

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

ASPIRE PUBLIC SCHOOLS

TABLE OF CONTENTS JUNE 30, 2023 AND 2022

	<u>PAGE</u>
INDEPENDENT AUDITOR’S REPORT	1
FINANCIAL STATEMENTS	
Consolidated Statements of Financial Position	4
Consolidated Statements of Activities	5
Consolidated Statement of Functional Expenses	6
Consolidated Statements of Cash Flows	8
Notes to Financial Statements	9
SUPPLEMENTARY INFORMATION	
Organization, Governing Board, and Administration	27
Schedule of Average Daily Attendance	28
Schedule of Instructional Time	34
Consolidating Statement of Financial Position, by Region	39
Consolidating Statement of Activities, by Region	40
Consolidating Statement of Financial Position	41
Consolidating Statement of Activities	46
Consolidating Statement of Functional Expenses	51
Schedule of Expenditures of Federal Awards	54
Notes to Schedule of Expenditures of Federal Awards	56
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 <i>Government Auditing Standards</i>	57
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	59
Independent Auditor’s Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance	63
FINDINGS AND QUESTIONED COSTS	
Schedule of Findings and Questioned Costs	66
Status of Prior Year Findings	70

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		
	2023	2022
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	2,803,676	1,271,463
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	15,922,240	17,321,281
TOTAL ASSETS	\$ 463,189,270	\$ 423,659,680
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	2,542,595	2,644,011
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	14,523,082	15,758,481
Total liabilities	314,796,280	310,300,064
NET ASSETS:		
Without donor restrictions	95,451,339	94,123,087
With donor restrictions	52,941,651	19,236,529
Total net assets	148,392,990	113,359,616
TOTAL LIABILITIES AND NET ASSETS	\$ 463,189,270	\$ 423,659,680

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:	2023	2022
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	251,056,570	190,882,296
Net assets released from restrictions	47,086,644	59,637,038
Total support, revenue and gains	298,143,214	250,519,334
EXPENSES AND LOSSES:		
PROGRAM EXPENSES:		
Educational programs	275,816,763	233,254,633
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	20,998,199	19,781,537
Total expenses	296,814,962	253,036,170
Return of grant funds	-	56,863
Total expenses and losses	296,814,962	253,093,033
Increase (Decrease) in Net Assets without Donor Restrictions	1,328,252	(2,573,699)
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	(47,086,644)	(59,637,038)
Increase in Net Assets with Donor Restrictions	33,705,122	7,536,637
INCREASE IN NET ASSETS	35,033,374	4,962,938
NET ASSETS - Beginning of Year	113,359,616	108,396,678
NET ASSETS - End of Year	\$ 148,392,990	\$ 113,359,616

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

	<u>Program Expenses</u>	<u>Supporting Services</u>				<u>Total</u>
	<u>Educational programs</u>	<u>Site support</u>	<u>Development and expansion</u>	<u>Fundraising</u>	<u>Administration and general</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

	<u>Program Expenses</u>	<u>Supporting Services</u>				<u>Total</u>
	<u>Educational programs</u>	<u>Site support</u>	<u>Development and expansion</u>	<u>Fundraising</u>	<u>Administration and general</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	218,918	64,701	-	-	19,848	303,467
Total	<u>\$ 233,254,633</u>	<u>\$ 12,153,487</u>	<u>\$ 548,829</u>	<u>\$ 2,842,575</u>	<u>\$ 4,236,646</u>	<u>\$ 253,036,170</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

	2023	2022
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	53,478,380	21,159,769
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property and equipment	(37,971,767)	(30,320,467)
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	(5,304,570)	69,471,372
Net increase in cash and cash equivalents	10,202,043	60,310,674
Cash and cash equivalents, beginning of year	136,765,654	76,454,980
Cash and cash equivalents, end of year	\$ 146,967,697	\$ 136,765,654
Cash and cash equivalents	\$ 102,282,635	\$ 54,294,755
Restricted cash and cash equivalents	44,685,062	82,470,899
Total	\$ 146,967,697	\$ 136,765,654
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:

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

Contributions receivables are due to be collected as follows:

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

7. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at June 30:

	2023	2022
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	309,887,311	276,316,723
Less accumulated depreciation and amortization	(75,424,340)	(76,021,508)
Property and equipment, net	\$ 234,462,971	\$ 200,295,215

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 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.	6,849,718	7,143,730

ASPIRE PUBLIC SCHOOLS

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023 AND 2022

	2023	2022
<p>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.</p>	6,594,348	6,827,762
<p>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.</p>	-	6,197,184
<p>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.</p>	-	50,008
<p>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.</p>	-	50,008
<p>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.</p>	4,944,000	1,020,555

ASPIRE PUBLIC SCHOOLS

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023 AND 2022

	2023	2022
<p>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.</p>	37,025,000	37,435,000
<p>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.</p>	11,265,000	11,265,000
<p>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.</p>	29,785,000	29,785,000

ASPIRE PUBLIC SCHOOLS

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023 AND 2022

	2023	2022
<p>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.</p>	45,815,000	45,815,000
Subtotal	230,499,754	235,803,126
Unamortized premiums, discounts, and debt issuance costs	11,674,592	11,664,682
Less current portions	(3,163,889)	(3,046,611)
Total Long-Term Debt	\$ 239,010,457	\$ 244,421,197

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:

	2023	2022
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:

	2023	2022	2021
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><u>493.87</u></u>	<u><u>492.97</u></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><u>398.30</u></u>	<u><u>399.94</u></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><u>180.38</u></u>	<u><u>183.28</u></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><u>414.34</u></u>	<u><u>416.07</u></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><u>373.77</u></u>	<u><u>375.80</u></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><u>322.24</u></u>	<u><u>321.37</u></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><u>418.05</u></u>	<u><u>418.53</u></u>

ASPIRE PUBLIC SCHOOLS

SCHEDULE OF AVERAGE DAILY ATTENDANCE YEAR ENDED JUNE 30, 2023

	<u>Second Period Report</u>	<u>Annual Report</u>
Aspire Benjamin Holt College Preparatory Academy: Grades 9 through 12	639.33	638.31
Total	<u>639.33</u>	<u>638.31</u>
Aspire Benjamin Holt Middle School: Grades 4 through 6	179.35	179.12
Grades 7 and 8	352.80	353.99
Total	<u>532.15</u>	<u>533.11</u>
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	<u>161.06</u>	<u>159.55</u>
Aspire Rosa Parks Academy: Grades K through 3	242.54	243.08
Grades 4 through 6	102.79	102.99
Total	<u>345.33</u>	<u>346.07</u>
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	<u>702.22</u>	<u>700.62</u>
Aspire Port City Academy: Grades K through 3	277.55	279.47
Grades 4 through 6	117.70	117.89
Total	<u>395.25</u>	<u>397.36</u>
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	<u>540.38</u>	<u>534.98</u>

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

	<u>Required Minutes</u>	<u>Actual 2022-2023 Minutes Offered</u>	<u>Actual Number of Instructional Days Offered</u>	<u>Minutes Credited by the School Closure Certification</u>	<u>Number of Days Covered by the School Closure Certification*</u>	<u>Total 2022-2023 Minutes Offered</u>	<u>Total Number of Instructional Days Offered</u>	<u>Status</u>
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

	<u>Required Minutes</u>	<u>Actual 2022-2023 Minutes Offered</u>	<u>Actual Number of Instructional Days Offered</u>	<u>Minutes Credited by the School Closure Certification</u>	<u>Number of Days Covered by the School Closure Certification*</u>	<u>Total 2022-2023 Minutes Offered</u>	<u>Total Number of Instructional Days Offered</u>	<u>Status</u>
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

	<u>Required Minutes</u>	<u>Actual 2022-2023 Minutes Offered</u>	<u>Actual Number of Instructional Days Offered</u>	<u>Minutes Credited by the School Closure Certification</u>	<u>Number of Days Covered by the School Closure Certification*</u>	<u>Total 2022-2023 Minutes Offered</u>	<u>Total Number of Instructional Days Offered</u>	<u>Status</u>
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

	<u>Required Minutes</u>	<u>Actual 2022-2023 Minutes Offered</u>	<u>Actual Number of Instructional Days Offered</u>	<u>Minutes Credited by the School Closure Certification</u>	<u>Number of Days Covered by the School Closure Certification*</u>	<u>Total 2022-2023 Minutes Offered</u>	<u>Total Number of Instructional Days Offered</u>	<u>Status</u>
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		CFC, Inc.	Aspire Foundation	Eliminations	Total Consolidated
	Bay Area Schools	Central Valley Schools	LA Schools	National Office	Total School Activity				
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		Total School Activity	CFC, Inc.	Aspire Foundation	Eliminations	Total Consolidated
	Bay Area Schools	Central Valley Schools	LA Schools	National Office						
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	<u>83,318,783</u>	<u>113,311,269</u>	<u>90,706,434</u>	<u>6,198,912</u>	<u>293,535,398</u>	<u>15,046,860</u>	<u>2,569,936</u>	<u>(13,008,980)</u>	<u>-</u>	<u>298,143,214</u>
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	<u>\$ 38,956,692</u>	<u>\$ 46,493,816</u>	<u>\$ 61,445,548</u>	<u>\$ (15,779,803)</u>	<u>\$ 131,116,253</u>	<u>\$ 16,005,185</u>	<u>\$ 2,303,680</u>	<u>\$ (1,032,128)</u>	<u>\$ -</u>	<u>\$ 148,392,990</u>

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 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	<u>4,290,487</u>	<u>5,209,780</u>	<u>7,572,157</u>	<u>2,523,330</u>	<u>8,760,939</u>	<u>4,699,056</u>	<u>3,639,484</u>	<u>6,303,931</u>	<u>1,736,669</u>
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	<u>\$ 5,463,533</u>	<u>\$ 6,262,725</u>	<u>\$ 8,960,679</u>	<u>\$ 3,603,134</u>	<u>\$14,929,064</u>	<u>\$ 4,816,651</u>	<u>\$ 4,210,327</u>	<u>\$ 8,498,100</u>	<u>\$ 2,658,988</u>
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	<u>1,686,164</u>	<u>1,514,531</u>	<u>4,252,911</u>	<u>1,155,620</u>	<u>2,157,733</u>	<u>1,337,454</u>	<u>1,722,571</u>	<u>915,794</u>	<u>854,615</u>
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	<u>2,233,972</u>	<u>1,506,355</u>	<u>4,694,884</u>	<u>1,523,231</u>	<u>7,102,922</u>	<u>1,401,691</u>	<u>1,770,797</u>	<u>915,794</u>	<u>1,141,872</u>
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	<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>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 5,463,533</u>	<u>\$ 6,262,725</u>	<u>\$ 8,960,679</u>	<u>\$ 3,603,134</u>	<u>\$14,929,064</u>	<u>\$ 4,816,651</u>	<u>\$ 4,210,327</u>	<u>\$ 8,498,100</u>	<u>\$ 2,658,988</u>

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF FINANCIAL POSITION JUNE 30, 2023

Page 2 of 5

	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 non-current assets	-	12,667,376	3,375,047	166,177	1,057,691	506,476	7,819,423	251,385	142,137	8,006,365
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 long-term liabilities	-	6,694,125	2,342,502	40,428	535,003	-	786,624	157,402	1,111,303	2,595,815
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

Page 3 of 5

	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	<u>8,034,900</u>	<u>4,284,420</u>	<u>3,660,862</u>	<u>3,081,220</u>	<u>5,644,801</u>	<u>1,685,262</u>	<u>2,049,184</u>	<u>1,634,155</u>	<u>1,727,209</u>	<u>62,206,165</u>
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	<u>2,607,853</u>	<u>989,649</u>	<u>767,482</u>	<u>1,152,609</u>	<u>2,408,207</u>	<u>642,846</u>	<u>2,148,541</u>	<u>32,200,941</u>	<u>974,340</u>	<u>58,805,251</u>
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	<u>2,600,941</u>	<u>989,649</u>	<u>819,168</u>	<u>1,152,609</u>	<u>2,520,432</u>	<u>1,608,943</u>	<u>2,830,051</u>	<u>33,758,609</u>	<u>1,161,744</u>	<u>69,924,006</u>
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	<u>5,987,926</u>	<u>3,832,416</u>	<u>3,106,817</u>	<u>2,441,304</u>	<u>3,474,285</u>	<u>176,647</u>	<u>(698,028)</u>	<u>(2,135,254)</u>	<u>865,315</u>	<u>46,493,816</u>
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

Page 4 of 5

	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	<u>4,262,832</u>	<u>7,069,299</u>	<u>4,579,178</u>	<u>4,230,565</u>	<u>6,357,513</u>	<u>4,353,439</u>	<u>5,193,509</u>	<u>4,968,976</u>	<u>4,457,995</u>	<u>4,590,503</u>
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	<u>1,693,563</u>	<u>2,548,901</u>	<u>759,773</u>	<u>785,163</u>	<u>987,573</u>	<u>979,122</u>	<u>1,002,072</u>	<u>1,114,638</u>	<u>1,120,512</u>	<u>939,697</u>
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	<u>8,049,788</u>	<u>9,105,405</u>	<u>769,565</u>	<u>786,421</u>	<u>1,150,822</u>	<u>979,122</u>	<u>1,002,072</u>	<u>1,114,638</u>	<u>1,123,595</u>	<u>942,780</u>
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	<u>9,188,293</u>	<u>11,997,605</u>	<u>4,255,254</u>	<u>3,775,084</u>	<u>5,516,347</u>	<u>3,460,835</u>	<u>4,281,916</u>	<u>3,910,572</u>	<u>3,377,552</u>	<u>3,719,042</u>
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

Page 5 of 5

	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	<u>6,254,718</u>	<u>4,181,482</u>	<u>60,500,009</u>	<u>16,296,512</u>	<u>186,490,429</u>	<u>83,393,406</u>	<u>5,649,835</u>	<u>(99,359,007)</u>	<u>176,174,663</u>
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	<u>1,515,894</u>	<u>828,466</u>	<u>14,275,374</u>	<u>32,417,611</u>	<u>122,002,530</u>	<u>35,233,593</u>	<u>3,385,625</u>	<u>(99,359,007)</u>	<u>61,262,741</u>
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	<u>10,554,938</u>	<u>1,155,319</u>	<u>36,734,465</u>	<u>32,721,910</u>	<u>162,578,800</u>	<u>253,799,385</u>	<u>3,385,625</u>	<u>(104,967,530)</u>	<u>314,796,280</u>
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	<u>4,508,623</u>	<u>3,454,425</u>	<u>61,445,548</u>	<u>(15,779,803)</u>	<u>131,116,253</u>	<u>16,005,185</u>	<u>2,303,680</u>	<u>(1,032,128)</u>	<u>148,392,990</u>
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

	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	7,054,960	8,257,743	11,018,204	5,274,131	9,249,385	9,783,918	9,497,280	9,424,304	4,910,823
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	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 expenses	7,962,328	9,299,215	12,309,307	5,867,930	10,315,316	10,933,941	10,607,061	10,480,553	5,469,120
TRANSFERS BETWEEN AFFILIATES	-	-	-	-	-	-	-	-	-
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	(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)
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	783,928	1,058,507	1,711,404	525,495	4,049,277	1,115,792	872,820	899,276	467,766
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

		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

	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	<u>12,398,875</u>	<u>8,106,433</u>	<u>10,017,496</u>	<u>8,104,514</u>	<u>7,991,356</u>	<u>5,996,346</u>	<u>2,951,294</u>	<u>2,585,623</u>	<u>194,071</u>	<u>113,311,269</u>
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	<u>1,415,548</u>	<u>875,177</u>	<u>1,124,117</u>	<u>883,030</u>	<u>947,968</u>	<u>658,277</u>	<u>456,320</u>	<u>254,799</u>	<u>(5,012,130)</u>	<u>8,541,143</u>
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	<u>(1,587,068)</u>	<u>45,570</u>	<u>-</u>	<u>115,652</u>	<u>119,783</u>	<u>-</u>	<u>450,000</u>	<u>-</u>	<u>-</u>	<u>(81,655)</u>
Increase (Decrease) in Net Assets without Donor Restrictions	<u>(1,351,394)</u>	<u>166,022</u>	<u>260,483</u>	<u>(145,746)</u>	<u>30,076</u>	<u>(1,237,930)</u>	<u>(368,521)</u>	<u>(1,994,679)</u>	<u>430,054</u>	<u>(5,030,239)</u>
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	<u>916,041</u>	<u>554,003</u>	<u>758,773</u>	<u>969,497</u>	<u>812,066</u>	<u>286,969</u>	<u>117,090</u>	<u>66,396</u>	<u>-</u>	<u>11,254,553</u>
INCREASE (DECREASE) IN NET ASSETS	<u>(435,353)</u>	<u>720,025</u>	<u>1,019,256</u>	<u>823,751</u>	<u>842,142</u>	<u>(950,961)</u>	<u>(251,431)</u>	<u>(1,928,283)</u>	<u>430,054</u>	<u>6,224,314</u>
NET ASSETS - Beginning of Year	<u>6,423,279</u>	<u>3,112,391</u>	<u>2,087,561</u>	<u>1,617,553</u>	<u>2,632,143</u>	<u>1,127,608</u>	<u>(446,597)</u>	<u>(206,971)</u>	<u>435,261</u>	<u>40,269,502</u>
NET ASSETS - End of Year	<u>\$ 5,987,926</u>	<u>\$ 3,832,416</u>	<u>\$ 3,106,817</u>	<u>\$ 2,441,304</u>	<u>\$ 3,474,285</u>	<u>\$ 176,647</u>	<u>\$ (698,028)</u>	<u>\$ (2,135,254)</u>	<u>\$ 865,315</u>	<u>\$ 46,493,816</u>

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF ACTIVITIES YEAR ENDED JUNE 30, 2023

Page 4 of 5

	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	<u>8,567,788</u>	<u>11,065,382</u>	<u>6,063,400</u>	<u>6,551,635</u>	<u>11,223,307</u>	<u>8,379,307</u>	<u>8,265,419</u>	<u>7,585,125</u>	<u>7,191,372</u>	<u>6,686,817</u>
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	<u>(617,408)</u>	<u>(157,409)</u>	<u>196,439</u>	<u>64,850</u>	<u>441,159</u>	<u>539,997</u>	<u>631,906</u>	<u>352,627</u>	<u>542,522</u>	<u>328,238</u>
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	<u>1,223,053</u>	<u>1,163,145</u>	<u>1,136,637</u>	<u>1,033,784</u>	<u>1,052,435</u>	<u>607,186</u>	<u>853,823</u>	<u>1,676,129</u>	<u>1,029,758</u>	<u>1,229,709</u>
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	<u>\$ 9,188,293</u>	<u>\$ 11,997,605</u>	<u>\$ 4,255,254</u>	<u>\$ 3,775,084</u>	<u>\$ 5,516,347</u>	<u>\$ 3,460,835</u>	<u>\$ 4,281,916</u>	<u>\$ 3,910,572</u>	<u>\$ 3,377,552</u>	<u>\$ 3,719,042</u>

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF ACTIVITIES YEAR ENDED JUNE 30, 2023

	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	<u>9,125,660</u>	<u>1,222</u>	<u>90,706,434</u>	<u>6,198,912</u>	<u>293,535,398</u>	<u>15,046,860</u>	<u>2,569,936</u>	<u>(13,008,980)</u>	<u>298,143,214</u>
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	<u>1,050,035</u>	<u>(3,876,822)</u>	<u>6,421,356</u>	<u>(2,662,368)</u>	<u>17,488,929</u>	<u>-</u>	<u>3,509,270</u>	<u>-</u>	<u>20,998,199</u>
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	<u>413,037</u>	<u>805,161</u>	<u>3,541,119</u>	<u>(333,627)</u>	<u>(1,136,355)</u>	<u>3,743,086</u>	<u>(1,278,479)</u>	<u>-</u>	<u>1,328,252</u>
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	<u>1,021,811</u>	<u>-</u>	<u>12,027,470</u>	<u>(1,285,926)</u>	<u>33,406,350</u>	<u>-</u>	<u>298,772</u>	<u>-</u>	<u>33,705,122</u>
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	<u>3,073,775</u>	<u>2,649,264</u>	<u>45,876,959</u>	<u>(14,160,250)</u>	<u>98,846,258</u>	<u>12,262,099</u>	<u>3,283,387</u>	<u>(1,032,128)</u>	<u>113,359,616</u>
NET ASSETS - End of Year	<u>\$ 4,508,623</u>	<u>\$ 3,454,425</u>	<u>\$ 61,445,548</u>	<u>\$ (15,779,803)</u>	<u>\$ 131,116,253</u>	<u>\$ 16,005,185</u>	<u>\$ 2,303,680</u>	<u>\$ (1,032,128)</u>	<u>\$ 148,392,990</u>

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES YEAR ENDED JUNE 30, 2023

	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 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	<u>\$ 2,972,845</u>	<u>\$ 77,443,593</u>	<u>\$ 5,168,377</u>	<u>\$ 6,409,384</u>	<u>\$ 6,073,963</u>	<u>\$ 6,483,209</u>	<u>\$ 8,702,733</u>	<u>\$ 5,876,726</u>	<u>\$ 4,998,636</u>	<u>\$ 5,907,208</u>

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES YEAR ENDED JUNE 30, 2023

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

	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	<u>\$ 7,662,588</u>	<u>\$ 3,072,883</u>	<u>\$ 80,743,959</u>	<u>\$ 7,938,855</u>	<u>\$ 275,845,117</u>	<u>\$ 12,641,481</u>	<u>\$ 339,145</u>	<u>\$(13,008,980)</u>	<u>\$ 275,816,763</u>

	Supporting Services									
	Aspire Foundation			Aspire Public Schools					CFC Inc	Eliminations
Fundraising	Administrative and general	Total Aspire Foundation Supporting Services	Site support	Development and expansion	Administrative and general	Total Aspire Public Schools 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	<u>\$ 3,124,214</u>	<u>\$ 385,056</u>	<u>\$ 3,509,270</u>	<u>\$ 12,805,874</u>	<u>\$ 569,455</u>	<u>\$ 4,113,600</u>	<u>\$ 17,488,929</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,998,199</u>

ASPIRE PUBLIC SCHOOLS

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

<u>Federal Grantor/Pass-Through Grantor/ Program or Cluster Title</u>	<u>Assistance Listing Number</u>	<u>Pass- Through Entity Identifying Number</u>	<u>Total Federal Expenditures</u>
U.S. Department of Education:			
Replication and Expansion of High-Quality Charter Schools	84.282M	N/A	\$ <u>372,704</u>
Passed Through California Department of Education (CDE): Title I, Part A, Basic Grant	84.010	14329	<u>7,089,740</u>
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	<u>160,258</u>
Subtotal Special Education Cluster (IDEA)			<u>3,114,470</u>
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	<u>1,880,514</u>
Subtotal Education Stabilization Fund (ESF)			<u>25,029,952</u>
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	<u>1,084,993</u>
Total Dept. of Education Passed Through CDE			<u>36,762,056</u>
Total U.S. Department of Education			<u>37,134,760</u>

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

<u>Federal Grantor/Pass-Through Grantor/ Program or Cluster Title</u>	<u>Assistance Listing Number</u>	<u>Pass- Through Entity Identifying Number</u>	<u>Total Federal Expenditures</u>
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			5,433,480
Child & Adult Care Food Program	10.558	13666	744,694
Total Dept. of Agriculture Passed Through CDE			6,178,174
Total Expenditures of Federal Awards			\$ 43,312,934

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.



**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:

<u>Name of Federal Program or Cluster</u>	<u>Assistance Listing Number</u>
Child Nutrition: National School Lunch Program	10.553
COVID-19 Education Stabilization Fund	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
<p>2022-001. FINANCIAL CLOSE – CDDC #30000</p> <p>The financial close and review procedures were not adequate to detect financial statement misstatements in a timely manner.</p> <p>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.</p>	<p>No significant audit entries identified during the June 30, 2023 audit.</p>	<p>N/A</p>

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
<p>2022-001. Expanded Learning Opportunities Grant (ELO-G) – CDDC # 40000</p> <p>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.</p> <p>We recommend the Organization review all program activities during the financial close process to ensure the relevant allowable activities are recorded to each program.</p>	<p>No similar items of noncompliance noted in the 2023 audit.</p>	<p>N/A</p>
<p>2022-003. AFTER SCHOOL AND EDUCATION SAFETY PROGRAM (ASES)– CDDC # 40000</p> <p>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.</p> <p>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.</p>	<p>Not implemented. See repeat finding 2023-002.</p>	<p>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.</p>

FEDERAL COMPLIANCE FINDINGS

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