



Certified Public Accountants  
and Financial Advisors

## **Partnerships to Uplift Communities**

Consolidated Financial Statements

June 30, 2019

PUC Community Charter Middle School and PUC  
Community Early College High School [#0213]  
PUC CALS Middle and Early College High [#0331]  
PUC Milagro Charter School [#0600]  
PUC Lakeview Charter Academy [#0603]  
PUC Triumph Charter Academy [#0797]  
PUC Excel Charter Academy [#0798]  
PUC Santa Rosa Charter Academy [#1091]  
PUC Nueva Esperanza Charter Academy [#1092]  
PUC Lakeview Charter High School [#1241]  
PUC Early College Academy for Leaders and  
Scholars [#1354]  
PUC Community Charter Elementary School  
[#1657]  
PUC Inspire Charter School [#1626]  
PUC iPrep Charter School [#1820]

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## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Partnerships to Uplift Communities  
Burbank, California

### Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Partnerships to Uplift Communities Los Angeles (a nonprofit organization), Partnerships to Uplift Communities Valley (a nonprofit organization), and Partnerships to Uplift Communities Lakeview Terrace (a nonprofit organization), (collectively referred to as "Partnerships to Uplift Communities"), which comprise the consolidated statement of financial position as of June 30, 2019, and the related consolidated statements of activities, functional expenses and cash flows for the fiscal year then ended, and the related notes to the consolidated financial statements.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair representation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair representation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Partnerships to Uplift Communities as of June 30, 2019, and the consolidated changes in their net assets and their cash flows for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. The accompanying schedule of expenditures of federal awards, as required by Title II, U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is 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 16, 2019, on our consideration of Partnerships to Uplift Communities' 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 Partnerships to Uplift Communities' 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 Partnerships to Uplift Communities' internal control over financial reporting and compliance.

**SQUAR MILNER LLP**

San Diego, California  
December 16, 2019

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**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**June 30, 2019**

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**ASSETS**

Current assets:

Cash	\$ 14,043,702
Restricted cash, current portion	2,253,102
Accounts receivable	8,619,216
Prepaid expenses	38,450
Other current assets	2,551
Deferred rent	76,879

Total current assets 25,033,900

Restricted cash, noncurrent portion 4,427,048

Fixed assets, net 44,688,188

Deposits 611,235

Total noncurrent assets 49,726,471

Total assets \$ 74,760,371

**LIABILITIES AND NET ASSETS**

Current liabilities:

Accounts payable	\$ 1,699,584
Accrued expenses	2,826,850
Deferred rent	419,162
Other current liabilities	1,459,013
Current portion of debt obligations, net	803,711

Total current liabilities 7,208,320

Debt obligations, net, less current portion 45,405,689

Total liabilities 52,614,009

Net assets:

Net assets with donor restrictions 1,841,264

Net assets without donor restrictions - Undesignated 20,305,098

Total net assets 22,146,362

Total liabilities and net assets \$ 74,760,371

**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**CONSOLIDATED STATEMENT OF ACTIVITIES**  
For the Fiscal Year Ended June 30, 2019

	<u>Net Assets without donor restrictions</u>	<u>Net Assets with donor restrictions</u>	<u>Total</u>
<b>REVENUES</b>			
Revenue limit sources:			
State aid	\$ 32,508,391	\$ -	\$ 32,508,391
Education protection account	7,005,819	-	7,005,819
In-lieu of property taxes	12,098,255	-	12,098,255
Federal revenues	5,437,229	-	5,437,229
State revenues	12,673,828	-	12,673,828
Local revenues:			
Donations	103,619	-	103,619
Fundraising	749,206	-	749,206
Miscellaneous	928,523	-	928,523
Total revenues before transfers	71,504,870	-	71,504,870
Net assets transferred from restriction	124,060	(124,060)	-
Total revenues	71,628,930	(124,060)	71,504,870
<b>EXPENSES</b>			
Program services:			
Education	47,207,558	-	47,207,558
Support services:			
Management and general	20,816,256	-	20,816,256
Total expenses	68,023,814	-	68,023,814
<b>CHANGE IN NET ASSETS</b>	3,605,116	(124,060)	3,481,056
<b>NET ASSETS, BEGINNING OF YEAR</b>	16,699,982	1,965,324	18,665,306
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 20,305,098</u>	<u>\$ 1,841,264</u>	<u>\$ 22,146,362</u>

**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**  
For the Fiscal Year Ended June 30, 2019

	Program Services	Support Services	Totals
	Education	Management and General	
Certificated salaries	\$ 19,263,012	\$ 4,660,311	\$ 23,923,323
Classified salaries	2,299,288	5,356,638	7,655,926
Employee benefits	5,896,906	2,742,830	8,639,736
Books and supplies	5,282,950	482,149	5,765,099
Travel and conferences	238,036	67,671	305,707
Dues and memberships	95,768	-	95,768
Insurance	-	462,418	462,418
Operation and housekeeping services	1,191,074	538,305	1,729,379
Rental, leases, repairs, and non-capitalized improvements	5,263,759	5,448,604	10,712,363
Professional/consulting services and operating expenditures	7,551,172	3,242,652	10,793,824
Communications	125,593	288,034	413,627
Depreciation	-	1,899,594	1,899,594
Amortization	-	140,527	140,527
Total expenses before eliminations	47,207,558	25,329,733	72,537,291
Intercompany eliminations	-	(4,512,827)	(4,512,827)
Total expenses	<u>\$ 47,207,558</u>	<u>\$ 20,816,906</u>	<u>\$ 68,024,464</u>



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**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
For the Fiscal Year Ended June 30, 2019

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**CASH FLOWS FROM OPERATING ACTIVITIES:**

Change in net assets	\$ 3,481,056
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	1,899,594
Amortization of debt discount	140,527
(Increase) decrease in operating assets:	
Accounts receivable	(3,091,110)
Prepaid expenses	45,263
Other current assets	(2,551)
Deferred rent assets	(74,700)
Deposits	2,250
Increase (decrease) in operating liabilities:	
Accounts payable	(1,323,144)
Due to related party	(749,268)
Accrued expenses	379,156
Other current liabilities	501,034
Net cash flows provided by operating activities	<u>1,208,107</u>

**CASH FLOWS FROM INVESTING ACTIVITIES:**

Purchase of fixed assets	<u>(112,303)</u>
Net cash flows used in investing activities	<u>(112,303)</u>

**CASH FLOWS FROM FINANCING ACTIVITIES:**

Payments on debt obligations	(965,159)
Decrease in restricted cash	<u>(121,029)</u>
Net cash flows used in financing activities	<u>(1,086,188)</u>

**NET INCREASE IN CASH** 9,616

**CASH, BEGINNING OF YEAR** 14,034,086

**CASH, END OF YEAR** \$ 14,043,702

**SUPPLEMENTAL DISCLOSURE:**

Cash paid for interest	<u><u>\$ 2,924,073</u></u>
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**PARTNERSHIPS TO UPLIFT COMMUNITIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
June 30, 2019**

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**1. ORGANIZATION AND MISSION**

Partnerships to Uplift Communities (PUC) Los Angeles (a nonprofit organization) operates five charter schools which are referred to below. PUC Valley (a nonprofit organization) operates Tri-lake Charter School Properties, LLC and five charter schools which are referred to below. PUC Lakeview Terrace (a nonprofit organization) operates Southern California Charter School Properties, LLC and two charter schools, referred to below. All three nonprofit organizations are collectively, hereto forth, referred to as the "Organization".

<u>Charter Name</u>	<u>Charter Number</u>	<u>Sponsoring District</u>
PUC Community Charter Middle and PUC Community Charter Early College High (CALSMHS)	0213	Los Angeles Unified School District
PUC CALS Middle and Early College High (CCMSHS)	0331	Los Angeles Unified School District
PUC Milagro Charter School (MCS)	0600	Los Angeles Unified School District
PUC Lakeview Charter Academy (LCA)	0603	Los Angeles Unified School District
PUC Triumph Charter Academy and PUC Triumph Charter High (TCA)	0797	Los Angeles Unified School District
PUC Excel Charter Academy (ECA)	0798	Los Angeles Unified School District
PUC Santa Rosa Charter Academy (SRCA)	1091	Los Angeles Unified School District
PUC Nueva Esperanza Charter Academy (NECA)	1092	Los Angeles Unified School District
PUC Lakeview Charter High School (LCHS)	1241	Los Angeles Unified School District
PUC Early College Academy for Leaders and Scholars (ECALS)	1354	Los Angeles Unified School District
PUC Community Charter Elementary School (CCE)	1657	Los Angeles Unified School District
PUC Inspire Charter School (ICA)	1626	Los Angeles Unified School District
PUC International Preparatory Charter Academy (iPREP)	1820	Los Angeles Unified School District

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**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**June 30, 2019**

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The Organization commenced operations during the 1999-2000 fiscal year with Community Charter Middle School. Below is the charter information for each Charter School:

<u>Charter Name</u>	<u>Original School Start Date</u>	<u>Term of Charter</u>	<u>Charter Expiration</u>	<u>Enrollment Average</u>
PUC Community Charter Middle and PUC PUC Community Charter Early College High	September 8, 1999	5 Years	June 30, 2024	766
PUC CALS Middle and Early College High	September 11, 2000	5 Years	June 30, 2020	528
PUC Milagro Charter School	September 1, 2004	5 Years	June 30, 2024	274
PUC Lakeview Charter Academy	September 1, 2004	5 Years	June 30, 2024	327
PUC Triumph Charter Academy and PUC Triumph Charter High	September 24, 2007	5 Years	June 30, 2021	737
PUC Excel Charter Academy	September 18, 2006	5 Years	June 30, 2021	296
PUC Santa Rosa Charter Academy	September 16, 2009	5 Years	June 30, 2024	190
PUC Nueva Esperanza Charter Academy	September 9, 2009	5 Years	June 30, 2024	432
PUC Lakeview Charter High School	September 14, 2010	5 Years	June 30, 2020	385
PUC Early College Academy for Leaders and Scholars	August 29, 2011	5 Years	June 30, 2021	390
PUC Community Charter Elementary School	July 1, 2014	5 Years	June 30, 2024	287
PUC Inspire Charter School	July 1, 2014	5 Years	June 30, 2024	295
PUC International Preparatory Charter Academy	August 28, 2017	3 Years	June 30, 2024	78

The mission of the Organization is to ensure every student graduates from high school prepared for college success.

Effective August 22, 2018 and June 30, 2019, PUC International Preparatory Charter Academy and PUC Santa Rosa Charter Academy closed operations, respectively.

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**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**June 30, 2019**

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***Basis of Consolidation***

These consolidated financial statements include financial activities of three tax exempt nonprofit public benefit corporations, PUC Los Angeles, PUC Valley, and PUC Lakeview Terrace. PUC Valley includes its wholly owned subsidiary, Tri-Lake Charter School Properties, LLC (a single member limited liability company) (TL-LLC). PUC Lakeview Terrace includes its wholly owned subsidiary, Southern California Charter School Properties, LLC (a single member limited liability company) (SC-LLC). All of the organizations are controlled through common Boards of Directors. All significant inter-organizational accounts have been eliminated in consolidation.

***Financial Statement Presentation***

In accordance with Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2016-14, Not for Profit entities (Topic 958), *Presentation of Financial Statements of Not-for-Profit Entities*, which the Organization adopted as of the beginning of the fiscal year ended June 30, 2019, 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.

***Net assets without donor restrictions***

Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The Board has designated none of these net assets for operating reserves and future program development.

***Net assets with donor restrictions***

Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restrictions expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. As of June 30, 2019, the Organization had \$1,841,264 net assets with donor restrictions.

***Accounting Method - Basis of Accounting***

The consolidated financial statements were prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applicable to not-for-profit organizations. Basis of accounting relates to when revenues and expenses are recognized in the accounts and reported on the consolidated financial statements. The Organization uses the accrual basis of accounting, under which revenues are recognized when they are earned and expenditures are recognized in the accounting period in which the liability is incurred.

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**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**June 30, 2019**

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

***Use of Estimates***

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

***Income Taxes***

The Organization is exempt from income taxes under Internal Revenue Code Section 501(c)(3). It is, however, subject to income taxes from activities unrelated to its tax-exempt purpose. The Organization uses the same accounting methods for tax and financial reporting.

GAAP provides accounting and disclosure guidance about positions taken by an entity in its tax returns that might be uncertain. Management has considered its tax positions and believes that all of the positions taken in its federal and state exempt organization tax returns are more likely than not to be sustained upon examination. The Organization's returns are subject to examination by federal and state taxing authorities, generally for three years and four years, respectively, after they are filed.

***Cash and Cash Equivalents***

Cash is, from time to time, variously composed of cash on hand and cash in banks. The Organization considers all highly liquid investments with original maturities of three months or less at time of acquisition to be cash equivalents. As of June 30, 2019, there were no cash equivalents.

***Deferred Debt Issuance Costs***

Costs related to the registration and issuance of the PUC Valley and PUC Lake View Terrace bonds are initially capitalized and are amortized as additional interest expense over the life of the related debt instruments. The aggregate costs, net of accumulated amortization, were \$3,615,452 at June 30, 2019, which is reported as a deduction from the related debt on the consolidated statement of financial position. Amortization expense for the year ended June 30, 2019 was \$140,527.

***Fixed Assets***

Fixed assets are recorded at cost and depreciated under the straight-line method over their estimated useful lives of 5 to 10 years. Repair and maintenance costs, which do not extend the useful lives of the asset, are charged to expense. The cost of assets, sold or retired, and related amounts of accumulated depreciation are eliminated from the accounts in the year of disposal, and any resulting gain or loss is included in the earnings. Management has elected to capitalize and depreciate all assets costing \$2,500 or more; all other assets are charged to expense in the year incurred.

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**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**June 30, 2019**

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

***Revenue Sources and Recognition***

The Organization primarily receives funds from the California Department of Education (CDE). Revenue limit sources and state revenues received from the CDE are determined based on the Organization's average daily attendance (ADA) of students and recognized in the period the ADA occurs.

In addition, the Organization receives federal, state and local revenues for the enhancement of various educational programs. This assistance is generally received based on applications submitted to and approved by various granting agencies.

The Organization recognizes federal revenue to the extent that eligible expenditures have been incurred.

Revenue that is restricted is recorded as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the revenue is recognized. All other restricted revenues are reported as increases in net assets with donor restrictions.

***Functional Allocation of Expenses***

The costs of providing the program services have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the program services based on employees' time incurred and management's estimates of the usage of resources.

***New Accounting Pronouncements***

In February 2016, the FASB issued Accounting Standards Update (ASU) 2016-02, *Leases* (Topic 842). Topic 842 requires a lessee to recognize a lease asset representing its right to use the underlying asset for the lease term, and a lease liability for the present value of payments to be made to lessor, on its statement of financial position for all leases greater than 12 months. In November 2019, the FASB issued ASU 2019-10, *Financial Instruments-Credit Losses, Derivatives and Hedging, and Leases*, which deferred the effective date of Topic 842 for the Organization until fiscal years beginning after December 15, 2020, and interim periods within fiscal years beginning after December 31, 2021. Although the full impact of this new guidance on the Organization's financial statements has not yet been determined, the future adoption of this guidance will require the Organization to record assets and liabilities on its statement of financial position relating to facility and other leases currently being accounted for as operating leases (See Note 11).

**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**June 30, 2019**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

***New Accounting Pronouncements*** (continued)

In August 2016, the FASB issued ASU No. 2016-14, Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities (ASU 2016-14). ASU 2016-14 changes presentation and disclosure requirements for not-for-profit entities to provide more relevant information about their resources (and the changes in those resources) to donors, grantors, creditors, and other users. These include qualitative and quantitative requirements in the following areas: (1) net asset classes; (2) investment return; (3) expenses; (4) liquidity and availability of resources; and (5) presentation of operating cash flows. ASU 2016-14 became effective for annual financial statements issued for fiscal years beginning after December 15, 2017, and for interim periods within fiscal years beginning after December 15, 2018. The Organization adopted ASU no. 2016-14 for the fiscal year ended June 30, 2019. Net assets at the beginning of the fiscal year ended June 30, 2019 have been reclassified due to the adoption of ASU 2016-14 as follows:

	<u>Before Adoption of ASU 2016-14</u>	<u>After Adoption of ASU 2016-14</u>
At the beginning of the fiscal year		
Unrestricted net assets	\$ 16,699,982	\$ -
Net assets without donor restrictions	-	16,699,982
Temporarily restricted net assets	1,965,324	-
Net assets with donor restrictions	-	1,965,324
Total net assets	<u>\$ 18,665,306</u>	<u>\$ 18,665,306</u>

**3. CASH**

Cash at June 30, 2019, consisted of the following:

Deposits:

Cash in banks	<u>\$ 14,043,702</u>
Total cash in banks	<u>\$ 14,043,702</u>

Cash balances held in banks are insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC). The Organization maintains its cash in bank deposit accounts that at times may exceed federally insured limits. The Organization has not experienced any such losses on these accounts. At June 30, 2019, the Organization had \$19,770,664 in excess of FDIC insured limits.

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**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**June 30, 2019**

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**4. RESTRICTED CASH**

Cash balances held with a fiscal agent, Zions Bank, are held to distribute relating to future principal and interest payments, repairs and general reserve account.

Restricted cash at June 30, 2019, consisted of the following:

Interest account	\$ 1,450,235
Principal account	800,000
Reserve account	3,745,251
Repairs reserve	431,797
Enrollment stabilization account	<u>250,000</u>
Total restricted cash	6,677,283
Less current portion	<u>(2,253,102)</u>
Total non-current restricted cash	<u><u>\$ 4,427,048</u></u>

**5. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS**

The Organization manages its cash available to meet general expenditures following three guiding principles:

- Operating with a prudent range of financial soundness and stability,
- Maintaining adequate liquid assets, and
- Maintaining sufficient reserves to provide reasonable assurance that long term grant commitments and obligations under endowments with donor restrictions and quasi-endowments that support mission fulfillment with continue to be met, ensuring the sustainability of the Organization.

The Organization's financial assets available within one year of the Statement of Financial Position date for general expenditures are as follows:

Cash	\$ 14,043,702
Accounts receivable	<u>8,619,216</u>
Total financial assets available within one year	<u><u>\$ 22,662,918</u></u>



**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**June 30, 2019**

**6. ACCOUNTS RECEIVABLE**

Accounts receivable at June 30, 2019, consisted of the following:

Revenue Limit Sources:		
State Aid		\$ 3,218,514
In Lieu of Property Taxes		1,041,294
Federal		556,327
State		3,315,305
Local:		
Miscellaneous		<u>487,776</u>
Total		<u><u>\$ 8,619,216</u></u>

**7. INTERCOMPANY BALANCES AND ACTIVITIES**

***Due To/From Other Entities***

Balances due to and due from other entities at June 30, 2019, consisted of the following:

<u>Due To</u>	<u>Due From</u>	<u>Amount</u>	<u>Purpose</u>
PUC Los Angeles			Tenant improvements
- MCS		\$ 20,019	
- ECA		(14,476)	
- SRCA		128	
- ECALS		18,456	
- CAFLSC		(24,127)	
PUC Valley			Tenant improvements
- TCA		193,640	
- NECA		500,000	
- LCHS		118,365	
	PUC Lakeview Terrace		Tenant improvements
	- TL-LLC	<u>(812,005)</u>	
	Total	<u><u>\$ -</u></u>	

PUC Valley advanced \$2,806,874 to TL-LLC in order to continue construction on the facility. On September 28, 2016, PUC Valley and TL-LLC executed a Promissory Note to repay the final balance with interest of 3.25% per annum. The Promissory Note matures on August 1, 2020 and is payable in principal and interest of \$62,439 per month. The intercompany balances are eliminated in consolidation.

**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**June 30, 2019**

**8. FIXED ASSETS**

Fixed assets at June 30, 2019, consisted of the following:

Land	\$ 3,934,642
Buildings	43,082,730
Site improvements	4,569,517
Work in progress	39,725
Equipment	3,875,936
Less: accumulated depreciation	<u>(10,814,362)</u>
Total fixed assets, net of depreciation	<u>\$ 44,688,188</u>

During the fiscal year ended June 30, 2019, \$1,899,594 was charged to depreciation expense.

**9. DEBT OBLIGATIONS**

***Bonds Payable – PUC Lake View Terrace***

On December 1, 2012, the Organization issued \$26,540,000 in Series 2012 Bonds (2012 Bonds) for the financing and refinancing of the acquisition and renovations of certain educational facilities. The Bonds were issued with an interest rate ranging from 4.75% to 7.00% and mature on August 1, 2047. The debt obligations, net, at June 30, 2019 consisted of the following:

	<u>Current</u>	<u>Long-term</u>	<u>Total</u>
Debt Obligations	\$ 385,000	\$ 24,375,000	\$ 24,760,000
Less: unamortized debt issuance costs	<u>(56,910)</u>	<u>(1,444,243)</u>	<u>(1,501,153)</u>
	<u>\$ 328,090</u>	<u>\$ 22,930,757</u>	<u>\$ 23,258,847</u>

Future annual payments of principal and interest on the 2012 Bonds as of June 30, 2019, are as follows:

<u>Year Ending</u>	<u>Amortization of</u>			
<u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>	<u>Debt Issuance</u>
				<u>Costs</u>
2020	\$ 385,000	\$ 1,273,391	\$ 1,658,391	\$ (56,910)
2021	415,000	1,251,916	1,666,916	(56,910)
2022	435,000	1,231,729	1,666,729	(56,910)
2023	455,000	1,210,591	1,665,591	(56,910)
2024	475,000	1,187,910	1,662,910	(56,910)
Thereafter	<u>22,595,000</u>	<u>17,050,120</u>	<u>39,645,120</u>	<u>(1,216,603)</u>
Totals	<u>\$ 24,760,000</u>	<u>\$ 23,205,657</u>	<u>\$ 47,965,657</u>	<u>\$ (1,501,153)</u>

**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**June 30, 2019**

**9. DEBT OBLIGATIONS** (continued)

***Bonds Payable – PUC Valley***

On March 1, 2014, the Organization issued \$26,030,000 in Series 2014 Bonds (2014 Bonds) for the financing and refinancing of and the acquisition of and renovations to certain educational facilities. The Bonds were issued with an interest rate ranging from 5.35% to 7.00% and mature on August 30, 2044. The debt obligations, net, at June 30, 2019 consisted of the following:

	<u>Current</u>	<u>Long-term</u>	<u>Total</u>
Debt Obligations	\$ 415,000	\$ 24,505,000	\$ 24,920,000
Less: unamortized debt issuance costs	(84,220)	(2,028,864)	(2,113,084)
	<u>\$ 330,780</u>	<u>\$ 22,476,136</u>	<u>\$ 22,806,916</u>

Future annual payments of principal and interest on the 2014 Bonds as of June 30, 2019, are as follows:

<u>Year Ending</u> <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>	<u>Amortization of</u> <u>Debt Issuance</u> <u>Costs</u>
2020	\$ 415,000	\$ 1,604,359	\$ 2,019,359	\$ (84,220)
2021	440,000	1,581,488	2,021,488	(84,220)
2022	460,000	1,557,413	2,017,413	(84,220)
2023	485,000	1,532,134	2,017,134	(84,220)
2024	510,000	1,505,518	2,015,518	(84,220)
Thereafter	22,610,000	19,300,693	41,910,693	(1,691,983)
Totals	<u>\$ 24,920,000</u>	<u>\$ 27,081,605</u>	<u>\$ 52,001,605</u>	<u>\$ (2,113,083)</u>

***Notes Payable – PUC Valley***

On June 18, 2014, PUC Community Charter Elementary School (CCE), a charter school within PUC Valley, took out a five-year California School Finance Authority Revolving Loan in the principal amount of \$250,000, with interest at 0.22% per annum. The loan matured on March 20, 2019, with principal payments of \$50,000 plus annual interest. The loan was paid in full as of June 30, 2019.

On June 22, 2014, PUC Inspire Charter Academy (ICA), a charter school within PUC Valley, took out a five-year California School Finance Authority Revolving Loan in the principal amount of \$250,000, with interest at 0.22% per annum. The loan matures on March 20, 2019, with principal payments of \$50,000 plus annual interest. The loan was paid in full as of June 30, 2019.

**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**June 30, 2019**

**9. DEBT OBLIGATIONS** (continued)

***Revolving Loan – PUC Los Angeles***

In August 18, 2017, PUC International Preparatory Academy (iPrep), a charter school within PUC Los Angeles, took out a two-year California School Finance Authority Revolving Loan in the principal amount of \$250,000, with interest at 0.22% per annum. The loan matures on March 20, 2020, with principal payments of \$125,000 plus annual interest. Future annual payments of principal and interest of the revolving loan as of June 30, 2019, are as follows:

<b>Year Ending</b>			
<b>June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Totals</b>
2020	\$ 144,840	\$ 972	\$ 145,812
Totals	<u>\$ 144,840</u>	<u>\$ 972</u>	<u>\$ 145,812</u>

Long-term liabilities activity includes debt and other long-term liabilities. Changes in obligations for the fiscal year ended June 30, 2019, are as follows:

<b>Long-Term Debt Activities</b>	<b>Beginning Balance June 30, 2018</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balance June 30, 2019</b>	<b>Amounts Due Within One Year</b>
<b>Bonds Payable:</b>					
PUC Lakeview Terrace	\$25,125,000	\$ -	\$ (365,000)	\$ 24,760,000	\$ 385,000
PUC Valley	25,315,000	-	(395,000)	24,920,000	415,000
<b>Notes Payable:</b>					
PUC Valley	100,000	-	(100,000)	-	-
PUC Los Angeles	250,000	-	(105,160)	144,840	144,840
Total long-term debt activities	50,790,000	-	(965,160)	49,824,840	944,840
Less: unamortized debt debt issuance costs	(3,755,985)	-	140,527	(3,615,458)	(141,129)
Totals	<u>\$47,034,015</u>	<u>\$ -</u>	<u>\$ (824,633)</u>	<u>\$ 46,209,382</u>	<u>\$ 803,711</u>

**10. NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions consist of entitlements received but not expended as of June 30, 2019. At June 30, 2019, the Organization's net assets with donor restrictions:

Proposition 39 - California Clean Energy Jobs Act	<u>\$ 1,841,264</u>
Totals	<u>\$ 1,841,264</u>

**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**June 30, 2019**

**11. OPERATING LEASES**

The Organization leases office equipment and facilities under lease arrangements that expire during the 2046-2047 fiscal years. The future minimum lease payments as of June 30, 2019, are as follows:

<b>Year Ending June 30,</b>	<b>Future Operating Lease Payments</b>		
	<b>LLC Lease Payments</b>	<b>Other Lease Payments</b>	<b>Totals</b>
2020	\$ 3,632,157	\$ 2,057,397	\$ 5,689,554
2021	3,629,581	1,821,191	5,450,772
2022	3,630,005	1,012,061	4,642,066
2023	3,634,680	1,015,613	4,650,293
2024	3,640,638	1,024,016	4,664,654
Thereafter	77,507,184	13,579,192	91,086,376
Total	<u>95,674,245</u>	<u>\$ 20,509,470</u>	<u>\$ 116,183,715</u>

The Organization receives no sublease rental revenues nor pays any contingent rentals associated with this lease. For the fiscal year ended June 30, 2019, the aggregate operating lease expense was \$6,772,864.

**12. EMPLOYEE RETIREMENT SYSTEMS**

**STRS**

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

*Plan Description*

The Organization contributes to STRS, a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by STRS. The plan provides retirement, disability and survivor benefits to beneficiaries. Benefit provisions are established by State statutes, as legislatively amended, within the State Teachers' Retirement Law. According to the most recently available actuarial valuation report as of June 30, 2018, total plan net assets are \$211.4 billion, the total actuarial present value of projected plan benefits is \$374.4 billion, contributions from all employers totaled \$4.7 billion and the plan is 64.0% funded. The Organization did not contribute more than 5% of the total contributions to the plan.

Copies of the STRS annual financial reports may be obtained from STRS, 7667 Folsom Boulevard, Sacramento, CA 95826 and [www.calstrs.com](http://www.calstrs.com).

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**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**June 30, 2019**

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**12. EMPLOYEE RETIREMENT SYSTEMS** (continued)

**STRS** (continued)

*Funding Policy*

Active plan members are required to contribute 10.20% of their salary and the Organization is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by the STRS Teachers' Retirement Board. The required employer contribution rate for fiscal year 2018-2019 was 16.28% of annual payroll. The contribution requirements of the plan members are established by state statute. The Organization's contributions to STRS for the fiscal year ending June 30, 2019, were \$3,847,509, and equal 100% of the required contributions for the fiscal year.

**PUC Schools Retirement Savings Plan**

*Plan Description*

On January 1, 2008, the Organization established a defined contribution plan called PUC Schools Retirement Savings Plan (Plan) under the provisions of the Employee Retirement Security Act of 1974 (ERISA). The Organization is a sponsor of the Plan.

All employees, except for those which are temporary or seasonal, students of the Organization's charter schools, or work less than 20 hours per week, are eligible to make elective deferrals. The Organization may make a discretionary matching contribution equal to 100% of the participant's elective deferrals up to 2.05% of the participant's contribution as employees who are 21 years of age, employed for a period of 90 days and are not participants of the State Teachers' Retirement System. The Organization's contributions to the Plan for the fiscal year ending June 30, 2019, were \$30,523, and equal 100% of the required contributions for the fiscal year.

**13. RELATED PARTY TRANSACTIONS**

***Lease Agreements***

CALSMSHS, CCMSHS and LCA have rental agreements with Southern California Charter School Properties, LLC (SC-LLC). CALSMSHS, CCMSHS and LCA pay a monthly rent of approximately \$37,000, \$71,300 and \$31,100, respectively. Total payments for the fiscal year ended June 30, 2019, were \$1,670,010. The amount was recognized as rental income for the SC-LLC and rental expenditure for CALSMSHS, CCMSHS and LCA and was, therefore, eliminated from the consolidated financial statements.

TCA and LCHS have rental agreements with Tri-lake Charter School Properties, LLC (TL-LLC). TCA and LCHS pay a monthly rent of approximately \$147,700 and \$84,000, respectively. Total payments for the fiscal year ended June 30, 2019, were \$2,842,167. The amount was recognized as rental income for the TL-LLC and rental expenditure for TCA and LCHS and was, therefore, eliminated from the consolidated financial statements.

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**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**June 30, 2019**

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**14. SCHOOL ADMINISTRATIVE SERVICES AGREEMENT**

On July 1, 2013, each individual school of Partnerships to Uplift Communities Los Angeles, Partnerships to Uplift Communities Lake View Terrace and Partnerships to Uplift Communities Valley entered into a service agreement with PUC National, under which PUC National provides school administrative services at the direction of the Organization's Board of Directors. These services include, but are not limited to governance, financial administration, Human Resources, Information Technology and Data Management. The term of the agreement remains in effect in perpetuity, unless terminated by either party or modified by mutual agreement by both parties. Fees are 9.25% of each individual school's total unrestricted revenue, excluding Federal revenues. Per the agreement for 2018-2019, PUC International Preparatory Charter Academy and PUC Santa Rosa Charter Academy did not pay fees. Total fees charged by PUC National to the organization for the year ended June 30, 2019 were \$5,350,820.

**15. COMMITMENTS AND CONTINGENCIES**

*State Allowances, Awards, and Grants*

The Organization has received state funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate expenditure disallowances under terms of the grants, management believes that any required reimbursement will not be material.

**16. SUBSEQUENT EVENTS**

The Organization's management has evaluated events or transactions that may occur for potential recognition or disclosure in the consolidated financial statements from the balance sheet date through December 16, 2019, which is the date the financial statements were available to be issued. Management has determined that there were no subsequent events or transactions that would have a material impact on the current year financial statements.

**SUPPLEMENTARY INFORMATION**



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**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**ORGANIZATION**  
**June 30, 2019**

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Partnerships to Uplift Communities consists of the following 13 charter schools:

PUC Community Charter Middle School and PUC Community Early College High School [#0213] is a Grade 6 through Grade 12 Charter School and was granted its charter by the Los Angeles Unified School District on June 9, 2009, pursuant to the terms of the Charter Schools Act of 1992, as amended. The charter was renewed through June 30, 2024.

PUC CALS Middle and Early College High [#0331] is a Grade 6 through Grade 12 Charter School and was granted its charter by the Los Angeles Unified School District on May 18, 2010, for a 5-year term, pursuant to the terms of the Charter Schools Act of 1992, as amended. The charter was renewed through June 30, 2020. During the year ended June 30, 2016, PUC California Academy for Liberal Studies Charter Middle School and PUC California Academy for Liberal Studies Early College High School were merged into PUC CALS Middle and Early College High.

PUC Milagro Charter School [#0600] is a Grade Kindergarten through Grade 5 Charter School and was granted its charter by the Los Angeles Unified School District on June 9, 2009, for a 5-year term, pursuant to the terms of the Charter Schools Act of 1992, as amended. The charter was renewed through June 30, 2024.

PUC Lakeview Charter Academy [#0603] is a Grade 6 through Grade 8 Charter School and was granted its charter by the Los Angeles Unified School District on June 9, 2009, for a 5-year term, pursuant to the terms of the Charter Schools Act of 1992, as amended. The charter was renewed through June 30, 2024.

PUC Triumph Charter Academy [#0797] is a Grade 6 through Grade 12 Charter School and was granted its charter renewal by the Los Angeles Unified School District on March 1, 2011 for a 5-year term, pursuant to the terms of the Charter Schools Act of 1992, as amended. During the year ended June 30, 2016, PUC Triumph Charter High School was merged into PUC Triumph Charter Academy. The charter was renewed through June 30, 2021.

PUC Excel Charter Academy [#0798] is a Grade 6 through Grade 8 Charter School and was granted its charter by the Los Angeles Unified School District on March 1, 2011, for a 5-year term, pursuant to the terms of the Charter Schools Act of 1992, as amended. The charter was renewed through June 30, 2021.

PUC Santa Rosa Charter Academy [#1091] is a Grade 6 through Grade 8 Charter School and was granted its charter by the Los Angeles Unified School District on February 10, 2009, for a 5-year term, pursuant to the terms of the Charter Schools Act of 1992, as amended. The charter was renewed through June 30, 2019. The school closed operations on June 30, 2019.

PUC Nueva Esperanza Charter Academy [#1092] is a Grade 6 through Grade 8 Charter School and was granted its charter by the Los Angeles Unified School District on February 10, 2009, for a 5-year term, pursuant to the terms of the Charter Schools Act of 1992, as amended. The charter was renewed through June 30, 2024.

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## PARTNERSHIPS TO UPLIFT COMMUNITIES

### ORGANIZATION

June 30, 2019

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PUC Lakeview Charter High School [#1241] is a Grade 9 through Grade 12 Charter School, serving Grade 9 and Grade 10, and was granted its charter renewal by the Los Angeles Unified School District on May 18, 2010, for a 5-year term, pursuant to the terms of the Charter Schools Act of 1992, as amended. The charter was renewed through June 30, 2020.

PUC Early College Academy for Leaders and Scholars [#1354] is a Grade 9 through Grade 12 Charter School, serving Grades 9 through Grade 11, and was granted its charter by the Los Angeles Unified School District on June 21, 2011, for a 5-year term, pursuant to the terms of the Charter Schools Act of 1992, as amended. The charter was renewed through June 30, 2024.

PUC Community Charter Elementary School [#1657] is a Grade Kindergarten through Grade 5 Charter School, serving Grades Kindergarten through Grade 3, and was granted its charter by the Los Angeles Unified School District on July 1, 2014, for a 5-year term expiring on June 30, 2024, pursuant to the terms of the Charter Schools Act of 1992, as amended.

PUC Inspire Charter School [#1626] is a Grade 6 through Grade 8 Charter School, serving Grades 6 through Grade 8, and was granted its charter by the Los Angeles Unified School District on July 1, 2014, for a 5-year term expiring on June 30, 2024, pursuant to the terms of the Charter Schools Act of 1992, as amended.

PUC iPrep Charter School [#1820] is a Grade Kindergarten through Grade 8 Charter School, serving Grades Kindergarten, 1, 6 and 7, and was granted its charter by the Los Angeles Unified School District on August 28, 2017, for a 3-year term expiring on June 30, 2019, pursuant to the terms of the Charter Schools Act of 1992, as amended. The school closed its operations on August 22, 2018.

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**PARTNERSHIPS TO UPLIFT COMMUNITIES**

**ORGANIZATION**

**June 30, 2019**

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The Board of Directors for the fiscal year ended June 30, 2019, was comprised of the following members:

**PUC Los Angeles/Valley/Lakeview Terrace**

<u>Name</u>	<u>Office</u>	<u>Term</u>	<u>Term Expiration</u>
Juana Maria Valdivida	Chairman	2 Years	January 2021
Martin Nava	Vice-Chairman/Treasurer	2 Years	December 2020
Angelica Brody	Secretary	2 Years	January 2020
Antonio Pizano	Member	2 Years	June 2021
Xavier Reyes	Member	2 Years	June 2021

**PUC Schools Administration**

<u>Name</u>	<u>Position</u>
Concepcion Rivas	Regional Superintendent, PUC Los Angeles
Adriana Abich	Regional Superintendent, PUC Valley
Gerard Montero	Director of Compliance and Special Projects
Christine Sartiaguda	Director of Clinical Counseling
Meredith McOlvin	Director of Inclusion and Special Education

**PUC National (Support) Management**

<u>Name</u>	<u>Position</u>
Jacqueline Elliot, Ed.D.	Chief Executive Officer
Lisa Tovar	Chief Financial Officer
Malena Orozco-Otero	Chief of Human Capital
Edwin Torres	Director of Operations, Facilities Operations & Development

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**PARTNERSHIPS TO UPLIFT COMMUNITIES  
SCHEDULE OF AVERAGE DAILY ATTENDANCE  
For the Fiscal Year Ended June 30, 2019**

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**PUC Community Charter Middle School and PUC Community Early College High School**

	<b>Second Period Report</b>	<b>Annual Report</b>
	<u>                    </u>	<u>                    </u>
Grades 4 - 6	116.27	116.34
Grades 7 - 8	227.07	227.07
Grades 9 -12	416.23	415.24
Total	<u>759.57</u>	<u>758.65</u>

Community Charter Middle School is 100% classroom-based and generates no ADA from a full-time independent study program.

**PUC CALS Middle and Early College High**

	<b>Second Period Report</b>	<b>Annual Report</b>
	<u>                    </u>	<u>                    </u>
Grades 4 - 6	54.78	54.53
Grades 7 - 8	166.29	164.89
Grades 9 -12	267.35	266.18
Total	<u>488.42</u>	<u>485.60</u>

California Academy for Liberal Studies Charter Middle School is 100% classroom-based and generates no ADA from a full-time independent study program.

**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**SCHEDULE OF AVERAGE DAILY ATTENDANCE**  
**For the Fiscal Year Ended June 30, 2019**

**PUC Milagro Charter School**

	<u>Second Period Report</u>	<u>Annual Report</u>
Transitional Kindergarten/Kindergarten - Grade 3	180.22	180.40
Grades 4 - 6	90.15	90.23
Total	<u>270.37</u>	<u>270.63</u>

Milagro Charter School is 100% classroom-based and generates no ADA from a full-time independent study program.

**PUC Lakeview Charter Academy**

	<u>Second Period Report</u>	<u>Annual Report</u>
Grades 4 - 6	105.35	105.66
Grades 7 - 8	223.77	223.52
Total	<u>329.12</u>	<u>329.18</u>

Lakeview Charter Academy is 100% classroom-based and generates no ADA from a full-time independent study program.

**PUC Triumph Charter Academy**

	<u>Second Period Report</u>	<u>Annual Report</u>
Grades 4 - 6	116.37	116.07
Grades 7 - 8	228.00	228.15
Grades 9 -12	420.68	416.32
Total	<u>765.05</u>	<u>760.54</u>

Triumph Charter Academy is 100% classroom-based and generates no ADA from a full-time independent study program.

**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**SCHEDULE OF AVERAGE DAILY ATTENDANCE**  
**For the Fiscal Year Ended June 30, 2019**

**PUC Excel Charter Academy**

	<u>Second Period Report</u>	<u>Annual Report</u>
Grades 4 - 6	85.42	84.50
Grades 7 - 8	<u>202.77</u>	<u>203.21</u>
Total	<u><u>288.19</u></u>	<u><u>287.71</u></u>

Excel Charter Academy is 100% classroom-based and generates no ADA from a full-time independent study program.

**PUC Santa Rosa Charter Academy**

	<u>Second Period Report</u>	<u>Annual Report</u>
Grades 4 - 6	53.11	52.63
Grades 7 - 8	<u>93.44</u>	<u>92.23</u>
Total	<u><u>146.55</u></u>	<u><u>144.86</u></u>

Santa Rosa Charter Academy is 100% classroom-based and generates no ADA from a full-time independent study program.

**PUC Nueva Esperanza Charter Academy**

	<u>Second Period Report</u>	<u>Annual Report</u>
Grades 4 - 6	115.08	114.57
Grades 7 - 8	<u>227.31</u>	<u>226.34</u>
Total	<u><u>342.39</u></u>	<u><u>340.91</u></u>

Nueva Esperanza Charter Academy is 100% classroom-based and generates no ADA from a full-time independent study program.

**PARTNERSHIPS TO UPLIFT COMMUNITIES  
SCHEDULE OF AVERAGE DAILY ATTENDANCE  
For the Fiscal Year Ended June 30, 2019**

**PUC Lakeview Charter High School**

	<b>Second Period Report</b>	<b>Annual Report</b>
Grades 9 -12	431.61	431.21
Total	431.61	431.21

Lakeview Charter High School is 100% classroom-based and generates no ADA from a full-time independent study program.

**PUC Early College Academy for Leaders and Scholars**

	<b>Second Period Report</b>	<b>Annual Report</b>
Grades 9 -12	323.07	320.66
Total	323.07	320.66

Early College Academy for Leaders and Scholars is 100% classroom-based and generates no ADA from a full-time independent study program.

**PUC Community Charter Elementary**

	<b>Second Period Report</b>	<b>Annual Report</b>
Transitional Kindergarten/Kindergarten - Grade 3	195.51	195.51
Grades 4 - 6	102.54	102.71
Total	298.05	298.22

Community Charter Elementary is 100% classroom-based and generates no ADA from a full-time independent study program.

**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**SCHEDULE OF AVERAGE DAILY ATTENDANCE**  
**For the Fiscal Year Ended June 30, 2019**

**PUC Inspire Charter Academy**

	<b>Second Period Report</b>	<b>Annual Report</b>
	<u>          </u>	<u>          </u>
Grades 4 - 6	97.65	97.51
Grades 7 - 8	<u>213.91</u>	<u>214.01</u>
Total	<u><u>311.56</u></u>	<u><u>311.52</u></u>

Inspire Middle Academy is 100% classroom-based and generates no ADA from a full-time independent study program.

**PUC International Preparatory Academy**

	<b>Second Period Report</b>	<b>Annual Report</b>
	<u>          </u>	<u>          </u>
Transitional Kindergarten/Kindergarten - Grade 3	47.00	47.00
Grades 4 - 6	11.67	11.67
Grades 7 - 8	<u>18.00</u>	<u>18.00</u>
Total	<u><u>76.67</u></u>	<u><u>76.67</u></u>

International Preparatory Academy is 100% classroom-based and generates no ADA from a full-time independent study program.



**PARTNERSHIPS TO UPLIFT COMMUNITIES  
SCHEDULE OF INSTRUCTIONAL TIME  
For the Fiscal Year Ended June 30, 2019**

**PUC Community Charter Middle School & Community Early College High School**

<b>Grade Level</b>	<b>2018-19 Minutes Requirements</b>	<b>2018-2019 Actual Minutes</b>	<b>Number of Days Traditional Calendar</b>	<b>Status</b>
Grade 6	54,000	68,365	176	In Compliance
Grade 7	54,000	68,365	176	In Compliance
Grade 8	54,000	68,365	176	In Compliance
Grade 9	64,800	68,875	176	In Compliance
Grade 10	64,800	68,875	176	In Compliance
Grade 11	64,800	68,875	176	In Compliance
Grade 12	64,800	68,875	176	In Compliance

**PUC CALS Middle and Early College High**

<b>Grade Level</b>	<b>2018-2019 Minutes Requirements</b>	<b>2018-2019 Actual Minutes</b>	<b>Number of Days Traditional Calendar</b>	<b>Status</b>
Grade 6	54,000	67,255	176	In Compliance
Grade 7	54,000	67,255	176	In Compliance
Grade 8	54,000	67,255	176	In Compliance
Grade 9	64,800	66,144	176	In Compliance
Grade 10	64,800	66,144	176	In Compliance
Grade 11	64,800	66,144	176	In Compliance
Grade 12	64,800	66,144	176	In Compliance

**PUC Milagro Charter School**

<b>Grade Level</b>	<b>2018-2019 Minutes Requirements</b>	<b>2018-2019 Actual Minutes</b>	<b>Number of Days Traditional Calendar</b>	<b>Status</b>
Kindergarten	36,000	60,260	176	In Compliance
Grade 1	50,400	60,320	176	In Compliance
Grade 2	50,400	60,320	176	In Compliance
Grade 3	50,400	60,320	176	In Compliance
Grade 4	54,000	60,320	176	In Compliance
Grade 5	54,000	60,320	176	In Compliance

**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**SCHEDULE OF INSTRUCTIONAL TIME**  
**For the Fiscal Year Ended June 30, 2019**

**PUC Lakeview Charter Academy**

<u>Grade Level</u>	<u>2018-2019 Minutes Requirements</u>	<u>2018-2019 Actual Minutes</u>	<u>Number of Days Traditional Calendar</u>	<u>Status</u>
Grade 6	54,000	68,180	176	In Compliance
Grade 7	54,000	68,180	176	In Compliance
Grade 8	54,000	68,180	176	In Compliance

**PUC Triumph Charter Academy**

<u>Grade Level</u>	<u>2018-2019 Minutes Requirements</u>	<u>2018-2019 Actual Minutes</u>	<u>Number of Days Traditional Calendar</u>	<u>Status</u>
Grade 6	54,000	68,180	176	In Compliance
Grade 7	54,000	68,180	176	In Compliance
Grade 8	54,000	68,180	176	In Compliance
Grade 9	64,800	68,365	176	In Compliance
Grade 10	64,800	68,365	176	In Compliance
Grade 11	64,800	68,365	176	In Compliance
Grade 12	64,800	68,365	176	In Compliance

**PUC Excel Charter Academy**

<u>Grade Level</u>	<u>2018-2019 Minutes Requirements</u>	<u>2018-2019 Actual Minutes</u>	<u>Number of Days Traditional Calendar</u>	<u>Status</u>
Grade 6	54,000	72,022	176	In Compliance
Grade 7	54,000	72,022	176	In Compliance
Grade 8	54,000	72,022	176	In Compliance

**PUC Santa Rosa Charter Academy**

<u>Grade Level</u>	<u>2018-2019 Minutes Requirements</u>	<u>2018-2019 Actual Minutes</u>	<u>Number of Days Traditional Calendar</u>	<u>Status</u>
Grade 6	54,000	63,690	176	In Compliance
Grade 7	54,000	63,690	176	In Compliance
Grade 8	54,000	63,690	176	In Compliance

**PARTNERSHIPS TO UPLIFT COMMUNITIES  
SCHEDULE OF INSTRUCTIONAL TIME  
For the Fiscal Year Ended June 30, 2019**

**PUC Nueva Esperanza Charter Academy**

<b>Grade Level</b>	<b>2018-2019 Minutes Requirements</b>	<b>2018-2019 Actual Minutes</b>	<b>Number of Days Traditional Calendar</b>	<b>Status</b>
Grade 6	54,000	67,765	176	In Compliance
Grade 7	54,000	67,765	176	In Compliance
Grade 8	54,000	67,765	176	In Compliance

**PUC Lakeview Charter High School**

<b>Grade Level</b>	<b>2018-2019 Minutes Requirements</b>	<b>2018-2019 Actual Minutes</b>	<b>Number of Days Traditional Calendar</b>	<b>Status</b>
Grade 9	64,800	67,995	176	In Compliance
Grade 10	64,800	67,995	176	In Compliance
Grade 11	64,800	67,995	176	In Compliance
Grade 12	64,800	67,995	176	In Compliance

**PUC Early College Academy for Leaders and Scholars**

<b>Grade Level</b>	<b>2018-2019 Minutes Requirements</b>	<b>2018-2019 Actual Minutes</b>	<b>Number of Days Traditional Calendar</b>	<b>Status</b>
Grade 9	64,800	66,700	176	In Compliance
Grade 10	64,800	66,700	176	In Compliance
Grade 11	64,800	66,700	176	In Compliance
Grade 12	64,800	66,700	176	In Compliance

**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**SCHEDULE OF INSTRUCTIONAL TIME**  
**For the Fiscal Year Ended June 30, 2019**

**PUC Community Charter Elementary**

<b>Grade Level</b>	<b>2018-2019 Minutes Requirements</b>	<b>2018-2019 Actual Minutes</b>	<b>Number of Days Traditional Calendar</b>	<b>Status</b>
Kindergarten	36,000	58,500	176	In Compliance
Grade 1	50,400	55,350	176	In Compliance
Grade 2	50,400	55,350	176	In Compliance
Grade 3	50,400	55,350	176	In Compliance
Grade 4	54,000	55,350	176	In Compliance
Grade 5	54,000	55,350	176	In Compliance

**PUC Inspire Charter Academy**

<b>Grade Level</b>	<b>2018-2019 Minutes Requirements</b>	<b>2018-2019 Actual Minutes</b>	<b>Number of Days Traditional Calendar</b>	<b>Status</b>
Grade 6	54,000	66,420	176	In Compliance
Grade 7	54,000	66,420	176	In Compliance
Grade 8	54,000	66,420	176	In Compliance

**PUC iPrep Charter Academy**

<b>Grade Level</b>	<b>2018-2019 Minutes Requirements</b>	<b>2018-2019 Actual Minutes</b>	<b>Number of Days Traditional Calendar</b>	<b>Status</b>
Kindergarten	36,000	1,095	3	Not in Compliance
Grade 1	50,400	1,095	3	Not in Compliance
Grade 6	54,000	1,185	3	Not in Compliance
Grade 7	54,000	1,185	3	Not in Compliance

**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**CONSOLIDATED SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
For the Fiscal Year Ended June 30, 2019

<b>Federal Grantor/ Pass-Through Entity Program Title</b>	<b>Federal CFDA Number</b>	<b>Pass-Through Entity Identifying Number</b>	<b>Federal Expenditures</b>
<b>U.S. Department of Agriculture</b>			
Passed through California Department of Education:			
Child Nutrition: School Programs	10.555	13391	\$ 2,151,318
<b>Total U.S. Department of Agriculture</b>			<u>2,151,318</u>
<b>U.S. Department of Education</b>			
Passed through California Department of Education:			
NCLB: Title I, Part A, Basic Grants Low-Income and Neglected	84.010	14329	1,912,376
NCLB: Title II, Part A, Teacher Quality	84.367	14341	234,355
ESSA: Title IV, Part C, Public Charter School Grants	84.282A	14941	151,545
Special Ed: IDEA Basic Local Assistance Entitlement, Part B, Sec 611	84.027	13379	987,635
<b>Total U.S. Department of Education</b>			<u>3,285,911</u>
<b>Total Expenditures of Federal Awards</b>			<u>\$ 5,437,229</u>

**NOTE ON BASIS OF PRESENTATION**

The accompanying Consolidated Schedule of Expenditures of Federal Awards includes the federal grant activity of Partnerships to Uplift Communities and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Uniform Guidance. Partnerships to Uplift Communities has elected to use the 10-percent de minimus indirect cost rate allowed under OMB Uniform Guidance.

**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**CONSOLIDATING STATEMENT OF FINANCIAL POSITION**  
**June 30, 2019**

	PUC Los Angeles	PUC Valley	PUC Lakeview Terrace	Totals
<b>ASSETS</b>				
Current assets:				
Cash	\$ 4,114,734	\$ 5,728,147	\$ 4,200,821	\$ 14,043,702
Restricted cash, current portion	-	1,222,730	1,030,372	2,253,102
Accounts receivable	3,157,774	3,482,519	1,978,923	8,619,216
Prepaid expenses	13,901	19,654	4,895	38,450
Other current assets	1,836	715	-	2,551
Deferred rent	37,212	-	39,667	76,879
Total current assets	7,325,457	10,453,765	7,254,678	25,033,900
Restricted cash, noncurrent portion	-	2,391,353	2,035,695	4,427,048
Fixed assets, net	1,648,700	23,336,841	19,702,647	44,688,188
Deposits	211,323	86,729	313,183	611,235
Total noncurrent assets	1,860,023	25,814,923	22,051,525	49,726,471
Total assets	\$ 9,185,480	\$ 36,268,688	\$ 29,306,203	\$ 74,760,371
<b>LIABILITIES AND NET ASSETS</b>				
Current liabilities:				
Accounts payable	\$ 493,145	\$ 635,560	\$ 570,879	\$ 1,699,584
Accrued expenses	1,008,067	1,066,640	752,143	2,826,850
Deferred rent	-	419,162	-	419,162
Other current liabilities	-	1,397,571	61,442	1,459,013
Current portion of debt obligations, net	144,841	330,780	328,090	803,711
Total current liabilities	1,646,053	3,849,713	1,712,554	7,208,320
Debt obligations, net, less current portion	-	22,474,932	22,930,757	45,405,689
Total liabilities	1,646,053	26,324,645	24,643,311	52,614,009
Net assets:				
Net assets with donor restrictions	859,523	402,432	579,309	1,841,264
Net assets without donor restrictions - Undesignated	6,679,904	9,541,611	4,083,583	20,305,098
Total net assets	7,539,427	9,944,043	4,662,892	22,146,362
Total liabilities and net assets	\$ 9,185,480	\$ 36,268,688	\$ 29,306,203	\$ 74,760,371

**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**CONSOLIDATING STATEMENT OF ACTIVITIES**  
**For the Fiscal Year Ended June 30, 2019**

	PUC Los Angeles	PUC Valley	PUC Lakeview Terrace	Totals
<b>REVENUES</b>				
Revenue limit sources:				
State aid	\$ 10,319,311	\$ 14,961,235	\$ 7,227,845	\$ 32,508,391
Education protection account	2,525,552	2,723,589	1,756,678	7,005,819
In-lieu of property taxes	3,863,320	5,465,976	2,768,959	12,098,255
Federal revenues	1,967,532	2,355,189	1,114,508	5,437,229
State revenues	3,808,980	5,370,481	3,494,367	12,673,828
Local revenues:				
Donations	65,517	24,811	13,291	103,619
Fundraising	153,780	370,838	224,588	749,206
Miscellaneous	259,414	529,063	140,046	928,523
Total revenues	<u>22,963,406</u>	<u>31,801,182</u>	<u>16,740,282</u>	<u>71,504,870</u>
<b>EXPENSES</b>				
Program services:				
Education	15,163,286	21,080,904	10,963,368	47,207,558
Support services:				
Management and general	7,704,851	8,708,856	4,402,549	20,816,256
Total expenses	<u>22,868,137</u>	<u>29,789,760</u>	<u>15,365,917</u>	<u>68,023,814</u>
<b>CHANGE IN NET ASSETS</b>	95,269	2,011,422	1,374,365	3,481,056
<b>NET ASSETS, BEGINNING OF YEAR</b>	7,444,158	7,932,621	3,288,527	18,665,306
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 7,539,427</u>	<u>\$ 9,944,043</u>	<u>\$ 4,662,892</u>	<u>\$ 22,146,362</u>

**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**CONSOLIDATING STATEMENT OF CASH FLOWS**  
For the Fiscal Year Ended June 30, 2019

	PUC Los Angeles	PUC Valley	PUC Lakeview Terrace	Totals
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Change in net assets	\$ 95,269	\$ 2,011,422	\$ 1,374,365	\$ 3,481,056
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:				
Depreciation	301,570	959,802	638,222	1,899,594
Amortization of debt discount	-	83,617	56,910	140,527
(Increase) decrease in operating assets:				
Accounts receivable	(1,333,052)	(1,010,553)	(747,505)	(3,091,110)
Prepaid expenses	21,466	19,501	4,296	45,263
Other current assets	(1,836)	(715)	-	(2,551)
Deferred rent assets	-	(74,700)	-	(74,700)
Deposits	2,250	-	-	2,250
Increase (decrease) in operating liabilities:				
Accounts payable	(676,760)	(318,093)	(328,291)	(1,323,144)
Intercompany payables	-	(749,268)	-	(749,268)
Accrued expenses	415,105	(32,360)	(3,589)	379,156
Other current liabilities	-	518,091	(17,057)	501,034
Net cash flows (used in) provided by operating activities	<u>(1,175,988)</u>	<u>1,406,744</u>	<u>977,351</u>	<u>1,208,107</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Purchase of fixed assets	<u>(22,648)</u>	<u>(28,200)</u>	<u>(61,455)</u>	<u>(112,303)</u>
Net cash flows used in investing activities	<u>(22,648)</u>	<u>(28,200)</u>	<u>(61,455)</u>	<u>(112,303)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>				
Payments on debt obligations	(105,159)	(495,000)	(365,000)	(965,159)
Decrease in restricted cash	-	(100,941)	(20,088)	(121,029)
Net cash flows (used in) provided by in financing activities	<u>(105,159)</u>	<u>(595,941)</u>	<u>(385,088)</u>	<u>(1,086,188)</u>
<b>NET (DECREASE) INCREASE IN CASH</b>	<b>(1,303,795)</b>	<b>782,603</b>	<b>530,808</b>	<b>9,616</b>
<b>CASH, BEGINNING OF YEAR</b>	<b>5,418,529</b>	<b>4,945,544</b>	<b>3,670,013</b>	<b>14,034,086</b>
<b>CASH, END OF YEAR</b>	<b>\$ 4,114,734</b>	<b>\$ 5,728,147</b>	<b>\$ 4,200,821</b>	<b>\$ 14,043,702</b>
<b>SUPPLEMENTAL DISCLOSURE:</b>				
Cash paid for interest	<u>\$ -</u>	<u>\$ 1,626,288</u>	<u>\$ 1,297,785</u>	<u>\$ 2,924,073</u>



**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**PUC LOS ANGELES**  
**COMBINING STATEMENT OF FINANCIAL POSITION**  
**June 30, 2019**

	CALSMHS	MCS	ECA	SRCA	ECALS	iPREP	Eliminations	Totals
<b>ASSETS</b>								
Current assets:								
Cash	\$ 1,443,202	\$ 711,349	\$ 670,070	\$ 457,848	\$ 832,265	\$ -	\$ -	\$ 4,114,734
Accounts receivable	976,379	630,940	618,423	426,118	505,914	-	-	3,157,774
Due from related party	-	20,019	-	128	18,456	-	(38,603)	-
Prepaid expenses	7,039	1,612	3,157	-	2,093	-	-	13,901
Other current assets	-	-	851	-	985	-	-	1,836
Deferred rent	37,212	-	-	-	-	-	-	37,212
Total current assets	2,463,832	1,363,920	1,292,501	884,094	1,359,713	-	(38,603)	7,325,457
Fixed assets, net	1,241,227	75,603	152,544	32,720	146,606	-	-	1,648,700
Deposits	141,257	48,781	7,725	5,963	7,597	-	-	211,323
Total noncurrent assets	1,382,484	124,384	160,269	38,683	154,203	-	-	1,860,023
Total assets	\$ 3,846,316	\$ 1,488,304	\$ 1,452,770	\$ 922,777	\$ 1,513,916	\$ -	\$ (38,603)	\$ 9,185,480
<b>LIABILITIES AND NET ASSETS</b>								
Current liabilities:								
Accounts payable	\$ 129,150	\$ 64,472	\$ 63,577	\$ 34,521	\$ 201,425	\$ -	\$ -	\$ 493,145
Due to related party	24,125	-	14,478	-	-	-	(38,603)	-
Accrued expenses	264,166	128,712	188,394	265,252	161,543	-	-	1,008,067
Current portion of long-term liabilities	50,694	28,968	30,417	-	34,762	-	-	144,841
Total current liabilities	468,135	222,152	296,866	299,773	397,730	-	(38,603)	1,646,053
Net assets:								
Net assets with donor restrictions	106,907	252,758	217,715	123,409	158,734	-	-	859,523
Net assets without donor restrictions - Undesignated	3,271,274	1,013,394	938,189	499,595	957,452	-	-	6,679,904
Total net assets	3,378,181	1,266,152	1,155,904	623,004	1,116,186	-	-	7,539,427
Total liabilities and net assets	\$ 3,846,316	\$ 1,488,304	\$ 1,452,770	\$ 922,777	\$ 1,513,916	\$ -	\$ -	\$ 9,185,480

**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**PUC LOS ANGELES**  
**COMBINING STATEMENT OF ACTIVITIES**  
**For the Fiscal Year Ended June 30, 2019**

	<u>CALSMHS</u>	<u>MCS</u>	<u>ECA</u>	<u>SRCA</u>	<u>ECALS</u>	<u>iPREP</u>	<u>Totals</u>
<b>REVENUES</b>							
Revenue limit sources:							
State aid	\$ 3,569,381	\$ 1,789,123	\$ 1,761,950	\$ 890,615	\$ 2,294,520	\$ 13,722	\$ 10,319,311
Education protection account	787,990	423,547	465,121	238,881	609,601	412	2,525,552
In-lieu of property taxes	1,242,492	687,794	733,127	372,809	821,858	5,240	3,863,320
Federal revenues	572,851	417,512	419,987	212,706	343,573	903	1,967,532
State revenues	1,467,833	810,724	912,307	244,302	372,514	1,300	3,808,980
Local revenues:							
Donations	34,244	1,915	8,020	10,098	10,854	386	65,517
Fundraising	35,840	24,118	31,874	30,857	30,066	1,025	153,780
Miscellaneous	88,430	48,263	46,146	44,752	31,823	-	259,414
Total revenues	<u>7,799,061</u>	<u>4,202,996</u>	<u>4,378,532</u>	<u>2,045,020</u>	<u>4,514,809</u>	<u>22,988</u>	<u>22,963,406</u>
<b>EXPENSES</b>							
Program services:							
Education	4,848,994	2,770,969	2,767,312	1,458,805	3,246,831	70,375	15,163,286
Support services:							
Management and general	2,799,724	1,413,813	1,469,728	756,056	1,255,117	10,413	7,704,851
Total expenses	<u>7,648,718</u>	<u>4,184,782</u>	<u>4,237,040</u>	<u>2,214,861</u>	<u>4,501,948</u>	<u>80,788</u>	<u>22,868,137</u>
<b>CHANGE IN NET ASSETS</b>	150,343	18,214	141,492	(169,841)	12,861	(57,800)	95,269
<b>NET TRANSFERS ASSETS/(LIABILITIES)</b>	(19,689)	(11,252)	(25,716)	130	396	56,131	-
<b>NET ASSETS, BEGINNING OF YEAR</b>	<u>3,247,527</u>	<u>1,259,190</u>	<u>1,040,128</u>	<u>792,715</u>	<u>1,102,929</u>	<u>1,669</u>	<u>7,444,158</u>
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 3,378,181</u>	<u>\$ 1,266,152</u>	<u>\$ 1,155,904</u>	<u>\$ 623,004</u>	<u>\$ 1,116,186</u>	<u>\$ -</u>	<u>\$ 7,539,427</u>

**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**PUC LOS ANGELES**  
**COMBINING STATEMENT OF CASH FLOWS**  
**For the Fiscal Year Ended June 30, 2019**

	<u>CALSMHS</u>	<u>MCS</u>	<u>ECA</u>	<u>SRCA</u>	<u>ECALS</u>	<u>iPREP</u>	<u>Totals</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>							
Change in net assets	\$ 150,343	\$ 18,214	\$ 141,492	\$ (169,841)	\$ 12,861	\$ (57,800)	\$ 95,269
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:							
Depreciation	201,716	22,667	32,754	11,595	32,838	-	301,570
Transfers	(54,690)	(31,252)	(32,814)	-	(37,502)	156,258	-
(Increase) decrease in operating assets:							
Accounts receivable	(366,797)	(278,797)	(263,935)	(257,389)	(271,923)	105,789	(1,333,052)
Prepaid expenses	(3,044)	23,543	(958)	1,194	522	209	21,466
Other current assets	-	-	(851)	-	(985)	-	(1,836)
Deposits	(10,290)	(6,325)	(6,899)	856	(7,572)	32,480	2,250
Increase (decrease) in operating liabilities:							
Accounts payable	(281,847)	(91,414)	(169,576)	(37,845)	(8,766)	(87,312)	(676,760)
Accrued expenses	131,699	33,402	68,192	202,734	31,339	(52,261)	415,105
Net cash flows (used in) provided by operating activities	<u>(232,910)</u>	<u>(309,962)</u>	<u>(232,595)</u>	<u>(248,696)</u>	<u>(249,188)</u>	<u>97,363</u>	<u>(1,175,988)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>							
Purchase of fixed assets	<u>(22,648)</u>	-	-	-	-	-	<u>(22,648)</u>
Net cash flows used in investing activities	<u>(22,648)</u>	-	-	-	-	-	<u>(22,648)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>							
Payment on long-term liabilities	-	-	-	-	-	(105,159)	(105,159)
Net cash flows from (used in) financing activities	-	-	-	-	-	(105,159)	(105,159)
<b>NET (DECREASE) IN CASH</b>	<u>(255,558)</u>	<u>(309,962)</u>	<u>(232,595)</u>	<u>(248,696)</u>	<u>(249,188)</u>	<u>(7,796)</u>	<u>(1,303,795)</u>
<b>CASH, BEGINNING OF YEAR</b>	<u>1,698,760</u>	<u>1,021,311</u>	<u>902,665</u>	<u>706,544</u>	<u>1,081,453</u>	<u>7,796</u>	<u>5,418,529</u>
<b>CASH, END OF YEAR</b>	<u>\$ 1,443,202</u>	<u>\$ 711,349</u>	<u>\$ 670,070</u>	<u>\$ 457,848</u>	<u>\$ 832,265</u>	<u>\$ -</u>	<u>\$ 4,114,734</u>

**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**PUC LOS ANGELES**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**For the Fiscal Year Ended June 30, 2019**

	<u>Program Services</u>	<u>Support Services</u>	
	<u>Education</u>	<u>Management and General</u>	<u>Totals</u>
Certificated salaries	\$ 6,462,706	\$ 1,709,267	\$ 8,171,973
Classified salaries	617,801	2,150,491	2,768,292
Employee benefits	1,912,231	1,044,995	2,957,226
Books and supplies	1,744,222	125,810	1,870,032
Travel and conferences	69,076	37,716	106,792
Dues and memberships	42,931	-	42,931
Insurance	-	157,472	157,472
Operation and housekeeping services	356,355	185,066	541,421
Rental, leases, repairs, and non-capitalized improvements	1,390,193	783,670	2,173,863
Professional/consulting services and operating expenditures	2,521,324	1,105,434	3,626,758
Communications	46,447	103,360	149,807
Depreciation	-	301,570	301,570
Total expenses	<u>\$ 15,163,286</u>	<u>\$ 7,704,851</u>	<u>\$ 22,868,137</u>

**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**PUC LOS ANGELES**  
**RECONCILIATION OF CHARTER SCHOOL UNAUDITED ACTUALS FINANCIAL REPORT**  
**-- ALTERNATIVE FORM WITH AUDITED FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended June 30, 2019**

	<u>CALSMHS</u>	<u>MCS</u>	<u>ECA</u>	<u>SRCA</u>	<u>ECALS</u>	<u>iPrep</u>	<u>Totals</u>
June 30, 2019, Charter School Unaudited Actuals Financial Report -- Alternative Form, Ending Fund Balance	\$ 3,396,301	\$ 1,276,920	\$ 1,180,871	\$ 611,809	\$ 1,114,345	\$ 100,000	\$ 7,680,246
Adjustments and reclassifications:							
Increasing (decreasing) the fund balance to net assets:							
Cash in banks (overstatement) understatement	586	334	351	-	400	(157,929)	(153,316)
Accounts receivable (overstatement) understatement	-	-	(51,297)	5,462	(986)	-	(46,821)
Prepaid expenses (overstatement) understatement	-	-	1,557	-	-	-	1,557
Other current assets (overstatement)	-	(13,102)	-	-	(14,111)	-	(27,213)
Deposits (overstatement) understatement	1,567	-	-	-	-	-	1,567
Accounts payable overstatement (understatement)	-	31,170	18,002	5,466	51,301	57,929	269,807
Other current liabilities overstatement (understatement)	(20,275)	(29,170)	6,420	267	(34,762)	-	(77,520)
Rounding	2	-	-	-	(1)	-	1
Net adjustments and reclassifications	<u>(18,120)</u>	<u>(10,768)</u>	<u>(24,967)</u>	<u>11,195</u>	<u>1,841</u>	<u>(100,000)</u>	<u>(31,938)</u>
June 30, 2019, Audited Financial Statements, Net Assets	<u>\$ 3,378,181</u>	<u>\$ 1,266,152</u>	<u>\$ 1,155,904</u>	<u>\$ 623,004</u>	<u>\$ 1,116,186</u>	<u>\$ -</u>	<u>\$ 7,539,427</u>

**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**PUC VALLEY**  
**COMBINING STATEMENT OF FINANCIAL POSITION**  
**June 30, 2019**

	<u>TCA</u>	<u>NECA</u>	<u>LCHS</u>	<u>CCE</u>	<u>ICA</u>	<u>TL-LLC</u>	<u>Eliminations</u>	<u>Totals</u>
<b>ASSETS</b>								
Current assets:								
Cash	\$ 1,586,224	\$ 708,214	\$1,424,133	\$1,325,552	\$ 614,270	\$ 69,754	\$ -	\$ 5,728,147
Restricted cash, current portion	-	-	-	-	-	1,222,730	-	1,222,730
Accounts receivable	1,227,049	480,344	776,721	493,145	505,260	-	-	3,482,519
Due from related party	193,640	500,000	118,365	-	-	-	(812,005)	-
Prepaid expenses	4,923	2,212	3,481	7,179	1,859	-	-	19,654
Other current assets	-	-	-	715	-	-	-	715
Total current assets	<u>3,011,836</u>	<u>1,690,770</u>	<u>2,322,700</u>	<u>1,826,591</u>	<u>1,121,389</u>	<u>1,292,484</u>	<u>(812,005)</u>	<u>10,453,765</u>
Restricted cash, noncurrent portion	-	-	-	-	-	2,391,353	-	2,391,353
Fixed assets, net	352,239	145,349	195,190	172,306	106,711	22,365,046	-	23,336,841
Deposits	49,000	-	26,453	9,013	2,263	-	-	86,729
Total assets	<u>\$ 3,413,075</u>	<u>\$1,836,119</u>	<u>\$2,544,343</u>	<u>\$2,007,910</u>	<u>\$1,230,363</u>	<u>\$ 26,048,883</u>	<u>\$ (812,005)</u>	<u>\$ 36,268,688</u>
<b>LIABILITIES AND NET ASSETS</b>								
Current liabilities:								
Accounts payable	\$ 188,529	\$ 176,167	\$ 115,737	\$ 89,853	\$ 65,274	\$ -	\$ -	\$ 635,560
Due to related party	-	-	-	-	-	812,005	(812,005)	-
Accrued expenses	155,320	102,027	119,663	76,280	74,864	538,486	-	1,066,640
Deferred rent	79,619	274,988	46,760	17,795	-	-	-	419,162
Other current liabilities	798,759	3,268	544,378	13,976	37,190	-	-	1,397,571
Current portion of debt obligations, net	-	-	-	-	-	330,780	-	330,780
Total current liabilities	<u>1,222,227</u>	<u>556,450</u>	<u>826,538</u>	<u>197,904</u>	<u>177,328</u>	<u>1,681,271</u>	<u>(812,005)</u>	<u>3,849,713</u>
Debt obligations, net of current portion	-	-	-	-	-	22,474,932	-	22,474,932
Total liabilities	<u>1,222,227</u>	<u>556,450</u>	<u>826,538</u>	<u>197,904</u>	<u>177,328</u>	<u>24,156,203</u>	<u>(812,005)</u>	<u>26,324,645</u>
Net assets:								
Net assets with donor restrictions	107,272	54,547	240,613	-	-	-	-	402,432
net assets without donor restrictions - Undesignated	2,083,576	1,225,122	1,477,192	1,810,006	1,053,035	1,892,680	-	9,541,611
Total net assets	<u>2,190,848</u>	<u>1,279,669</u>	<u>1,717,805</u>	<u>1,810,006</u>	<u>1,053,035</u>	<u>1,892,680</u>	<u>-</u>	<u>9,944,043</u>
Total liabilities and net assets	<u>\$ 3,413,075</u>	<u>\$1,836,119</u>	<u>\$2,544,343</u>	<u>\$2,007,910</u>	<u>\$1,230,363</u>	<u>\$ 26,048,883</u>	<u>\$ -</u>	<u>\$ 36,268,688</u>

**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**PUC VALLEY**  
**COMBINING STATEMENT OF ACTIVITIES**  
**June 30, 2019**

	TCA	NECA	LCHS	CCE	ICA	TL-LLC	Elimination	Totals
<b>REVENUES</b>								
Revenue limit sources:								
State aid	\$ 5,215,543	\$ 1,935,090	\$ 3,216,345	\$ 2,250,682	\$ 2,343,575	\$ -	\$ -	\$ 14,961,235
Education protection account	1,234,483	552,778	814,406	59,610	62,312	-	-	2,723,589
In-lieu of property taxes	1,946,211	871,006	1,097,973	758,209	792,577	-	-	5,465,976
Federal revenues	749,373	429,551	410,403	391,704	374,158	-	-	2,355,189
State revenues	2,185,107	749,486	1,171,972	586,671	677,245	-	-	5,370,481
Local revenues:								
Donations	4,662	11,982	3,581	2,374	2,212	-	-	24,811
Fundraising	127,136	56,132	99,735	34,413	53,422	-	-	370,838
Rent	-	-	-	-	-	2,842,167	(2,842,167)	-
Miscellaneous	190,018	37,339	104,176	39,232	36,887	121,411	-	529,063
Total revenues	<u>11,652,533</u>	<u>4,643,364</u>	<u>6,918,591</u>	<u>4,122,895</u>	<u>4,342,388</u>	<u>2,963,578</u>	<u>(2,842,167)</u>	<u>31,801,182</u>
<b>EXPENSES</b>								
Program services:								
Education	7,764,752	3,034,434	4,512,706	2,791,714	2,977,298	-	-	21,080,904
Support services:								
Management and general	3,505,006	1,509,673	1,996,774	1,017,845	1,194,940	2,326,785	(2,842,167)	8,708,856
Total expenses	<u>11,269,758</u>	<u>4,544,107</u>	<u>6,509,480</u>	<u>3,809,559</u>	<u>4,172,238</u>	<u>2,326,785</u>	<u>(2,842,167)</u>	<u>29,789,760</u>
<b>CHANGE IN NET ASSETS</b>	382,775	99,257	409,111	313,336	170,150	636,793	-	2,011,422
<b>NET ASSETS, BEGINNING OF YEAR</b>	1,808,073	1,180,412	1,308,694	1,496,670	882,885	1,255,887	-	7,932,621
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 2,190,848</u>	<u>\$ 1,279,669</u>	<u>\$ 1,717,805</u>	<u>\$ 1,810,006</u>	<u>\$ 1,053,035</u>	<u>\$ 1,892,680</u>	<u>\$ -</u>	<u>\$ 9,944,043</u>

**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**PUC VALLEY**  
**COMBINING STATEMENT OF CASH FLOWS**  
**For the Fiscal Year Ended June 30, 2019**

	TCA	NECA	LCHS	CCE	ICA	TL-LLC	Totals
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>							
Change in net assets	\$ 382,775	\$ 99,257	\$ 409,111	\$ 313,336	\$ 170,150	\$ 636,793	\$ 2,011,422
Adjustments to reconcile change in net assets to net cash from provided by operating activities:							
Depreciation	162,061	50,663	86,187	40,518	39,586	580,787	959,802
Amortization of debt discount	-	-	-	-	-	83,617	83,617
(Increase) decrease in operating assets:							
Accounts receivable	(492,651)	781	(328,414)	(56,735)	(133,534)	-	(1,010,553)
Prepaid expenses	1,982	3,160	(1,198)	14,394	1,163	-	19,501
Other current assets	-	-	-	(715)	-	-	(715)
Deposits	(48,266)	-	(26,434)	-	-	-	(74,700)
Increase (decrease) in operating liabilities:							
Accounts payable	(67,094)	(25,004)	(73,800)	(103,356)	(48,839)	-	(318,093)
Intercompany payables	-	-	-	-	-	(749,268)	(749,268)
Accrued expenses	(10,831)	(26,630)	31,366	(10,255)	(8,965)	(7,045)	(32,360)
Other current liabilities	304,197	(11,252)	174,005	13,951	37,190	-	518,091
Net cash flows provided by operating activities	<u>232,173</u>	<u>90,975</u>	<u>270,823</u>	<u>211,138</u>	<u>56,751</u>	<u>544,884</u>	<u>1,406,744</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>							
Purchase of fixed assets	-	-	-	(6,000)	(22,200)	-	(28,200)
Net cash flows used in investing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>(6,000)</u>	<u>(22,200)</u>	<u>-</u>	<u>(28,200)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>							
Payments on debt obligations	-	-	-	(50,000)	(50,000)	(395,000)	(495,000)
Decrease in restricted cash	-	-	-	-	-	(100,941)	(100,941)
Net cash flows used in financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>(50,000)</u>	<u>(50,000)</u>	<u>(495,941)</u>	<u>(595,941)</u>
<b>NET INCREASE (DECREASE) IN CASH</b>	<u>232,173</u>	<u>90,975</u>	<u>270,823</u>	<u>155,138</u>	<u>(15,449)</u>	<u>48,943</u>	<u>782,603</u>
<b>CASH, BEGINNING OF YEAR</b>	<u>1,354,051</u>	<u>617,239</u>	<u>1,153,310</u>	<u>1,170,414</u>	<u>629,719</u>	<u>20,811</u>	<u>4,945,544</u>
<b>CASH, END OF YEAR</b>	<u>\$ 1,586,224</u>	<u>\$ 708,214</u>	<u>\$ 1,424,133</u>	<u>\$ 1,325,552</u>	<u>\$ 614,270</u>	<u>\$ 69,754</u>	<u>\$ 5,728,147</u>
<b>SUPPLEMENTAL DISCLOSURE:</b>							
Cash paid for interest	<u>\$ 84</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 90</u>	<u>\$ 90</u>	<u>\$ 1,626,024</u>	<u>\$ 1,626,288</u>



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**PARTNERSHIPS TO UPLIFT COMMUNITIES****PUC VALLEY****STATEMENT OF FUNCTIONAL EXPENSES****For the Fiscal Year Ended June 30, 2019**

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	<b>Program Services</b>	<b>Support Services</b>	
	<b>Education</b>	<b>Management and General</b>	<b>Totals</b>
Certificated salaries	\$ 8,173,003	\$ 1,993,685	\$ 10,166,688
Classified salaries	1,135,612	2,124,263	3,259,875
Employee benefits	2,601,202	1,152,467	3,753,669
Books and supplies	2,372,311	259,991	2,632,302
Travel and conferences	105,049	4,762	109,811
Dues and memberships	35,233	-	35,233
Insurance	-	186,228	186,228
Operation and housekeeping services	567,861	248,052	815,913
Rental, leases, repairs, and non-capitalized improvements	2,704,245	2,912,435	5,616,680
Professional/consulting services and operating expenditures	3,337,115	1,511,401	4,848,516
Communications	49,273	114,970	164,243
Depreciation	-	959,802	959,802
Amortization	-	83,617	83,617
Total expenses before eliminations	21,080,904	11,551,673	32,632,577
Intercompany eliminations	-	(2,842,817)	(2,842,817)
Total expenses	<u>\$ 21,080,904</u>	<u>\$ 8,708,856</u>	<u>\$ 29,789,760</u>

**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**PUC VALLEY**  
**RECONCILIATION OF CHARTER SCHOOL UNAUDITED ACTUALS FINANCIAL REPORT**  
**-- ALTERNATIVE FORM WITH AUDITED FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended June 30, 2019**

	<u>TCA</u>	<u>NECA</u>	<u>LCHS</u>	<u>CCE</u>	<u>ICA</u>	<u>Totals</u>
June 30, 2019, Charter School Unaudited Actuals Financial Report -- Alternative Form, Ending Fund Balance	\$ 2,193,385	\$ 1,269,734	\$ 1,716,337	\$ 1,810,018	\$ 1,053,037	\$ 8,042,511
Adjustments and reclassifications:						
Increasing (decreasing) the fund balance to net assets:						
Cash in banks (overstatement) understatement	-	-	343	-	-	343
Accounts receivable understatement/ (overstatement)	(5,953)	892	1,424	-	-	(3,637)
Other current assets understatement/(overstatement)	(2,460)	9,917	-	-	-	7,457
Prepaid expenses understatement/(overstatement)	-	23	-	-	-	23
Other current assets (overstatement)	-	-	1,130	-	-	1,130
Accounts payable (understatement) overstatement	6,031	(899)	(1,429)	-	-	3,703
Other current liabilities overstatement (understatement)	(155)	2	-	-	-	(153)
Rounding	-	-	-	(12)	(2)	(14)
Net adjustments and reclassifications	<u>(2,537)</u>	<u>9,935</u>	<u>1,468</u>	<u>(12)</u>	<u>(2)</u>	<u>8,852</u>
June 30, 2019, Audited Financial Statements, Net Assets	<u>\$ 2,190,848</u>	<u>\$ 1,279,669</u>	<u>\$ 1,717,805</u>	<u>\$ 1,810,006</u>	<u>\$ 1,053,035</u>	<u>\$ 8,051,363</u>

**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**PUC LAKEVIEW TERRACE**  
**COMBINING STATEMENT OF FINANCIAL POSITION**  
**For the Fiscal Year Ended June 30, 2019**

	<u>CCMSHS</u>	<u>LCA</u>	<u>SC-LLC</u>	<u>Totals</u>
<b>ASSETS</b>				
Current assets:				
Cash	\$ 3,135,722	\$ 1,026,500	\$ 38,599	\$ 4,200,821
Restricted cash, current portion	-	-	1,030,372	1,030,372
Accounts receivable	1,362,609	616,314	-	1,978,923
Prepaid expenses	3,853	1,042	-	4,895
Deferred rent	27,921	11,746	-	39,667
Total current assets	4,530,105	1,655,602	1,068,971	7,254,678
Restricted cash, noncurrent portion	-	-	2,035,695	2,035,695
Fixed assets, net	206,997	115,968	19,379,682	19,702,647
Deposits	223,678	89,505	-	313,183
Total noncurrent assets	430,675	205,473	21,415,377	22,051,525
Total assets	<u>\$ 4,960,780</u>	<u>\$ 1,861,075</u>	<u>\$ 22,484,348</u>	<u>\$ 29,306,203</u>
<b>LIABILITIES AND NET ASSETS</b>				
Current liabilities:				
Accounts payable	\$ 144,884	\$ 76,037	\$ 349,958	\$ 570,879
Accrued expenses	228,381	95,425	428,337	752,143
Other current liabilities	39,094	22,348	-	61,442
Current portion of debt obligations, net	-	-	328,090	328,090
Total current liabilities	412,359	193,810	1,106,385	1,712,554
Debt obligations, net, less current portion	-	-	22,930,757	22,930,757
Total liabilities	412,359	193,810	24,037,142	24,643,311
Net assets:				
Net assets with donor restrictions	323,311	255,998	-	579,309
Net assets without donor restrictions - Undesignated	4,225,110	1,411,267	(1,552,794)	4,083,583
Total net assets	4,548,421	1,667,265	(1,552,794)	4,662,892
Total liabilities and net assets	<u>\$ 4,960,780</u>	<u>\$ 1,861,075</u>	<u>\$ 22,484,348</u>	<u>\$ 29,306,203</u>

**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**PUC LAKEVIEW TERRACE**  
**COMBINING STATEMENT OF ACTIVITIES**  
**For the Fiscal Year Ended June 30, 2019**

	<u>CCMSHS</u>	<u>LCA</u>	<u>SC-LLC</u>	<u>Eliminations</u>	<u>Totals</u>
<b>REVENUES</b>					
Revenue limit sources:					
State aid	\$ 5,197,102	\$ 2,030,743	\$ -	\$ -	\$ 7,227,845
Education protection account	1,225,910	530,768	-	-	1,756,678
In-lieu of property taxes	1,932,270	836,689	-	-	2,768,959
Federal revenues	752,725	361,783	-	-	1,114,508
State revenues	2,495,505	998,862	-	-	3,494,367
Local revenues:					
Donations	10,401	2,890	-	-	13,291
Fundraising	154,249	70,339	-	-	224,588
Rent	-	-	1,673,209	(1,673,209)	-
Miscellaneous	79,571	35,561	24,914	-	140,046
Total revenues	<u>11,847,733</u>	<u>4,867,635</u>	<u>1,698,123</u>	<u>(1,673,209)</u>	<u>16,740,282</u>
<b>EXPENSES</b>					
Program services:					
Education	7,722,447	3,240,921	-	-	10,963,368
Support services:					
Management and general	2,924,341	1,266,496	1,884,921	(1,673,209)	4,402,549
Total expenses	<u>10,646,788</u>	<u>4,507,417</u>	<u>1,884,921</u>	<u>(1,673,209)</u>	<u>15,365,917</u>
<b>CHANGE IN NET ASSETS</b>	1,200,945	360,218	(186,798)	-	1,374,365
<b>NET ASSETS (DEFICIT), BEGINNING OF YEAR</b>	<u>3,347,476</u>	<u>1,307,047</u>	<u>(1,365,996)</u>	<u>-</u>	<u>3,288,527</u>
<b>NET ASSETS (DEFICIT), END OF YEAR</b>	<u>\$ 4,548,421</u>	<u>\$ 1,667,265</u>	<u>\$ (1,552,794)</u>	<u>\$ -</u>	<u>\$ 4,662,892</u>

**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**PUC LAKEVIEW TERRACE**  
**COMBINING STATEMENT OF CASH FLOWS**  
**For the Fiscal Year Ended June 30, 2019**

	<u>CCMSHS</u>	<u>LCA</u>	<u>SL-LLC</u>	<u>Totals</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Change in net assets	\$ 1,200,945	\$ 360,218	\$ (186,798)	\$ 1,374,365
Adjustments to reconcile change in net assets to net cash provided by operating activities:				
Depreciation	75,212	31,780	531,230	638,222
Amortization of debt discount	-	-	56,910	56,910
(Increase) decrease in operating assets:				
Accounts receivable	(524,157)	(223,348)	-	(747,505)
Prepaid expenses	2,328	1,968	-	4,296
Increase (decrease) in operating liabilities:				
Accounts payable	(236,143)	(92,163)	15	(328,291)
Accrued expenses	(709)	5,633	(8,513)	(3,589)
Other current liabilities	(352)	(16,705)	-	(17,057)
Net cash flows provided by operating activities	<u>517,124</u>	<u>67,383</u>	<u>392,844</u>	<u>977,351</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Purchase of fixed assets	(47,286)	(14,169)	-	(61,455)
Net cash flows used in investing activities	<u>(47,286)</u>	<u>(14,169)</u>	<u>-</u>	<u>(61,455)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>				
Payments on debt obligations	-	-	(365,000)	(365,000)
Increase in restricted cash	-	-	(20,088)	(20,088)
Net cash flows used in financing activities	<u>-</u>	<u>-</u>	<u>(385,088)</u>	<u>(385,088)</u>
<b>NET INCREASE IN CASH</b>	<b>469,838</b>	<b>53,214</b>	<b>7,756</b>	<b>530,808</b>
<b>CASH, BEGINNING OF YEAR</b>	<b><u>2,665,884</u></b>	<b><u>973,286</u></b>	<b><u>30,843</u></b>	<b><u>3,670,013</u></b>
<b>CASH, END OF YEAR</b>	<b><u>\$ 3,135,722</u></b>	<b><u>\$ 1,026,500</u></b>	<b><u>\$ 38,599</u></b>	<b><u>\$ 4,200,821</u></b>
<b>SUPPLEMENTAL DISCLOSURE:</b>				
Cash paid for interest	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,297,785</u>	<u>\$ 1,297,785</u>

**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**PUC LAKEVIEW TERRACE**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**For the Fiscal Year Ended June 30, 2019**

	<u>Program Services</u>	<u>Support Services</u>	
	<u>Education</u>	<u>Management and General</u>	<u>Totals</u>
Certificated salaries	\$ 4,627,303	\$ 957,359	\$ 5,584,662
Classified salaries	545,875	1,081,884	1,627,759
Employee benefits	1,383,473	545,368	1,928,841
Books and supplies	1,166,417	96,348	1,262,765
Travel and conferences	63,911	25,193	89,104
Dues and memberships	17,604	-	17,604
Insurance	-	118,718	118,718
Operation and housekeeping services	266,858	105,187	372,045
Rental, leases, repairs, and non-capitalized improvements	1,169,321	1,752,499	2,921,820
Professional/consulting services and operating expenditures	1,692,733	628,366	2,321,099
Communications	29,873	69,704	99,577
Depreciation	-	638,222	638,222
Amortization	-	56,910	56,910
Total expenses before eliminations	10,963,368	6,075,758	17,039,126
Eliminations	-	(1,673,209)	(1,673,209)
Total expenses	<u>\$ 10,963,368</u>	<u>\$ 4,402,549</u>	<u>\$ 15,365,917</u>

**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**PUC LAKEVIEW TERRACE**  
**RECONCILIATION OF CHARTER SCHOOL UNAUDITED ACTUALS FINANCIALREPORT**  
**-- ALTERNATIVE FORM WITH AUDITED FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended June 30, 2019**

	<b>CCMSHS</b>	<b>LCA</b>	<b>Totals</b>
June 30, 2019, Charter School Unaudited Actuals Financial Report -- Alternative Form, Ending Fund Balance	\$ 4,546,634	\$ 1,666,315	\$ 6,212,949
Adjustments and reclassifications:			
Increasing (decreasing) the fund balance to net assets:			
Accounts receivable (overstatement) understatement	(175)	1,746	1,571
Prepaid expenditures (overstatement) understatement	175	-	175
Other current assets (overstatement) understatement	29,438	12,695	42,133
Accounts payable overstatement (understatement)	(27,651)	(13,491)	(41,142)
Net adjustments and reclassifications	1,787	950	2,737
June 30, 2019, Audited Financial Statements, Net Assets	\$ 4,548,421	\$ 1,667,265	\$ 6,215,686

**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**

Board of Directors  
Partnerships to Uplift Communities  
Burbank, 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 Partnerships to Uplift Communities Los Angeles (a nonprofit organization), Partnerships to Uplift Communities Valley (a nonprofit organization), and Partnerships to Uplift Communities Lakeview Terrace (a nonprofit organization), (collectively referred to as “Partnerships to Uplift Communities”) which comprise the consolidated statement of financial position as of June 30, 2019, and the related consolidated statements of activities, functional expenses, and cash flows for the fiscal year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated December 16, 2019 .

**Internal Control Over Financial Reporting**

In planning and performing our audit of the consolidated financial statements, we considered Partnerships to Uplift Communities’ internal control over financial reporting (internal control) to determine 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 Partnerships to Uplift Communities’ internal control. Accordingly, we do not express an opinion on the effectiveness of Partnerships to Uplift Communities’ 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 may exist that have not been identified.



## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Partnership to Uplift Communities' 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **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 Partnership to Uplift Communities' internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Partnerships to Uplift Communities' internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

**SQUAR MILNER LLP**

San Diego, California  
December 16, 2019

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

Board of Directors  
Partnerships to Uplift Communities  
Burbank, California

**Report on Compliance for Each Major Federal Program**

We have audited Partnerships to Uplift Communities Los Angeles (a nonprofit organization), Partnerships to Uplift Communities Valley (a nonprofit organization), and Partnerships to Uplift Communities Lakeview Terrace (a nonprofit organization), (collectively referred to as "Partnerships to Uplift Communities") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Partnerships to Uplift Communities' major federal programs for the fiscal year ended June 30, 2019. Partnerships to Uplift Communities' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with federal statutes, regulations, contracts, and the terms and conditions of its federal awards applicable to its federal programs.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of Partnerships to Uplift Communities' major federal programs based on our audit of the types of compliance requirements referred to above. 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Partnerships to Uplift Communities' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Partnerships to Uplift Communities' compliance.



## Opinion on Each Major Federal Program

In our opinion, Partnerships to Uplift Communities 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 federal programs for the fiscal year ended June 30, 2019.

## Report on Internal Control Over Compliance

Management of Partnerships to Uplift Communities is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Partnerships to Uplift Communities' internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Partnerships to Uplift Communities' 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 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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.

**SQUAR MILNER, LLP**

San Diego, California  
December 16, 2019

## INDEPENDENT AUDITOR'S REPORT ON STATE COMPLIANCE

Board of Directors  
Partnerships to Uplift Communities  
Burbank, California

### Report on Compliance for Each State Program

We have audited the compliance of Partnerships to Uplift Communities Los Angeles, Partnerships to Uplift Communities Valley, and Partnerships to Uplift Communities Lakewood Terrace (collectively referred to as "Partnerships to Uplift Communities" or the "Organization") with the types of compliance requirements described in the *2018-19 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, published by the Education Audit Appeals Panel, that could have a direct and material effect on each of Partnerships to Uplift Communities' state programs for the fiscal year ended June 30, 2019. Partnerships to Uplift Communities' state programs are identified below.

### Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its state programs.

### Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Partnerships to Uplift Communities' state programs based on our audit of the types of compliance requirements referred to above. 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 State's Audit Guide, *2018-19 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, published by the Education Audit Appeals Panel. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a state program occurred. An audit includes examining, on a test basis, evidence about Partnerships to Uplift Communities' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each state program. However, our audit does not provide a legal determination of Partnerships to Uplift Communities' compliance. In connection with the audit referred to above, we selected transactions and records to determine the Organization's compliance with the state laws and regulations applicable to the following items:



<b>Description</b>	<b>Procedures Performed</b>
California Clean Energy Jobs Act	Yes
After/Before School Education and Safety Program	Yes
Proper Expenditure of Education Protection Account Funds	Yes
Unduplicated Local Control Funding Formula Pupil Counts	Yes
Local Control and Accountability Plan	Yes
Independent Study-Course Based Attendance	Not Applicable
Mode of Instruction	Yes
Nonclassroom-Based Instruction/Independent Study for Charter Schools	Not Applicable
Determination of Funding for Nonclassroom-Based Instruction	Not Applicable
Annual Instructional Minutes - Classroom Based	Yes
Charter School Facility Grant Program	Yes

The term “Not Applicable” is used above to mean either that the Organization did not offer the program during the current fiscal year, or that the program applies only to a different type of local education agency.

#### **Opinion on State Programs (Qualified Opinion)**

##### *Basis for Qualified Opinion on Annual Instructional Minutes-Classroom Based*

As described in the accompanying schedule of findings and questioned costs, finding number 2019-01, Partnerships to Uplift Communities did not comply with requirements regarding Annual Instructional Minutes-Classroom Based. Compliance with such requirements is necessary, in our opinion, for Partnerships to Uplift Communities to comply with the requirements applicable to the program.

##### *Qualified Opinion on Annual Instructional Minutes-Classroom Based*

In our opinion, except for the non-compliance described in the “Basis for Qualified Opinion on Annual Instructional Minutes-Classroom Based” paragraph, Partnerships to Uplift Communities complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on Annual Instructional Minutes-Classroom Based for the fiscal year ended June 30, 2019.

#### **Unmodified Opinion on Each of the Other State Programs**

In our opinion, Partnerships to Uplift Communities 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 other state programs for the fiscal year ended June 30, 2019.



## Other Matters

In our opinion, Partnerships to Uplift Communities' response to the non-compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Partnerships to Uplift Communities' response was not subjected to the auditing procedures applied in the audit of compliance, and accordingly, we express no opinion on the response.

The purpose of this report on state compliance is solely to describe the scope of our testing of state compliance and the results of that testing based on the requirements of *2018-19 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Accordingly, this report is not suitable for any other purpose.

**SQUAR MILNER LLP**

San Diego, California  
December 16, 2019

## **FINDINGS AND RECOMMENDATIONS SECTION**



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**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the Fiscal Year Ended June 30, 2019**

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**A. Summary of Auditor's Results**

1. Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

One or more material weaknesses identified?      Yes   X   No

One or more significant deficiencies identified that are not considered to be material weaknesses?      Yes   X   None Reported

Noncompliance material to financial statements noted?      Yes   X   No

2. Federal Awards

Internal control over major programs:

One or more material weaknesses identified?      Yes   X   No

One or more significant deficiencies identified that are not considered to be material weaknesses?      Yes   X   None Reported

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

Any audit findings disclosed that are required to be reported under section 200.516 Audit Findings paragraph (a) of OMB Uniform Guidance?      Yes   X   No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.010	Title I, Part A, Basic Grants Low-Income and Neglected

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee?   X   Yes      No



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**PARTNERSHIPS TO UPLIFT COMMUNITIES  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
For the Fiscal Year Ended June 30, 2019**

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<u>Findings/Recommendations</u>	<u>Current Status</u>	<u>Explanation If Not Implemented</u>
None Noted	None Noted	N/A