\$	1,976	\$	2,045	\$	2,119	\$	2,193
Grades 4-6	\$	1,154	\$	1,388	\$	1,643	\$	1,773	\$	1,817	\$	1,880	\$	1,949	\$	2,017
Grades 7-8	\$	1,188	\$	1,429	\$	1,691	\$	1,826	\$	1,870	\$	1,936	\$	2,006	\$	2,077
Grades 9-12	\$	1,413	\$	1,699	\$	2,011	\$	2,171	\$	2,224	\$	2,302	\$	2,386	\$	2,469

H. 2024-2025 Second Interim

On following page.

CHARTER SCHOOL
INTERIM FINANCIAL REPORT - ALTERNATIVE FORM
Second Interim Report - Detail

Charter School Name: Aspire College Academy
(continued)
CDS #: 01-61259-0128413
Charter Approving Entity: Oakland Unified
County: Alameda
Charter #: 1577
Fiscal Year: 2024/25

This charter school uses the following basis of accounting:

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

Description	Object Code	1st Interim Budget			Actuals thru 1/31			2nd Interim Budget		
		Unrestricted	Restricted	Total	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
A. REVENUES										
1. LCFF Sources										
State Aid - Current Year	8011	2,109,312.00		2,109,312.00	1,166,822.42	-	1,166,822.42	2,058,475.00		2,058,475.00
Education Protection Account State Aid - Current Year	8012	38,378.00		38,378.00	21,725.67	-	21,725.67	38,191.50		38,191.50
State Aid - Prior Years	8019			-	-	-	-			-
Transfers to Charter Schools in Lieu of Property Taxes	8096	688,405.00		688,405.00	470,934.48	-	470,934.48	741,493.00		741,493.00
Other LCFF Transfers	8091, 8097			-			-			-
Total, LCFFSources		2,836,095.00	-	2,836,095.00	1,659,482.57	-	1,659,482.57	2,838,159.50	-	2,838,159.50
2. Federal Revenues										
No Child Left Behind/Every Student Succeeds Act	8290		115,767.00	115,767.00	-	67,530.75	67,530.75	-	115,934.00	115,934.00
Special Education - Federal	8181, 8182		30,679.62	30,679.62	-	17,896.44	17,896.44	-	30,679.62	30,679.62
Child Nutrition - Federal	8220		93,907.00	93,907.00	-	38,498.19	38,498.19	-	76,618.90	76,618.90
Donated Food Commodities	8221		-	-	-	-	-	-	-	-
Other Federal Revenues	8110, 8260-8299	-	25,784.00	25,784.00	-	13,998.20	13,998.20	-	28,446.36	28,446.36
Total, Federal Revenues		-	266,137.62	266,137.62	-	137,923.58	137,923.58	-	251,678.88	251,678.88
3. Other State Revenues										
Special Education - State	StateRevSE	-	584,217.55	584,217.55	-	331,753.85	331,753.85	-	584,217.55	584,217.55
All Other State Revenues	StateRevAO	36,510.13	1,220,741.31	1,257,251.44	25,425.47	710,571.75	735,997.22	36,552.42	1,226,720.28	1,263,272.71
Total, Other State Revenues		36,510.13	1,804,958.86	1,841,468.99	25,425.47	1,042,325.60	1,067,751.07	36,552.42	1,810,937.83	1,847,490.26
4. Other Local Revenues										
All Other Local Revenues	LocalRevAO		76,179.00	76,179.00	-	21,104.42	21,104.42	-	76,179.00	76,179.00
Total, Local Revenues		-	76,179.00	76,179.00	-	21,104.42	21,104.42	-	76,179.00	76,179.00
5. TOTAL REVENUES		2,872,605.13	2,147,275.48	5,019,880.61	1,684,908.04	1,201,353.60	2,886,261.64	2,874,711.92	2,138,795.71	5,013,507.64
B. EXPENDITURES										
1. Certificated Salaries										
Certificated Teachers' Salaries	1100	929,950.04	314,851.50	1,244,801.54	577,819.52	220,238.54	798,058.06	739,342.04	359,824.50	1,099,166.54
Certificated Pupil Support Salaries	1200	29,408.70	179,213.50	208,622.20	30.81	92,191.85	92,222.66	29,408.70	179,213.50	208,622.20
Certificated Supervisors' and Administrators' Salaries	1300	243,140.60	56,333.40	299,474.00	175,793.46	-	175,793.46	243,140.60	56,333.40	299,474.00
Other Certificated Salaries	1900	-	-	-	-	-	-	-	-	-
Total, Certificated Salaries		1,202,499.34	550,398.40	1,752,897.74	753,643.79	312,430.39	1,066,074.18	1,011,891.34	595,371.40	1,607,262.74
2. Non-certificated Salaries										
Non-certificated Instructional Aides' Salaries	2100	114,944.04	449,111.72	564,055.76	23,563.47	272,705.94	296,269.41	99,944.04	429,286.15	529,230.19
Non-certificated Support Salaries	2200	59,646.30	57,906.60	117,552.90	5,614.69	63,722.16	69,336.85	59,646.30	57,906.60	117,552.90
Non-certificated Supervisors' and Administrators' Sal.	2300	-	-	-	-	-	-	-	-	-
Clerical and Office Salaries	2400	132,494.60	-	132,494.60	81,942.73	42,187.14	124,129.87	132,494.60	-	132,494.60
Other Non-certificated Salaries	2900	-	72,312.60	72,312.60	17,994.56	7,843.59	25,838.15	-	89,089.05	89,089.05
Total, Non-certificated Salaries		307,084.94	579,330.92	886,415.86	129,115.45	386,458.83	515,574.28	292,084.94	576,281.80	868,366.74
3. Employee Benefits										
STRS	3101-3102	202,039.33	156,251.93	358,291.27	121,372.73	78,954.03	200,326.76	203,833.21	153,224.09	357,057.30
PERS	3201-3202	64,696.62	67,754.13	132,450.75	30,509.51	52,152.16	82,661.67	60,639.12	72,292.16	132,931.28
OASDI / Medicare / Alternative	3301-3302	33,634.89	31,023.58	64,658.47	18,496.17	21,903.89	40,400.06	32,623.57	32,077.11	64,700.69
Health and Welfare Benefits	3401-3402	205,280.00	208,480.00	413,760.00	125,580.68	84,236.59	209,817.27	196,200.00	188,200.00	384,400.00
Unemployment Insurance	3501-3502	6,746.85	5,558.60	12,305.45	8,422.70	-	8,422.70	6,717.67	5,563.40	12,281.08
Workers' Compensation Insurance	3601-3602	9,294.42	7,657.50	16,951.92	17,456.92	-	17,456.92	9,254.24	7,664.12	16,918.35
OPEB, Allocated	3701-3702	-	-	-	-	-	-	-	-	-
OPEB, Active Employees	3751-3752	-	-	-	-	-	-	-	-	-
Other Employee Benefits	3901-3902	20,882.56	5,890.38	26,772.94	9,895.51	2,033.15	11,928.66	20,851.64	5,895.48	26,747.12
Total, Employee Benefits		542,574.67	482,616.12	1,025,190.79	331,734.22	239,279.82	571,014.04	530,119.45	464,916.37	995,035.81
4. Books and Supplies										
Approved Textbooks and Core Curricula Materials	4100	-	-	-	-	-	-	-	-	-
Books and Other Reference Materials	4200	-	-	-	-	2,894.42	2,894.42	-	-	-
Materials and Supplies	4300	99,912.94	14,265.64	114,178.58	94,128.03	10,512.16	104,640.19	109,197.94	14,265.64	123,463.58
Noncapitalized Equipment	4400	37,361.00	2,080.80	39,441.80	29,496.34	3,780.69	33,277.03	37,361.00	2,080.80	39,441.80
Food	4700		149,269.00	149,269.00		63,005.97	63,005.97		126,011.94	126,011.94
Total, Books and Supplies		137,273.94	165,615.44	302,889.38	123,624.37	80,193.24	203,817.61	146,558.94	142,358.38	288,917.32
5. Services and Other Operating Expenditures										
Subagreements for Services	5100			-	-	-	-			-
Travel and Conferences	5200	23,500.00	5,520.20	29,020.20	14,845.43	635.00	15,480.43	23,500.00	5,520.20	29,020.20
Dues and Memberships	5300	-	-	-	-	-	-	-	-	-
Insurance	5400	21,446.80	-	21,446.80	5,443.94	-	5,443.94	21,446.80	-	21,446.80
Operations and Housekeeping Services	5500	45,000.00	-	45,000.00	23,766.14	-	23,766.14	45,000.00	-	45,000.00
Rentals, Leases, Repairs, and Noncap. Improvements	5600	28,374.00	345,624.12	373,998.12	49,757.40	168,251.51	218,008.91	131,607.98	255,180.18	386,788.16
Transfers of Direct Costs	5700-5799	-	-	-	-	-	-	-	-	-
Professional/Consulting Services and Operating Expend.	5800	215,510.26	244,015.93	459,526.19	153,035.69	105,012.03	258,047.72	207,557.82	244,015.93	451,573.75
Communications	5900	32,351.00	-	32,351.00	(15,912.43)	40.24	(15,872.19)	32,351.00	-	32,351.00
Total, Services and Other Operating Expenditures		366,182.06	595,160.25	961,342.31	230,936.17	273,938.78	504,874.95	461,463.59	504,716.31	966,179.91

CHARTER SCHOOL
INTERIM FINANCIAL REPORT - ALTERNATIVE FORM
Second Interim Report - Detail

Charter School Name: Aspire College Academy
(continued)
CDS #: 01-61259-0128413
Charter Approving Entity: Oakland Unified
County: Alameda
Charter #: 1577
Fiscal Year: 2024/25

This charter school uses the following basis of accounting:

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

Description	Object Code	1st Interim Budget			Actuals thru 1/31			2nd Interim Budget		
		Unrestricted	Restricted	Total	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
6. Capital Outlay (Objects 6100-6170, 6200-6500 for modified accrual basis 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		2,644.00	2,644.00	-	1,542.45	1,542.45	2,644.00	-	2,644.00
Amortization Expense-Lease Assets	6910			-						
Amortization Expense-Subscription Assets	6920			-						
Total, Capital Outlay		-	2,644.00	2,644.00	-	1,542.45	1,542.45	2,644.00	-	2,644.00
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	447,266.73	65,315.24	512,581.97	268,164.59	30,695.13	298,859.72	453,387.39	65,315.24	518,702.63
Transfers of Indirect Costs	7300-7399	-	-	-	-	-	-	-	-	-
Debt Service:										
Interest	7438			-			-			-
Principal (for modified accrual basis only)	7439			-			-			-
Total, Other Outgo		447,266.73	65,315.24	512,581.97	268,164.59	30,695.13	298,859.72	453,387.39	65,315.24	518,702.63
8. TOTAL EXPENDITURES		3,002,881.67	2,441,080.37	5,443,962.04	1,837,218.59	1,324,538.64	3,161,757.23	2,898,149.65	2,348,959.50	5,247,109.15
C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPEND. BEFORE OTHER FINANCING SOURCES AND USES (A5-B8)										
		(130,276.54)	(293,804.89)	(424,081.44)	(152,310.55)	(123,185.04)	(275,495.59)	(23,437.73)	(210,163.79)	(233,601.52)
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	(296,842.89)	296,842.89	-	(215,179.14)	215,179.14	-	(296,842.89)	296,842.89	-
4. TOTAL OTHER FINANCING SOURCES / USES		(296,842.89)	296,842.89	-	(215,179.14)	215,179.14	-	(296,842.89)	296,842.89	-
E. NET INCREASE (DECREASE) IN FUND BALANCE (C + D4)		(427,119.43)	3,038.00	(424,081.44)	(367,489.69)	91,994.10	(275,495.59)	(320,280.62)	86,679.10	(233,601.52)
F. FUND BALANCE, RESERVES										
1. Beginning Fund Balance										
a. As of July 1	9791	712,093.00	597,967.00	1,310,060.00	712,093.00	597,967.00	1,310,060.00	712,093.00	597,967.00	1,310,060.00
b. Adjustments to Beginning Balance	9793, 9795			-	(163,618.00)	(29,906.00)	(193,524.00)	(163,618.00)	(29,906.00)	(193,524.00)
c. Adjusted Beginning Balance		712,093.00	597,967.00	1,310,060.00	548,475.00	568,061.00	1,116,536.00	548,475.00	568,061.00	1,116,536.00
2. Ending Fund Balance, June 30 (E + F.1.c.)		284,973.57	601,005.00	885,978.56	180,985.31	660,055.10	841,040.41	228,194.38	654,740.10	882,934.48
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		601,005.00	601,005.00		660,055.10	660,055.10		654,740.10	654,740.10
c. Committed										
Stabilization Arrangements	9750			-			-			-
Other Commitments	9760			-			-			-
d. Assigned										
Other Assignments	9780			-			-			-
e Unassigned/Unappropriated										
Reserve for Economic Uncertainties	9789	272,198.00		272,198.00	158,090.00		158,090.00	228,194.38		228,194.38
Unassigned/Unappropriated Amount	9790	12,775.57	-	12,775.57	22,895.31	-	22,895.31	(0.00)	-	(0.00)

I. Charter Responses to Audit Finding Notices of Concern

On following page.



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March 13th, 2025

To Whom it May Concern:

On behalf of Aspire Board President Beth Hunkapiller, we write to respond to the attached "Notice of Concern" that was sent to us on February 14th, 2025 related to Audit Finding #2024--001.

As an initial matter, we wish to reiterate that Aspire Public Schools ("Aspire") takes seriously its responsibility to meet and exceed all laws and best practices when it comes to financial controls and reporting. Aspire has been operating charter schools for 25+ years, and during that time has proudly earned a reputation for the strength and integrity of its Fiscal Operations. We appreciate your questions in this regard and welcome the opportunity to share how we are addressing these concerns in an effort to continuously improve our systems.

Corrective Action Plan ("Title 2 CFR Section 200.302"): This pertains to an accidental recognition of a prepaid expense, which was offset by a mirrored line item in our Accounts Payable. This error had an immaterial impact on Aspire's overall financial statements, and net asset balance (~\$24k net asset impact, which equates to less than 0.02% of Aspire's total net assets as of 6/30/2024). To prevent a reoccurrence of this error, we have instituted an additional check and review step to our regular prepaid expense review process, which will ensure that we correctly account for the timing of prepaid expenses entries, especially as it pertains to year-end timing. We are confident that this systemic corrective measure fully addresses this concern.

Corrective Action Plan ("Title 2 CFR Section 200.510(b)"): This pertains to an accidental misclassification of a funding source between federal and state funding when manually preparing the Schedule of Federal Awards. Please note that expenses were properly coded and allocated in our system of record at a resource code/funding source level, as well as at a State and Federal level. As a result, there was no impact to Aspire's overall financial statements. In order to prevent a reoccurrence of this error, going forward Aspire will clearly tag the funding source of resources codes in its financial system of record in a way that allows automated reporting to produce the Schedule, which will reduce the risk of human/manual error. We are confident that this systemic corrective measure fully addresses this concern.

Thank you again for the opportunity to provide the explanations and solutions outlined above. We welcome the opportunity to answer any further questions you may have regarding the above.

Sincerely,

DocuSigned by:

E449FDCC53B647D...

Michael Wimbish

Chief Financial Officer, Aspire Public Schools



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June 19th, 2025

VIA EMAIL:

timothy.ryan@ousd.org
kelly.kragarnold@ousd.org

Timothy Ryan-Conner, Accounting Manager
Oakland Unified School District
1011 Union Street, Site #947

Oakland, California 94607

Dear Mr. Ryan-Conner:

Aspire Public Schools ("Aspire") submits this response to the Oakland Unified School District's ("OUSD's") letter dated May 20, 2025 (the "May Letter"), which includes "follow-up inquiries and commentary" concerning Aspire's March 13, 2025 response (the "Aspire Response") to OUSD's Notice of Concern dated February 14, 2025 (the "Notice."). For reference, the May Letter, Aspire Response, and Notice are attached as Exhibits A, B, and C, respectively. The Notice and May Letter relate to Aspire Audit Findings #2024-001 and #2024-002.

Aspire remains committed to promptly and fully responding to all reasonable inquiries from OUSD, including those regarding its financial records, consistent with Education Code Section 47604.3. We emphasize that independent audits—such as those conducted for both Aspire and OUSD—are essential tools in identifying and correcting financial reporting issues. In Aspire's case, these audits have effectively led to meaningful corrective actions recommended by our independent auditors, which Aspire has consistently implemented.

That said, we are concerned by certain aspects of the May Letter, particularly the inclusion of unsubstantiated commentary. For example, the assertion that Aspire's audit findings "cast doubt over Aspire's ability to prevent fraudulent reporting and misappropriation of assets" is not only inconsistent with the Independent Auditor's report, but also excessive.

Such commentary contradicts the professional assessment of Aspire's independent auditor, who is best positioned to evaluate the significance of audit findings. If OUSD's position is that the existence of a material weakness automatically implies an inability to prevent fraud or misappropriation, that logic would appear to apply equally to OUSD's own repeated findings, as well as to those of other LEAs. This conclusion is neither accurate nor reasonable. Furthermore, it is unclear how Aspire could reasonably refute a conclusion that is stated as a subjective perception of doubt.

We are also concerned about the potential implications of the Notice of Concern in the context of upcoming charter renewal proceedings. As explained in further detail below, whether Aspire's audit findings raise doubt



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about future financial reporting is a matter for the qualified auditors to determine. We strongly object to the use of unsupported and alarming terms such as “fraudulent financial reporting” or “misappropriation of assets” in connection with Aspire’s schools when there is no basis for use of that terminology, especially given that the audit findings at issue are similar to those found in OUSD’s own audits.

To be clear, Aspire’s independent auditor has not concluded, suggested, or implied that Audit Findings #2024-001 and #2024-002 jeopardize the fiscal health of Aspire’s charter schools or rise to the level of a substantial fiscal factor. If OUSD intends to characterize them as such, now or at any time in the future, we respectfully request a meeting before July 11th so our respective financial teams can review the findings together, discuss the corrective measures Aspire has implemented in partnership with our auditor, and place these findings in context with those commonly observed in OUSD and other LEAs. This collaborative review will help ensure a shared understanding of the nature and implications of the findings going forward.

Resolving these issues before charter renewal is essential, given the high stakes for Oakland families who deserve to choose the schools that best serve their children. If OUSD believes this response does not fully address the concerns raised in the Notice and the May Letter, please inform us as soon as possible, so we may collaboratively address any remaining issues in a timely and transparent manner.

Additional Responses to Statements and Inquiries in the OUSD May Letter

Concerning Title 2 CFR Section 200.302:

OUSD Statement: GAAP prohibits the netting of assets and liabilities.

Aspire Response: Aspire’s financial statements plainly do not net assets and liabilities in violation of GAAP. The Aspire Response merely described the negligible *net financial effect* of a one-time accidental error in order to provide context and perspective essential to a fair understanding of the facts.

OUSD Inquiry #1: What is the nature and extent of the incremental, and/or modified, control attributes reviewer(s) now perform to detect balance sheet gross-ups in Aspire’s accounts payable and prepaid expenses?

Aspire Response to OUSD Inquiry #1: This inquiry relates to Aspire’s internal control attributes instituted to prevent the accidental overstatement of balance sheet accounts, specifically in relation to accounts payable and prepaid expenses. As detailed in the Aspire Response, this issue involved the inadvertent recognition of a prepaid expense due to incorrect payment date information—a timing issue. In response, Aspire has implemented incremental and modified control attributes designed to strengthen the detection and prevention of such misstatements:

- **Layered Review of Prepaid Expense Entries.** Aspire has instituted an additional check-and-review control step within its prepaid expense recognition process. Once initial invoice reviews are completed and a determination has been made regarding prepaid treatment, the Assistant Controller is now required to perform a secondary review specifically focused on verifying the actual payment date associated with



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each prepaid item. This step is designed to detect misalignments between the payment date and the accounting period of expense recognition.

Following this, the Controller independently reviews and confirms the Assistant Controller's entries as part of a second-level control. This two-tiered review structure ensures that no prepaid item is inappropriately classified based on incorrect timing assumptions.

Aspire has already implemented this new process, as described in the January 13th, 2025 Accounting Team Check Meeting Notes attached as Exhibit D.

- **Enhanced Reconciliation and Tracking Tool.** Aspire now utilizes an updated Prepaid Expense Reconciliation Document, including tracking of the timing of recognition of each pre-paid expense. This tool enables reviewers to easily compare recognition periods and confirm the accuracy of classification. By making the recognition timeline more transparent and traceable, the tool reduces the risk of duplicate entries or erroneous balance sheet impact. The updated reconciliation format is already in use and is included as Exhibit E.
- **Targeted Focus on Gross-Up Risk.** The revised control activities were developed with the specific risk of "gross-up" in mind, i.e., the risk that both accounts payable and prepaid expense accounts reflect the same obligation, thereby overstating liabilities and assets. The new procedures are designed to flag this scenario and require reconciliation prior to close, ensuring accurate financial statement presentation.

Concerning Title 2 CFR Section 200.510(b):

OUSD Inquiry #2: What control activities has Aspire implemented or modified to ensure that all resource codes are tagged with the funding sources and that the tagging is accurate and appropriate?

Aspire Response to OUSD Inquiry #2: This inquiry pertains to an inadvertent misclassification of a funding source during the manual preparation of the Schedule of Federal Awards. As detailed in the Aspire Response, Aspire has instituted the following:

- **System-Based Tagging Controls.** Aspire has fully transitioned to a system-generated Schedule of Federal Awards. All resource codes within Aspire's financial system of record are now configured with mandatory tags that classify each resource as either State or Federal. These tags are based on the applicable audit guide, and cannot be overridden manually without administrator review.
- **Validation and Reporting Logic.** The financial system now includes validation logic that cross-checks resource codes against predefined federal and state program lists and based on the audit guide. This allows for checks for inconsistencies prior to finalization of the Schedule. This ensures both completeness and appropriateness in classification.
- **Staff Training and Accountability.** To support successful implementation of these system enhancements, Aspire conducted targeted training for relevant accounting personnel on the updated tagging and



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reporting procedures during the Accounting Team Check meeting held on January 13th, 2025. (See Exhibit D.) This training emphasized proper use of tagging functionalities, the critical importance of accurate classification, and how to use built-in system prompts and reports to verify data integrity.

- **Audit Trail and Review.** The automated process now generates an audit trail documenting all resource code assignments and any modifications. Aspire’s financial leadership reviews these audit logs periodically to ensure continued compliance and to identify any anomalies that may warrant follow-up.
- **Sample.** A sample screenshot from our accounting system is included below to illustrate this functionality. Aspire’s financial system uses coded indicators—such as “(F)” for Federal—to clearly identify funding sources at the resource code level. In the example provided, the “(F)” next to Title I confirms its proper designation as a federal funding source.

A screenshot of a web-based accounting system form. The form has four fields: "Segment:" with a dropdown menu showing "Resource", "Code:" with a dropdown menu showing "3010", "Title:" with a text box containing "(F)IASA:Title I Basic Grants Low-Income an", and "Short Title:" with an empty text box. The form is set against a dark background.

Through these layered controls—system enhancements, process validations, team training, and oversight—Aspire has taken a comprehensive approach to ensure compliance, accuracy, and reliability in its reporting of funding classifications.

OUSD Inquiry #3: What control activities has Aspire implemented or modified to ensure that the financial statement reviewer(s) confirms the completeness, accuracy, and appropriateness of the report parameters or database queries used to generate automated reports that underlie the footnotes and supplemental schedules accompanying the financial statements?



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Aspire Response to OUSD Inquiry #3: This inquiry likewise concerns the accidental funding source misclassification addressed in OUSD Inquiry #2 above. In response to that issue, Aspire has implemented targeted control activities to ensure that the parameters and queries used to generate automated reports, particularly those that inform the footnotes and supplemental schedules accompanying the financial statements, are complete, accurate, and appropriate.

- **Development and Use of Standardized Report Protocols.** Aspire has created an instructional guide that specifies the correct reports, data sources, filters, and parameters to be used when compiling financial statement data. This instructional guide (attached as Exhibit F), establishes uniform protocols for generating automated reports and minimizes the risk of variation or human error during data extraction. Additionally, all financial disclosures and footnotes are reviewed by the Controller and Chief Financial Officer for accuracy and completeness.
- **Required Review of Report Parameters and Query Criteria.** Prior to the inclusion of any report data in financial statements, Aspire's financial reviewers must now perform a parameter and query review to verify the completeness and appropriateness of the data sets used. Reviewers confirm that the correct codes, timeframes, funding classifications, and report settings are applied, with cross-references to the standardized guides and checklist. This step ensures that automated reports reflect the intended data scope and structure, and that nothing is inadvertently omitted or misclassified.
- **Training and Internal Communication.** Aspire's finance and accounting teams have been trained on these protocols and the importance of report parameter verification as part of Aspire's internal training processes, with reinforcement during ongoing accounting team meetings. Reviewers understand that confirming the accuracy of database queries is a required control step—not a discretionary task.

These enhancements were specifically designed to address the risk of data misclassification or omission at the report generation stage. By standardizing report procedures, assigning clear review responsibilities, and documenting completion, Aspire ensures that the financial disclosures are based on data that is not only accurate, but also appropriately derived and fully supportable.

OUSD Inquiry #4: What control activities has Aspire implemented, or modified, to ensure that manual manipulation procedures of data sourced ERP system reports for the presentation of financial reporting is appropriate and accurate.

Aspire Response to OUSD Inquiry #4: This inquiry pertains to the same issue addressed in OUSD Inquiry #2—an isolated, unintentional misclassification of funding source data arising during manual handling of financial information. In response, Aspire has implemented a series of targeted control activities:

- **Restriction of Manual Manipulation to Formatting Only.** As set forth in the checklist and instructional guides, Aspire has instituted a policy limiting manual edits of ERP-exported data to formatting and presentation adjustments only (e.g., column alignment, font consistency, visual layout). No manual reclassification, reallocation, or recalculation of data is permitted outside the ERP system.



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- Side-by-Side Data Comparison and Totals Reconciliation. As part of the review process, preparers are required to retain a copy of the original ERP system report and compare it side-by-side with the formatted version used in the financial statements. Totals, subtotals, and key line items are checked to confirm they match exactly, ensuring the integrity of the underlying data remains intact. This reconciliation is now a required step in Aspire's reporting workflow.
- Reviewer Training and Oversight Emphasis. Aspire has emphasized this control during internal trainings, reinforcing that manual edits are not to be used for data manipulation, and that all financial reporting data must originate from source systems unless formally adjusted and documented through approved journal entries within the ERP.

These safeguards ensure that manual handling of financial statement components does not introduce errors or distortions into Aspire's financial disclosures. Aspire's control structure now provides clear boundaries on acceptable manual actions, mandates verification of data integrity, and documents each step of the process for accountability.

OUSD Statement: A material weakness of this nature (i.e., raised by a lapse in the segregation of duties) casts doubt over the Aspire's ability to prevent fraudulent financial reporting and misappropriation of assets and the sufficiency of financial management's oversight.

Aspire Response: Aspire respectfully disagrees with OUSD's commentary and choice of charged words. This statement is both inconsistent with the independent auditor's findings and conclusions, and mischaracterizes the nature of the audit findings. The terms "fraud" and "misappropriation" are very serious, and this type of loaded phrasing introduces unnecessary alarm without any evidentiary support.

- No Finding of Lapse in Segregation of Duties. Contrary to OUSD's assertion, neither Audit Finding #2024-001 nor #2024-002 concluded that there was a lapse in the segregation of duties. The independent auditor did not raise any concerns about management override or internal collusion. Rather, the finding stemmed from the absence of documented review by someone not involved in the preparation of the schedule. This error was promptly corrected prior to the final submission of the audit to applicable authorities.

Importantly, the final independent audit includes Aspire's implementation of the corrective actions recommended by the auditor. These actions, as described in both Aspire's formal response and this letter, have been put in place to prevent recurrence and strengthen review procedures.

- The Auditor's Characterization of the Finding. As clearly stated in the independent auditor's report:

"In planning and performing our audit of the financial statements, we considered Aspire's internal control over financial reporting...but not for the purpose of expressing an opinion on the effectiveness of Aspire's internal control. Accordingly, *we do not express an opinion on the effectiveness of Aspire's internal control.*" (emphasis added)



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The report further explains that a “material weakness” represents a situation where there is a reasonable possibility that a material misstatement might not be prevented or detected in a timely manner. It does not constitute a conclusion that fraud or misappropriation has occurred, is likely to occur, or that Aspire lacks effective financial oversight.

- OUSD’s Commentary Is Unsupported and Misleading. Aspire acknowledges that oversight bodies, such as OUSD, may reasonably rely on audit findings to guide future monitoring. However, that reliance must be rooted in the actual content of the audit, not in speculative or conclusory interpretations that extend beyond the auditor’s own language.

OUSD’s characterization of the material weakness as suggestive of Aspire’s inability to prevent fraud or misappropriation is not only unsupported by the audit itself, it also fails to acknowledge the corrective measures Aspire has implemented. Notably, the audit report does not question Aspire’s present ability to produce accurate financial statements after implementing these reforms. Rather than objectively assessing those measures, OUSD has issued a public-facing statement that casts unwarranted doubt on Aspire’s financial integrity, without additional evidence or auditor corroboration.

- Bond Market Context. Aspire is particularly concerned that OUSD’s statement, omitting reference to the corrective actions already taken, could mislead municipal bond investors. Aspire participates in the same public financing markets as OUSD, and statements of this nature can reasonably be expected to influence the judgment of current and prospective bondholders.

We would expect OUSD to understand, in light of its own obligations under Securities and Exchange Commission Rules 10b-5 and 15c2-12, that accurate, balanced, and complete statements are critical for market integrity. Because authorizer Notices and school responses can be expected to reach bond investors, we have a duty to be clear that we cannot acquiesce in OUSD’s provocative interpretation of the auditor’s findings. There is no aspect of the legitimate charter school oversight process that warrants such provocations.

- Comparison to OUSD’s Own Audit History. While Aspire does not seek to deflect responsibility by comparison, it is relevant that OUSD has experienced multiple and recurring material weaknesses in its own audits, including audit adjustments in the millions of dollars. For instance, OUSD’s 2021–2022 audit concluded that:

“Management personnel responsible for financial accounting and reporting did not consider all applicable accounting standards for governmental entities.”

This was repeated from finding 2020-006. Four out of OUSD’s five most recent years’ audits contain material weakness findings.

Aspire’s audit history, in contrast, reflects timely correction of a non-recurring issue and the absence of similar conclusions. Indeed, the most recent audit concluded:



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“In our opinion, Aspire complied, in all material respects, with the compliance requirements...that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.”

Once again, there is no basis for OUSD’s assertion that Aspire’s audit findings implicate fraud or misappropriation risk. No such findings or recommendations were made by the independent auditor, nor does the independent auditor’s report support such a perilous assertion. Aspire has responded diligently and transparently, implemented all corrective actions, and provided documentation to OUSD throughout this process.

OUSD Inquiry #5: What are the financial qualifications of the members serving on the Audit Committee?

Aspire Response to OUSD Inquiry #5: This inquiry requires some background and context. As a charitable organization operating primarily as an educational institution, Aspire is not required by law to have an audit committee. (Government Code, §§ 12583 and 12586(e)(2).) Nevertheless, consistent with our Bylaws, Aspire has voluntarily adopted and maintained an Audit Committee as part of its strong commitment to financial transparency, independent oversight, and governance best practices.

Even when an audit committee is legally required, there is no statutory mandate for a CPA or financial professional to serve on the audit committee. Rather, general financial literacy and/or a working understanding of financial reports is encouraged.

Current members of the Audit Committee and a summary of their financial qualifications are as follows:

- Beth Hunkapiller, Board Chair – Ms. Hunkapiller is a seasoned educator and public school administrator. Her background includes nearly two decades of service on the San Carlos School District Board of Trustees and leadership positions within California’s charter school system, such as founding the San Carlos Charter Learning Center. Ms. Hunkapiller was the Director of the Charter Schools Division at the California Department of Education and served ten years on the California Advisory Commission on Charter Schools, including two years as chair. While she does not hold formal accounting or financial certifications, Ms. Hunkapiller’s long-standing oversight of public education budgets and her leadership roles in educational organizations and state agencies have provided her with substantial experience in financial governance of California LEAs. Her expertise aligns with nonprofit audit committee best practices, which emphasize the importance of members being financially literate and having a strong understanding of the organization’s operations and governance policies.
- Veleta Allen (Savannah) – Ms. Allen is a seasoned accounting professional who previously served as Aspire’s Controller from 2010 to 2013. Ms. Allen’s experience spans both public and private sectors. She currently serves as Vice President of Finance and Human Resources at CodePath.org, an organization that is reprogramming higher education to create the most diverse generation of engineers, CTOs, and founders. Ms. Allen serves as a voice for the underserved and to support financial literacy in marginalized communities. She brings deep familiarity with nonprofit financial management, fund accounting, and federal and state compliance standards.



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- Kevin Lowry – Mr. Lowry is an accounting professional at a Big Four accounting firm, serving as Director in Advisory, Regulatory & Compliance. Mr. Lowry's background includes financial risk management and audits. Mr. Lowry's expertise contributes to the Audit Committee's ability to oversee Aspire Public Schools' financial reporting and compliance processes effectively.

This committee structure reflects Aspire's proactive approach to audit oversight, bringing together individuals with both institutional knowledge and independent financial expertise. Aspire will continue to uphold a high standard of fiscal accountability through the active engagement of this committee and its alignment with best practices in nonprofit governance.

OUSD Inquiry #6: What policies, procedures, and/or actions is the Aspire Board taking to ensure that the Board is routinely exercising financial oversight of financial reporting management?

Aspire Response to OUSD Inquiry #6: Aspire's Board of Directors maintains robust financial oversight through multiple, formal mechanisms.

- Quarterly Reviews of Aspire's Consolidated Financial Statements. The full Board reviews Aspire's consolidated financial statements at least quarterly, including revenue and expense trends, balance sheet metrics, and budget-to-actual variances. These reviews include discussion with management and opportunities for Board questioning and follow-up, giving Board members the opportunity to assess financial reporting processes and challenge assumptions or variances when needed.
- Audit Committee. The Board appoints the independent Audit Committee, which has two Board member seats. The Audit Committee meets at least twice annually to review internal controls, external audit results, and financial compliance matters. The Audit Committee also confers with Aspire's finance leadership and external auditors to assess reporting accuracy, control effectiveness, and audit follow-up actions. The full Board receives summaries and recommendations from the Audit Committee.
- Standardized Financial Reporting Package. Reports are delivered in a consistent, comprehensive format designed to facilitate informed Board discussion and financial governance. This format supports informed analysis and allows the Board to monitor trends, detect anomalies, and evaluate financial reporting quality over time.
- Board Materials and Pre-Meeting Reviews. All Board members receive financial reports in advance of meetings, enabling thoughtful preparation and analysis. This practice reinforces Board accountability in reviewing and overseeing financial reporting. Financial reports are prepared and reviewed to ensure timely oversight aligned with budget adoption, interim financial reporting, annual audit cycle, and tax reporting compliance deadlines.
- Board Approvals. The Board formally reviews and approves Aspire's annual budget prior to the start of each fiscal year. It also reviews and approves Aspire's fiscal control policy, including internal controls, authorized approvers, and approval limits. The Board also approves Aspire's annual audit and tax filings



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(the IRS Form 990 and CA Form 199, each of which is also reviewed by the Audit Committee). Each of these is a foundational component of financial reporting and internal control oversight.

OUSD Inquiry #7: What control activities has Aspire implemented and/or modified to ensure the control environment is regularly assessed to detect gaps in the segregation of duties and to design and implement control activities to address such lapses?

Aspire Response to OUSD Inquiry #7: As explained above, it is important to clarify that the error mentioned in the audit was not caused by a lapse in the segregation of duties. Notwithstanding, Aspire has implemented a layered system of control activities designed to proactively assess the control environment and mitigate risks, including those related to segregation of duties. The organization continuously monitors for potential vulnerabilities and regularly enhances its internal controls in numerous ways.

- **Periodic Policy and Procedure Reviews.** Aspire's finance leadership team conducts periodic reviews of fiscal policies and procedures to evaluate whether financial controls remain robust and appropriately segregated, including those governing approval authority, financial reconciliations, and role assignments. These reviews include reassessment of staff roles as needed.
- **Codified Segregation of Duties Policy.** Aspire's Fiscal Control Policy & Procedures explicitly outlines segregation of duties as a foundational control principle. The policy prohibits any individual from initiating, approving, and reviewing the same transaction, and requires separation between accounting/reconciliation functions and asset custody functions. This principle is applied consistently across Aspire's financial processes.
- **Design Authority for Segregation of Duties.** The Chief Financial Officer and Controller are specifically responsible for designing and enforcing segregation of duties across departments. These leaders implement structural safeguards to separate incompatible functions and continuously assess whether changes in staffing, technology, or procedures affect those safeguards.
- **System Access and Role-Based Controls.** Aspire's financial systems (e.g., MIP, Coupa, and Ultipro) enforce role-based permissions and dual custody to ensure that no user has unilateral access to critical financial workflows, such as cash disbursements, payroll modifications, or bank transfers.
- **Internal Audit and Independent Review Functions.** Aspire maintains an internal audit function under the Director of Operations, who conducts periodic school-site audits and control testing. This function provides a feedback loop to management on the effectiveness of segregation and oversight controls, independent of daily financial operations.
- **ERP Access and Role-Based Controls.** Aspire enforces role-based access controls across its financial and HR systems (MIP, Coupa, and Ultipro), ensuring that users can access only the functionality necessary for their role. Aspire's finance and IT teams review system access permissions and approval workflow configurations periodically, including ensuring dual control for high-risk processes such as wire transfers,



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payroll approvals, and journal entry postings. These controls help preserve appropriate segregation of duties and system integrity.

- **Training and Reassignment When Risks Are Detected.** If a role conflict is identified—whether through internal review or staffing change—Aspire adjusts workflows or reassigns duties immediately to preserve control integrity. Such adjustments are reviewed by senior finance staff.

These control activities demonstrate Aspire’s proactive, system-wide approach to ensuring that segregation of duties is maintained and that the control environment is regularly evaluated and continuously strengthened.

OUSD Inquiry #8: What control activities has Aspire implemented and/or modified to ensure all footnotes and schedules accompanying the financial statements are within the scope of the financial statement reviewer’s review?

Aspire Response to OUSD Inquiry #8: Aspire has implemented layered control activities to ensure that all footnotes and supplemental schedules accompanying the financial statements are fully reviewed, verified, and fall within the scope of Aspire’s financial statement review protocols. These controls include:

- **Multi-Level Review by Key Financial Officers.** All financial statement footnotes and supplemental schedules are reviewed and approved by three senior finance officials:
 - The Chief Financial Officer,
 - The Controller, and
 - The Assistant Controller.

Each reviewer examines the materials independently for completeness, accuracy, and alignment with the underlying financial data.

- **Source Report Cross-Referencing.** Each footnote and schedule is supported by source documentation from Aspire’s ERP systems (e.g., MIP for accounting data), ensuring that reported figures are tied directly to system-generated financials. This includes reconciliations for items such as prepaid expenses, federal awards, and internal allocations.
- **Review Prior to Audit Submission.** Prior to submission to the auditor or chartering authorities, Aspire’s Chief Financial Officer and Controller perform a final scope review to ensure that all required footnotes and schedules—including those related to compliance, allocations, and organizational structure—are properly included and internally validated.
- **Audit Committee Oversight.** Aspire’s Audit Committee reviews the full audited financial statements, including footnotes and schedules, prior to approving submission.



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Together, these control activities ensure that Aspire's financial footnotes and supplemental schedules are consistently within the scope of formal financial review procedures, synced to Aspire's internal controls in our financial policies.

OUSD Inquiry #9: What control activities has Aspire implemented and/or modified to ensure the Schedule of Expenditures of Federal Awards is complete and accurate?

Aspire Response to OUSD Inquiry #9: In addition to the system-level enhancements and tagging controls described in Aspire's Response to OUSD Inquiry #2, above, Aspire has implemented a series of cross-check and reconciliation procedures designed to ensure the completeness and accuracy of the Schedule of Expenditures of Federal Awards (SEFA).

- **Automated SEFA Generation with Embedded Resource Tagging.** Aspire now uses its financial system (MIP) to automatically generate the SEFA using resource codes that are system-tagged as federal. This eliminates reliance on manual reporting and ensures that federal expenditures are pulled directly from the ledger using accurate parameters. These codes are aligned to the audit guide classifications, and tagging cannot be modified without elevated system access. (See Inquiry #2 for additional detail.)
- **Cross-Classification Reconciliation of Revenue and Expenditures.** As an additional layer of control, Aspire's finance team performs a cross-check of revenues and expenditures by funding classification—Federal, State, Local, and Other—against total recorded revenues and expenditures. This reconciliation ensures that all federal transactions are captured and appropriately classified in the SEFA. Discrepancies are investigated and corrected prior to submission.
- **Three-Level SEFA Review and Certification.** Aspire's Assistant Controller, Controller, and CFO participate in the preparation and review of the SEFA, ensuring consistency with general ledger data, proper classification of federal awards, and alignment with supporting documentation. Each reviewer contributes to confirming the SEFA's completeness and readiness for audit submission.
- **Quarterly Federal Grant Reconciliation Procedures.** As documented in the Time & Effort Policy and federal grant reconciliation procedures in Aspire's Fiscal Control Policy & Procedures, Aspire's finance team performs quarterly reconciliations of federal program expenditures, comparing the Personnel Activity Reports to the actual payroll expenditure ledger to confirm reported time activity agrees to the budgeted funding distribution. Reconciliation occurs quarterly in July, October, January and April, to coincide with each budget or actuals reporting period. Variances are flagged and corrected during quarterly reconciliation. These reconciliations ensure that grant expenditures align with allowable use categories and are properly reflected in financial reporting and SEFA preparation.

These control activities provide a layered system of automated data integrity, manual verification, and leadership review, ensuring the SEFA is both complete and audit-ready in alignment with federal reporting expectations.

OUSD Statement: Please note that failure to comply with the above remedies, or repeated violations of a similar nature, may result in the District issuing a Notice of Violation under Education Code § 47607(d) [sic].



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Aspire Response: Education Code Section 47607(d) is about aggregate pupil enrollment patterns at a charter school, and appears to be the wrong citation. We believe OUSD may have intended to cite Education Code section 47607(g) regarding revocation of a charter being preceded by a Notice of Violation. We respectfully remind OUSD that a charter may be revoked only if the chartering authority finds, through a showing of substantial evidence, that the charter school did any of the following: (1) committed a material violation of any of the conditions, standards, or procedures set forth in the charter; (2) failed to meet or pursue any of the pupil outcomes identified in the charter; (3) failed to meet generally accepted accounting principles, or engaged in fiscal mismanagement; (4) violated any law. None of these applies to Aspire's Audit Findings #2024-001 and #2024-002. Such findings plainly do not violate the charter or law and have no impact on pupil outcomes. As for meeting GAAP, notwithstanding the presence of audit findings, the Aspire audit report confirms that "[t]he accompanying consolidated financial statements (financial statements) have been prepared in accordance with accounting principals generally accepted in the United States of America (U.S. GAAP)." The auditor's report on whether the financial statements audited were prepared in accordance with GAAP was "Unmodified," with "No" noncompliance material to financial statements noted. The auditor did not identify any concerns of "fiscal mismanagement" whatsoever, instead recommending Aspire enhance its close process to ensure all transactions are accounted for and implement procedures to accurately capture all federal award expenditures expended during the audited period. Aspire has done so.

A Notice of Violation would be unwarranted, and Aspire will invoke its due process rights in the event Aspire receives a Notice of Violation.

Thank you again for the opportunity to provide the responses set forth above. We appreciate our collaborative relationship with OUSD and we welcome the opportunity to answer any further questions you may have regarding the above. We believe Aspire's response fully addresses your concerns. We will consider the statements and inquiries in the May Letter to be resolved unless we hear otherwise from your team before fiscal year-end.

Sincerely,

DocuSigned by:

Michael Wimbish

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Michael Wimbish

Chief Financial Officer, Aspire Public Schools