

# **Partnerships to Uplift Communities**

Consolidated Financial Statements

June 30, 2022

**Independent Auditors' Report on  
Consolidated Financial Statements**

**For The Fiscal Year Ended**

**June 30, 2022**

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**PARTNERSHIPS TO UPLIFT COMMUNITIES LOS ANGELES**

**PARTNERSHIPS TO UPLIFT COMMUNITIES VALLEY**

**PARTNERSHIPS TO UPLIFT COMMUNITIES LAKEVIEW TERRACE**

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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 and PUC Triumph Charter High [#0797]

PUC Excel Charter Academy [#0798]

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]

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## Independent Auditors' Report

Board of Directors  
Partnerships to Uplift Communities  
Burbank, California

### Report on the Audit of the Consolidated Financial Statements

#### *Opinion*

We have audited the consolidated financial statements of Partnerships to Uplift Communities (the Organization), which comprise the consolidated statements of financial position as of June 30, 2022, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

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

#### *Basis for Opinion*

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

#### *Responsibilities of Management for the Consolidated Financial Statements*

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

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

## ***Auditors' Responsibilities for the Audit of the Consolidated Financial Statements***

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

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

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

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

### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying consolidating schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards*, 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.

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The Organization, Schedule of Average Daily Attendance, Schedule of Instructional Time, Consolidating Statement of Financial Position, Consolidating Statement of Activities, Consolidating Statement of Cash Flows, Reconciliations of Charter School Unaudited Actuals Financial Report Alternative Form with Audited Financial Statements, Combining Schedules of Financial Position, Combining Schedules of Activities, Combining Schedules of Cash Flows, and Statements of Functional Expenses are 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 29, 2022, on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

*Baker Tilly US, LLP*

San Diego, California  
December 29, 2022

**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**June 30, 2022**

**ASSETS**

Current assets:	
Cash	\$ 29,769,848
Accounts receivable	29,244,230
Due from related party	5,420
Prepaid expenses	87,987
Other current assets	608,805
Deferred rent	76,879
Total current assets	<u>59,793,169</u>
Restricted cash	1,973,009
Fixed assets, net	40,723,072
Noncurrent assets:	
Deposits	842,147
Total noncurrent assets	<u>43,538,228</u>
Total assets	<u><u>\$ 103,331,397</u></u>

**LIABILITIES AND NET ASSETS**

Current liabilities:	
Accounts payable	\$ 3,873,921
Accrued expenses	2,366,409
Deferred rent	419,162
Other current liabilities	1,663,226
Current portion of debt obligations, net	798,870
Total current liabilities	<u>9,121,588</u>
Debt obligations, net, less current portion	43,140,831
Total liabilities	<u>52,262,419</u>
Net assets:	
Net assets with donor restrictions	18,444,544
Net assets without donor restrictions - Undesignated	32,624,434
Total net assets	<u>51,068,978</u>
Total liabilities and net assets	<u><u>\$ 103,331,397</u></u>



**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**CONSOLIDATED STATEMENT OF ACTIVITIES**  
**For the Fiscal Year Ended June 30, 2022**

	PUC Los Angeles	PUC Valley	PUC Lakeview Terrace	Totals
<b>REVENUES</b>				
Revenue limit sources:				
State aid	\$ 6,841,449	\$ 12,756,288	\$ 6,381,251	\$ 25,978,988
Education protection account	3,419,277	4,725,062	3,047,239	11,191,578
In-lieu of property taxes	3,471,107	5,973,772	3,253,223	12,698,102
Federal revenues	5,973,959	8,627,955	4,550,519	19,152,433
State revenues	4,374,622	7,025,683	3,699,556	15,099,861
Local revenues:				
Fundraising	107,068	264,379	218,252	589,699
Miscellaneous	286,546	486,218	185,000	957,764
Total revenues	<u>24,474,028</u>	<u>39,859,357</u>	<u>21,335,040</u>	<u>85,668,425</u>
<b>EXPENSES</b>				
Program services:				
Education	14,687,095	24,039,307	12,977,400	51,703,802
Support services:				
Management and general	8,066,703	11,010,967	5,161,501	24,239,171
Total expenses	<u>22,753,798</u>	<u>35,050,274</u>	<u>18,138,901</u>	<u>75,942,973</u>
<b>CHANGE IN NET ASSETS</b>	1,720,230	4,809,083	3,196,139	9,725,452
<b>NET ASSETS, BEGINNING</b>	<u>12,386,877</u>	<u>19,561,943</u>	<u>9,394,706</u>	<u>41,343,526</u>
<b>NET ASSETS, ENDING</b>	<u>\$ 14,107,107</u>	<u>\$ 24,371,026</u>	<u>\$ 12,590,845</u>	<u>\$ 51,068,978</u>

**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**  
**For the Fiscal Year Ended June 30, 2022**

	Program Services	Support Services	Totals
	Education	Management and General	
Certificated salaries	\$ 18,132,073	\$ 8,088,518	\$ 26,220,591
Classified salaries	6,842,131	3,117,991	9,960,122
Employee benefits	6,639,772	2,993,397	9,633,169
Books and supplies	4,092,223	1,870,257	5,962,480
Travel and conferences	38,993	18,690	57,683
Dues and memberships	49,511	22,330	71,841
Insurance	545,502	244,960	790,462
Operation and housekeeping services	1,107,643	487,795	1,595,438
Rental, leases, repairs, and non-capitalized improvements	4,463,249	4,363,891	8,827,140
Professional/consulting services and operating expenditures	9,297,510	4,370,974	13,668,484
Communications	495,195	220,047	715,242
Depreciation & Amortization	-	2,146,875	2,146,875
Total expenses before eliminations	51,703,802	27,945,725	79,649,527
Intercompany eliminations	-	(3,706,554)	(3,706,554)
Total expenses	<u>\$ 51,703,802</u>	<u>\$ 24,239,171</u>	<u>\$ 75,942,973</u>

**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
For the Fiscal Year Ended June 30, 2022

<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Change in net assets	\$ 9,725,452
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	2,005,745
Amortization of debt discount	141,130
(Increase) decrease in operating assets:	
Accounts receivable	(5,333,319)
Prepaid expenses	86,495
Other current assets	690,212
Deposits	(34,582)
Increase (decrease) in operating liabilities:	
Accounts payable	425,217
Accrued expenses	(1,744,624)
Deferred rent	213,757
Other current liabilities	1,120,391
Net cash flows provided by operating activities	<u>7,295,874</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>	
Purchases of fixed assets	<u>(597,380)</u>
Net cash flows used in investing activities	<u>(597,380)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>	
Payments on debt obligations	<u>(895,000)</u>
Net cash flows used in financing activities	<u>(895,000)</u>
<b>NET INCREASE IN CASH</b>	5,803,494
<b>CASH AND RESTRICTED CASH, BEGINNING</b>	<u>25,939,363</u>
<b>CASH AND RESTRICTED CASH, ENDING</b>	<u>\$ 31,742,857</u>
<b>SUPPLEMENTAL DISCLOSURE:</b>	
Cash paid for interest	<u>\$ 2,789,406</u>
<b>RECONCILIATION OF CASH AND RESTRICTED CASH TO THE STATEMENT OF FINANCIAL POSITION</b>	
Cash	\$ 29,769,848
Restricted cash	<u>1,973,009</u>
<b>TOTAL CASH AND RESTRICTED CASH</b>	<u>\$ 31,742,857</u>

**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**June 30, 2022**

**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”.

<b>Charter Name</b>	<b>Charter Number</b>	<b>Sponsoring District</b>
PUC Community Charter Middle and PUC Community Charter Early College High (CCMSHS)	0213	Los Angeles Unified School District
PUC CALS Middle and Early College High (CALSMSHS)	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 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

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

<b>Charter Name</b>	<b>Original School Start Date</b>	<b>Term of Charter</b>	<b>Charter Expiration</b>	<b>Enrollment Average</b>
PUC Community Charter Middle and PUC PUC Community Charter Early College High	September 8, 1999	5 Years	June 30, 2026	766
PUC CALS Middle and Early College High	September 11, 2000	5 Years	June 30, 2027	528
PUC Milagro Charter School	September 1, 2004	5 Years	June 30, 2026	274
PUC Lakeview Charter Academy	September 1, 2004	5 Years	June 30, 2026	327
PUC Triumph Charter Academy and PUC Triumph Charter High	September 24, 2007	5 Years	June 30, 2025	737
PUC Excel Charter Academy	September 18, 2006	5 Years	June 30, 2025	296
PUC Nueva Esperanza Charter Academy	September 9, 2009	5 Years	June 30, 2026	432
PUC Lakeview Charter High School	September 14, 2010	5 Years	June 30, 2027	385
PUC Early College Academy for Leaders and Scholars	August 29, 2011	5 Years	June 30, 2025	390
PUC Community Charter Elementary School	July 1, 2014	5 Years	June 30, 2025	287
PUC Inspire Charter School	July 1, 2014	5 Years	June 30, 2026	295

Note: On July 8, 2021, Ed Trailer Bill, AB 130/SB 130, automatically extended by two year all charter terms expiring between January 1, 2022 and June 30, 2025.

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**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**June 30, 2022**

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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, 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, 2022, the Organization had \$18,444,544 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, 2022**

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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, 2022, 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 \$3,190,299 at June 30, 2022, 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, 2022 was \$141,130.

***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.

***Reclassification***

Certain reclassifications were made to the 2021 numbers in order to conform to the presentation shown. These reclassifications had no material effect on the Organizations net assets at June 30, 2021.

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**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**June 30, 2022**

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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.

***Contributions and Grants***

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 from contributions and grant income is evaluated under ASU 2018-08 and is accounted for as nonreciprocal transactions. Unconditional contributions and grants received are recorded as net assets with donor restrictions or net assets without donor restrictions depending on the existence and nature of any donor restrictions. Support that is not restricted by the donor is reported as an increase in net assets without restrictions. All other donor restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires (that is when a stipulated time restrictions ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without 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 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 June 2020, the FASB issued ASU No. 2020-05, *Revenue from Contracts with Customers (Topic 606) and Leases (Topic 842) — Effective Dates for Certain Entities ("ASU 2020-05")*, which deferred the effective date of this new guidance for the Organization by one year to annual reporting periods beginning after December 31, 2021, and interim periods within fiscal years beginning after December 31, 2022. 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.

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**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**June 30, 2022**

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**3. CASH**

Cash at June 30, 2022, consisted of the following:

Deposits:

Cash in banks	\$ 29,769,848
Restricted cash	<u>1,973,009</u>
Total cash and restricted cash	<u>\$ 31,742,857</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, 2022, the Organization had \$27,786,356 in excess of FDIC insured limits.

**4. RESTRICTED CASH**

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

Restricted cash at June 30, 2022, consisted of the following:

Reserve account	<u>\$ 1,973,009</u>
Total restricted cash	<u>\$ 1,973,009</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.



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**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**June 30, 2022**

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**5. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS (continued)**

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

Cash	\$ 29,769,848
Less: net assets with donor restrictions	(18,444,544)
Accounts receivable	<u>29,244,230</u>
Total financial assets available within one year	<u><u>\$ 40,569,534</u></u>

**6. ACCOUNTS RECEIVABLE**

Accounts receivable at June 30, 2022, consisted of the following:

Revenue Limit Sources:	
State Aid	\$ 4,788,052
Federal	1,336,915
State	22,587,381
Local:	
Miscellaneous	<u>531,882</u>
Total	<u><u>\$ 29,244,230</u></u>

**7. FIXED ASSETS**

Fixed assets at June 30, 2022, consisted of the following:

Land	\$ 3,934,642
Buildings	43,082,730
Site improvements	6,191,642
Equipment	4,125,109
Less: accumulated depreciation	<u>(16,611,051)</u>
Total fixed assets, net	<u><u>\$ 40,723,072</u></u>

During the fiscal year ended June 30, 2022, \$2,005,745 was charged to depreciation expense.

**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**June 30, 2022**

**8. 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 2012 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, 2022, consisted of the following:

	<u>Current</u>	<u>Long-term</u>	<u>Total</u>
Debt Obligations	\$ 455,000	\$ 23,070,000	\$ 23,525,000
Less: unamortized debt issuance costs	(56,910)	(1,272,965)	(1,329,875)
	<u>\$ 398,090</u>	<u>\$ 21,797,035</u>	<u>\$ 22,195,125</u>

Annual payments of principal and interest on the 2012 Bonds as of June 30, 2022, are as follows:

Year Ending	<b>Amortization of</b>			
	<b>Principal</b>	<b>Interest</b>	<b>Totals</b>	<b>Debt Issuance Costs</b>
<b>June 30,</b>				
2023	\$ 455,000	\$ 1,210,591	\$ 1,665,591	\$ (56,910)
2024	475,000	1,187,910	1,662,910	(56,910)
2025	500,000	1,163,535	1,663,535	(56,910)
2026	525,000	1,137,910	1,662,910	(56,910)
2027	550,000	1,082,785	1,632,785	(56,910)
Thereafter	21,020,000	13,637,640	34,657,640	(1,045,325)
Totals	<u>\$ 23,525,000</u>	<u>\$ 19,420,371</u>	<u>\$ 42,945,371</u>	<u>\$ (1,329,875)</u>

***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 2014 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, 2022 consisted of the following:

	<u>Current</u>	<u>Long-term</u>	<u>Total</u>
Debt Obligations	\$ 485,000	\$ 23,120,000	\$ 23,605,000
Less: unamortized debt issuance costs	(84,220)	(1,776,203)	(1,860,423)
	<u>\$ 400,780</u>	<u>\$ 21,343,797</u>	<u>\$ 21,744,577</u>

**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**June 30, 2022**

**8. DEBT OBLIGATIONS** (continued)

**Bonds Payable – PUC Valley** (continued)

Future annual payments of principal and interest on the 2014 Bonds as of June 30, 2022, are as follows:

Year Ending June 30,	Principal	Interest	Totals	Amortization of Debt Issuance Costs
2023	\$ 485,000	\$ 1,532,134	\$ 2,017,134	\$ (84,220)
2024	510,000	1,505,518	2,015,518	(84,220)
2025	540,000	1,477,430	2,017,430	(84,220)
2026	570,000	1,477,430	2,047,430	(84,220)
2027	605,000	1,407,145	2,012,145	(84,220)
Thereafter	20,895,000	14,971,373	35,866,373	(1,439,323)
Totals	<u>\$ 23,605,000</u>	<u>\$ 22,371,030</u>	<u>\$ 45,976,030</u>	<u>\$ (1,860,423)</u>

Changes in obligations for the fiscal year ended June 30, 2022, are as follows:

Long-Term Debt Activities	Beginning Balance June 30, 2021	Increases	Decreases	Ending Balance June 30, 2022	Amounts Due Within One Year
Bonds Payable:					
PUC Lakeview Terrace	\$ 23,960,000	\$ -	\$ (435,000)	\$ 23,525,000	\$ 455,000
PUC Valley	24,065,000	-	(460,000)	23,605,000	485,000
Total long-term debt activities	48,025,000	-	(895,000)	47,130,000	940,000
Less: unamortized debt issuance costs	(3,331,429)	-	141,130	(3,190,299)	(141,130)
Totals	<u>\$ 44,693,571</u>	<u>\$ -</u>	<u>\$ (753,870)</u>	<u>\$ 43,939,701</u>	<u>\$ 798,870</u>

**9. NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions consist of entitlements received but not expended as of June 30, 2022. At June 30, 2022, the Organization's net assets with donor restrictions:

COVID-19- Elementary and Secondary School Emergency Relief (ESSER) Fund	\$ 13,780,958
Expanded Learning Opportunities Grant	2,928,077
A-G Completion Improvement Grant	1,565,448
Governor's Emergency Education Relief Fund (GEER Fund)	<u>170,061.00</u>
Total	<u>\$ 18,444,544</u>

**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**June 30, 2022**

**10. 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, 2022, are as follows:

Year Ending June 30,	Future Operating Lease Payments		
	LLC Lease Payments	Other Lease Payments	Totals
2023	\$ 3,634,680	\$ 1,015,613	\$ 4,650,293
2024	3,640,638	1,024,016	4,664,654
2025	3,630,651	1,042,336	4,672,987
2026	3,645,321	1,052,354	4,697,675
2027	3,659,325	1,061,325	4,720,650
Thereafter	70,202,538	10,423,177	80,625,715
Total	\$ 88,413,153	\$ 15,618,821	\$ 104,031,974

The Organization receives no sublease rental revenues nor pays any contingent rentals associated with this lease. For the fiscal year ended June 30, 2022, the aggregate operating lease expense was \$6,136,418.

**11. 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, 2021, total plan net assets are \$293 billion, the total actuarial present value of projected plan benefits is \$414.4 billion, contributions from all employers totaled \$5.6 billion and the plan is 73.0% 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, 2022**

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**11. 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 contribution requirements of the plan members are established by state statute. The required employer contribution rate for fiscal years June 30 2022 was 16.92% of annual payroll. The Organization's contributions to STRS for the fiscal years ended June 30, 2022 was \$4,561,979, and equal 100% of the required contributions for each 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, 2022, were \$96,177, and equal 100% of the required contributions for the fiscal year.

**12. 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, 2022, were \$1,676,397. 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, 2022, were \$2,030,157. 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, 2022**

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**13. SCHOOL ADMINISTRATIVE SERVICES AGREEMENT**

On July 1, 2013, Partnerships to Uplift Communities Los Angeles, Partnerships to Uplift Communities Lake View Terrace and Partnerships to Uplift Communities Valley entered into individual service agreements 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 2021-2022, total fees charged by PUC National to the organization for the year ended June 30, 2022 were \$6,063,869.

**14. 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.

**15. 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 29, 2022, 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, 2022**

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Partnerships to Uplift Communities consists of the following 11 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, 2025. 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, 2026.

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, 2026.

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.

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, 2025.

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.



**PARTNERSHIPS TO UPLIFT COMMUNITIES  
ORGANIZATION  
JUNE 30, 2022**

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.

The Board of Directors for the fiscal year ended June 30, 2022, was comprised of the following members:

**Partnerships to Uplift Communities Lakeview Terrace**

Name	Office	Term	Term Expiration
Juana Maria Valdivida	Chariman	2 Years	March 2023
Martin Nava	Vice-Chairman/Treasurer	2 Years	March 2023
Monica Garcia	Secretary	2 Years	September 2022
Antonio Pizano	Member	2 Years	July 2023
Xavier Reyes	Member	2 Years	July 2023

**Partnerships to Uplift Communities Los Angeles**

Name	Office	Term	Term Expiration
Juana Maria Valdivida	Chariman	2 Years	March 2023
Martin Nava	Vice-Chairman/Treasurer	2 Years	March 2023
Monica Garcia	Secretary	2 Years	September 2022
Antonio Pizano	Member	2 Years	July 2023
Xavier Reyes	Member	2 Years	July 2023

**Partnerships to Uplift Communities Valley**

Name	Office	Term	Term Expiration
Juana Maria Valdivida	Chariman	2 Years	March 2023
Martin Nava	Vice-Chairman/Treasurer	2 Years	March 2023
Monica Garcia	Secretary	2 Years	September 2022
Antonio Pizano	Member	2 Years	July 2023
Xavier Reyes	Member	2 Years	July 2023

**PUC Schools Administration**

Name	Position
Concepcion Rivas	Chief Executive Officer
Veronica Alonzo	Chief Academic Officer
Meredith McOlvin	Director of Inclusion & SPED
Gerard Montero	Director of Compliance
Christine Sartiaguda	Director of Clinical Counseling

**PARTNERSHIPS TO UPLIFT COMMUNITIES  
SCHEDULE OF AVERAGE DAILY ATTENDANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

	<u>Second Period Report</u>	<u>Annual Report</u>
Grades 4 - 6	112.99	113.35
Grades 7 - 8	224.01	224.43
Grades 9 -12	411.51	410.17
Total	<u>748.51</u>	<u>747.95</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**

	<u>Second Period Report</u>	<u>Annual Report</u>
Grades 4 - 6	29.38	29.13
Grades 7 - 8	85.52	85.84
Grades 9 -12	251.43	251.20
Total	<u>366.33</u>	<u>366.17</u>

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

**PUC Milagro Charter School**

	<u>Second Period Report</u>	<u>Annual Report</u>
Transitional Kindergarten/Kindergarten - Grade 3	164.78	165.21
Grades 4 - 6	85.69	85.80
Total	<u>250.47</u>	<u>251.01</u>

Milagro Charter 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, 2022**

**PUC Lakeview Charter Academy**

	<u>Second Period Report</u>	<u>Annual Report</u>
Grades 4 - 6	98.50	98.05
Grades 7 - 8	<u>179.94</u>	<u>180.78</u>
Total	<u><u>278.44</u></u>	<u><u>278.83</u></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	108.85	109.48
Grades 7 - 8	214.30	214.44
Grades 9 -12	<u>392.77</u>	<u>391.81</u>
Total	<u><u>715.92</u></u>	<u><u>715.73</u></u>

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

**PUC Excel Charter Academy**

	<u>Second Period Report</u>	<u>Annual Report</u>
Grades 4 - 6	78.86	78.86
Grades 7 - 8	<u>194.08</u>	<u>194.08</u>
Total	<u><u>272.94</u></u>	<u><u>272.94</u></u>

Excel 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, 2022**

**PUC Nueva Esperanza Charter Academy**

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

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

**PUC Lakeview Charter High School**

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

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**

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

Early College Academy for Leaders and Scholars 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, 2022**

**PUC Community Charter Elementary**

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

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

**PUC Inspire Charter Academy**

	<u>Second Period Report</u>	<u>Annual Report</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.

**PARTNERSHIPS TO UPLIFT COMMUNITIES  
SCHEDULE OF INSTRUCTIONAL TIME  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

<b>Grade Level</b>	<b>2021-22 Minutes Requirements</b>	<b>2021-22 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>2021-22 Minutes Requirements</b>	<b>2021-22 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>2021-22 Minutes Requirements</b>	<b>2021-22 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, 2022**

**PUC Lakeview Charter Academy**

<b>Grade Level</b>	<b>2021-22</b>	<b>2021-22</b>	<b>Number of Days</b>	<b>Status</b>
	<b>Minutes Requirements</b>		<b>Actual Minutes</b>	
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**

<b>Grade Level</b>	<b>2021-22</b>	<b>2021-22</b>	<b>Number of Days</b>	<b>Status</b>
	<b>Minutes Requirements</b>		<b>Actual Minutes</b>	
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**

<b>Grade Level</b>	<b>2021-22</b>	<b>2021-22</b>	<b>Number of Days</b>	<b>Status</b>
	<b>Minutes Requirements</b>		<b>Actual Minutes</b>	
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 Nueva Esperanza Charter Academy**

<b>Grade Level</b>	<b>2021-22</b>	<b>2021-22</b>	<b>Number of Days</b>	<b>Status</b>
	<b>Minutes Requirements</b>		<b>Actual Minutes</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

**PARTNERSHIPS TO UPLIFT COMMUNITIES  
SCHEDULE OF INSTRUCTIONAL TIME  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**PUC Lakeview Charter High School**

<u>Grade Level</u>	<u>2021-22 Minutes Requirements</u>	<u>2021-22 Actual Minutes</u>	<u>Number of Days Traditional Calendar</u>	<u>Status</u>
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**

<u>Grade Level</u>	<u>2021-22 Minutes Requirements</u>	<u>2021-22 Actual Minutes</u>	<u>Number of Days Traditional Calendar</u>	<u>Status</u>
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

**PUC Community Charter Elementary**

<u>Grade Level</u>	<u>2021-22 Minutes Requirements</u>	<u>2021-22 Actual Minutes</u>	<u>Number of Days Traditional Calendar</u>	<u>Status</u>
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**

<u>Grade Level</u>	<u>2021-22 Minutes Requirements</u>	<u>2021-22 Actual Minutes</u>	<u>Number of Days Traditional Calendar</u>	<u>Status</u>
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



**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**CONSOLIDATED SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Fiscal Year Ended June 30, 2022**

<b>Federal Grantor/ Assistance-Through Entity Program Title</b>	<b>Assistance Listing Number</b>	<b>Pass-Through Assistance Identifying Number</b>	<b>Federal Expenditures</b>
<b>U.S. Department of Agriculture</b>			
Passed through California Department of Education:			
Child Nutrition Cluster			
Child Nutrition: School Programs	10.555	13391	\$ 2,386,285
Total Child Nutrition Cluster			<u>2,386,285</u>
<b>Total U.S. Department of Agriculture</b>			<u>2,386,285</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	1,960,316
NCLB: Title II, Part A, Teacher Quality	84.367	14341	236,193
ESSA: Title IV, Part C, Public Charter School Grants	84.282A	14941	138,466
COVID-19- Elementary and Secondary School Emergency Relief (ESSER) Fund	84.425	15536	5,234,658
Special Ed: IDEA Cluster			
Special Ed: IDEA Basic Local Assistance Entitlement, Part B, Sec 611	84.027	13379	1,315,176
Special IDEA Cluster			<u>1,315,176</u>
<b>Total U.S. Department of Education</b>			<u>8,884,809</u>
<b>Total Expenditures of Federal Awards</b>			<u>\$ 11,271,094</u>

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**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**CONSOLIDATED SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Fiscal Year Ended June 30, 2022**

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**Note 1. Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Partnerships to Uplift Communities under programs of the federal government for the year ended June 30, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Partnerships to Uplift Communities, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Partnerships to Uplift Communities.

**Note 2. Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-122, *Cost Principles for Non-Profit Organizations*, or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**Note 3. Indirect Cost Rate**

Partnerships to Uplift Communities elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**CONSOLIDATING STATEMENT OF FINANCIAL POSITION**  
**June 30, 2022**

	PUC Los Angeles	PUC Valley	PUC Lakeview Terrace	Totals
<b>ASSETS</b>				
Current assets:				
Cash	\$ 5,674,272	\$ 13,764,978	\$ 10,330,598	\$ 29,769,848
Accounts receivable	8,975,808	13,404,998	6,863,424	29,244,230
Prepaid expenses	16,063	52,510	19,414	87,987
Other current assets	275,294	236,094	97,417	608,805
Deferred rent	37,212	-	39,667	76,879
Total current assets	14,978,649	27,464,000	17,350,520	59,793,169
Restricted cash, noncurrent portion	-	1,493,858	479,151	1,973,009
Fixed assets, net	1,037,479	21,185,473	18,500,120	40,723,072
Deposits	234,208	238,092	369,847	842,147
Total noncurrent assets	1,271,687	22,917,423	19,349,118	43,538,228
Total assets	<u>\$ 16,250,336</u>	<u>\$ 50,381,423</u>	<u>\$ 36,699,638</u>	<u>\$ 103,331,397</u>
<b>LIABILITIES AND NET ASSETS</b>				
Current liabilities:				
Accounts payable	\$ 792,497	\$ 1,979,399	\$ 1,102,025	\$ 3,873,921
Accrued expenses	442,857	1,223,144	700,408	2,366,409
Deferred rent	-	419,162	-	419,162
Other current liabilities	907,875	644,116	111,235	1,663,226
Current portion of debt obligations, net	-	400,780	398,090	798,870
Total current liabilities	2,143,229	4,666,601	2,311,758	9,121,588
Debt obligations, net, less current portion	-	21,343,796	21,797,035	43,140,831
Total liabilities	2,143,229	26,010,397	24,108,793	52,262,419
Net assets:				
Net assets with donor restrictions	5,927,105	7,882,723	4,634,717	18,444,544
Net assets without donor restrictions - Undesignated	8,180,002	16,488,303	7,956,128	32,624,434
Total net assets	14,107,107	24,371,026	12,590,845	51,068,978
Total liabilities and net assets	<u>\$ 16,250,336</u>	<u>\$ 50,381,423</u>	<u>\$ 36,699,638</u>	<u>\$ 103,331,397</u>

**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**CONSOLIDATING STATEMENT OF ACTIVITIES**  
**For the Fiscal Year Ended June 30, 2022**

	PUC Los Angeles	PUC Valley	PUC Lakeview Terrace	Totals
<b>REVENUES</b>				
Revenue limit sources:				
State aid	\$ 6,841,449	\$ 12,756,288	\$ 6,381,251	\$ 25,978,988
Education protection account	3,419,277	4,725,062	3,047,239	11,191,578
In-lieu of property taxes	3,471,107	5,973,772	3,253,223	12,698,102
Federal revenues	5,973,959	8,627,955	4,550,519	19,152,433
State revenues	4,374,622	7,025,683	3,699,556	15,099,861
Local revenues:				
Fundraising	107,068	264,379	218,252	589,699
Miscellaneous	286,546	486,218	185,000	957,764
Total revenues	<u>24,474,028</u>	<u>39,859,357</u>	<u>21,335,040</u>	<u>85,668,425</u>
<b>EXPENSES</b>				
Program services:				
Education	14,687,095	24,039,307	12,977,400	51,703,802
Support services:				
Management and general	8,066,703	11,010,967	5,161,501	24,239,171
Total expenses	<u>22,753,798</u>	<u>35,050,274</u>	<u>18,138,901</u>	<u>75,942,973</u>
<b>CHANGE IN NET ASSETS</b>	1,720,230	4,809,083	3,196,139	9,725,452
<b>NET ASSETS, BEGINNING</b>	12,386,877	19,561,943	9,394,706	41,343,526
<b>NET ASSETS, ENDING</b>	<u>\$ 14,107,107</u>	<u>\$ 24,371,026</u>	<u>\$ 12,590,845</u>	<u>\$ 51,068,978</u>

**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**CONSOLIDATING STATEMENT OF CASH FLOWS**  
For the Fiscal Year Ended June 30, 2022

	PUC Los Angeles	PUC Valley	PUC Lakeview Terrace	Totals
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Change in net assets	\$ 1,720,230	\$ 4,809,083	\$ 3,196,139	\$ 9,725,452
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:				
Depreciation	370,924	896,811	738,010	2,005,745
Amortization of debt discount	-	141,130	-	141,130
(Increase) decrease in operating assets:				
Accounts receivable	(2,017,771)	(1,833,166)	(1,482,382)	(5,333,319)
Prepaid expenses	21,886	42,146	22,463	86,495
Other current assets	282,708	461,143	(53,639)	690,212
Deposits	(9,811)	(1,240)	(23,531)	(34,582)
Increase (decrease) in operating liabilities:				
Accounts payable	64,979	298,365	61,873	425,217
Accrued expenses	(863,149)	(613,804)	(267,671)	(1,744,624)
Deferred rent	-	213,757	-	213,757
Other current liabilities	907,875	187,083	25,433	1,120,391
Net cash flows provided by operating activities	<u>477,871</u>	<u>4,601,308</u>	<u>2,216,695</u>	<u>7,295,874</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Purchase of fixed assets	-	(285,676)	(311,704)	(597,380)
Net cash flows used in investing activities	<u>-</u>	<u>(285,676)</u>	<u>(311,704)</u>	<u>(597,380)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>				
Payments on debt obligations	-	(460,000)	(435,000)	(895,000)
Net cash flows used in financing activities	<u>-</u>	<u>(460,000)</u>	<u>(435,000)</u>	<u>(895,000)</u>
<b>NET (DECREASE) INCREASE IN CASH</b>	<u>477,871</u>	<u>3,855,632</u>	<u>1,469,991</u>	<u>5,803,494</u>
<b>CASH AND RESTRICTED CASH, BEGINNING</b>	<u>5,196,401</u>	<u>11,403,204</u>	<u>9,339,758</u>	<u>25,939,363</u>
<b>CASH, ENDING</b>	<u>\$ 5,674,272</u>	<u>\$ 15,258,836</u>	<u>\$ 10,809,749</u>	<u>\$ 31,742,857</u>
<b>SUPPLEMENTAL DISCLOSURE:</b>				
Cash paid for interest	\$ -	\$ 1,557,677	\$ 1,231,729	\$ 2,789,406
<b>RECONCILIATION OF CASH AND RESTRICTED CASH TO THE STATEMENT OF FINANCIAL POSITION</b>				
Cash	\$ 5,674,272	\$ 13,764,978	\$ 10,330,598	\$ 29,769,848
Restricted cash	-	1,493,858	479,151	1,973,009
<b>TOTAL CASH AND RESTRICTED CASH</b>	<u>\$ 5,674,272</u>	<u>\$ 15,258,836</u>	<u>\$ 10,809,749</u>	<u>\$ 31,742,857</u>

**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**PUC LOS ANGELES**  
**COMBINING STATEMENT OF FINANCIAL POSITION**  
**June 30, 2022**

	<u>CALSM SHS</u>	<u>MCS</u>	<u>ECA</u>	<u>ECALS</u>	<u>Eliminations</u>	<u>Totals</u>
<b>ASSETS</b>						
Current assets:						
Cash	\$ 3,484,695	\$ 698,644	\$ 403,999	\$ 1,086,934	\$ -	\$ 5,674,272
Accounts receivable	3,217,668	2,077,622	2,083,339	1,597,179	-	8,975,808
Due from related party	-	22,645	-	18,487	(41,132)	-
Prepaid expenses	4,826	2,044	6,343	2,850	-	16,063
Other current assets	111,931	52,127	49,062	62,174	-	275,294
Deferred rent	37,212	-	-	-	-	37,212
Total current assets	6,856,332	2,853,082	2,542,743	2,767,624	(41,132)	14,978,649
Fixed assets, net	572,625	260,425	103,497	100,932	-	1,037,479
Deposits	165,968	50,024	9,130	9,086	-	234,208
Total noncurrent assets	738,593	310,449	112,627	110,018	-	1,271,687
Total assets	<u>\$ 7,594,925</u>	<u>\$ 3,163,531</u>	<u>\$ 2,655,370</u>	<u>\$ 2,877,642</u>	<u>\$ (41,132)</u>	<u>\$ 16,250,336</u>
<b>LIABILITIES AND NET ASSETS</b>						
Current liabilities:						
Accounts payable	\$ 312,116	\$ 40,007	\$ 148,965	\$ 291,409	\$ -	\$ 792,497
Due to related party	24,083	-	17,049	-	(41,132)	-
Accrued expenses	142,185	61,441	106,098	133,133	-	442,857
Other current liabilities	320,030	148,945	242,203	196,697	-	907,875
Total current liabilities	798,414	250,393	514,315	621,239	(41,132)	2,143,229
Net assets:						
Net assets with donor restrictions	2,328,369	1,181,132	975,247	1,442,357	-	5,927,105
Net assets without donor restrictions - Undesignated	4,468,142	1,732,006	1,165,808	814,046	-	8,180,002
Total net assets	6,796,511	2,913,138	2,141,055	2,256,403	-	14,107,107
Total liabilities and net assets	<u>\$ 7,594,925</u>	<u>\$ 3,163,531</u>	<u>\$ 2,655,370</u>	<u>\$ 2,877,642</u>	<u>\$ -</u>	<u>\$ 16,250,336</u>

**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**PUC LOS ANGELES**  
**COMBINING STATEMENT OF ACTIVITIES**  
**For the Fiscal Year Ended June 30, 2022**

	<u>CALSMSHS</u>	<u>MCS</u>	<u>ECA</u>	<u>ECALS</u>	<u>Totals</u>
<b>REVENUES</b>					
Revenue limit sources:					
State aid	\$ 2,559,544	\$ 1,363,418	\$ 1,535,938	\$ 1,382,549	\$ 6,841,449
Education protection account	1,086,228	698,120	809,928	825,001	3,419,277
In-lieu of property taxes	1,160,478	793,451	864,633	652,545	3,471,107
Federal revenues	2,114,065	1,325,231	1,418,259	1,116,404	5,973,959
State revenues	1,590,676	1,271,000	1,036,535	476,411	4,374,622
Local revenues:					
Fundraising	44,978	5,579	33,000	23,511	107,068
Miscellaneous	78,276	36,437	101,528	70,305	286,546
Total revenues	<u>8,634,245</u>	<u>5,493,236</u>	<u>5,799,821</u>	<u>4,546,726</u>	<u>24,474,028</u>
<b>EXPENSES</b>					
Program services:					
Education	4,765,184	3,124,165	3,671,296	3,126,450	14,687,095
Support services:					
Management and general	2,996,895	1,677,383	2,010,899	1,381,526	8,066,703
Total expenses	<u>7,762,079</u>	<u>4,801,548</u>	<u>5,682,195</u>	<u>4,507,976</u>	<u>22,753,798</u>
<b>CHANGE IN NET ASSETS</b>	872,166	691,688	117,626	38,750	1,720,230
<b>NET ASSETS, BEGINNING</b>	<u>5,924,345</u>	<u>2,221,450</u>	<u>2,023,429</u>	<u>2,217,653</u>	<u>12,386,877</u>
<b>NET ASSETS, ENDING</b>	<u>\$ 6,796,511</u>	<u>\$ 2,913,138</u>	<u>\$ 2,141,055</u>	<u>\$ 2,256,403</u>	<u>\$ 14,107,107</u>

**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**PUC LOS ANGELES**  
**COMBINING STATEMENT OF CASH FLOWS**  
**For the Fiscal Year Ended June 30, 2022**

	<u>CALSM SHS</u>	<u>MCS</u>	<u>ECA</u>	<u>ECALS</u>	<u>Totals</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>					
Change in net assets	\$ 872,166	\$ 691,688	\$ 117,626	\$ 38,750	\$ 1,720,230
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:					
Depreciation	222,463	69,862	34,047	44,552	370,924
Transfers	(9,320)	(13,150)	(30,264)	15,551	(37,183)
(Increase) decrease in operating assets:					
Accounts receivable	(531,013)	(704,667)	(643,190)	(101,718)	(1,980,588)
Prepaid expenses	10,502	5,141	511	5,732	21,886
Other current assets	78,783	66,137	64,857	72,931	282,708
Deposits	(9,811)	-	-	-	(9,811)
Increase (decrease) in operating liabilities:					
Accounts payable	115,091	(93,263)	(54,932)	98,083	64,979
Accrued expenses	(368,538)	(183,920)	(180,775)	(129,916)	(863,149)
Net cash flows (used in) provided by operating activities	<u>700,353</u>	<u>(13,227)</u>	<u>(449,917)</u>	<u>240,662</u>	<u>477,871</u>
<b>NET (DECREASE) IN CASH</b>	700,353	(13,227)	(449,917)	240,662	477,871
<b>CASH, BEGINNING</b>	<u>2,784,342</u>	<u>711,871</u>	<u>853,916</u>	<u>846,272</u>	<u>5,196,401</u>
<b>CASH, ENDING</b>	<u>\$ 3,484,695</u>	<u>\$ 698,644</u>	<u>\$ 403,999</u>	<u>\$ 1,086,934</u>	<u>\$ 5,674,272</u>



**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**PUC LOS ANGELES**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**For the Fiscal Year Ended June 30, 2022**

	<u>Program Services</u>	<u>Support Services</u>	
	<u>Education</u>	<u>Management and General</u>	<u>Totals</u>
Certificated salaries	5,133,007	2,683,561	7,816,568
Classified salaries	2,150,002	1,127,188	3,277,190
Employee benefits	1,987,196	1,054,719	3,041,915
Books and supplies	1,260,783	675,755	1,936,538
Travel and conferences	16,546	9,054	25,600
Dues and memberships	15,532	8,133	23,665
Insurance	165,304	87,128	252,432
Operation and housekeeping services	391,644	192,015	583,659
Rental, leases, repairs, and non-capitalized improvements	1,107,013	604,639	1,711,652
Professional/consulting services and operating expenditures	2,302,222	1,172,090	3,474,312
Communications	157,846	81,497	239,343
Depreciation & Amortization	-	370,924	370,924
Total expenses	<u>\$ 14,687,095</u>	<u>\$ 8,066,703</u>	<u>\$ 22,753,798</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, 2022**

	<u>CALSM SHS</u>	<u>MCS</u>	<u>ECA</u>	<u>ECALS</u>	<u>Totals</u>
June 30, 2022, Charter School Unaudited Actuals Financial Report -- Alternative Form, Ending Fund Balance	\$ 6,641,180	\$ 2,824,275	\$ 2,035,858	\$ 2,156,212	\$ 13,657,525
Adjustments and reclassifications:					
Increasing (decreasing) the fund balance to net assets:					
Cash in banks (overstatement) understatement	(99,236)	79,059	88,983	(53,535)	99,348
Accounts receivable (overstatement) understatement	46,488	46,120	39,874	30,930	(46,821)
Other current assets (overstatement)	-	15,667	(34,411)	-	(18,744)
Fixed assets, net (overstatement) understatement	-	-	14,651	-	14,651
Accrued expenses overstatement (understatement)	170,593	(51,983)	(3,900)	122,796	237,506
Net adjustments and reclassifications	<u>155,272</u>	<u>88,863</u>	<u>105,197</u>	<u>100,191</u>	<u>285,940</u>
June 30, 2022, Audited Financial Statements, Net Assets	<u>\$ 6,796,511</u>	<u>\$ 2,913,138</u>	<u>\$ 2,141,055</u>	<u>\$ 2,256,403</u>	<u>\$ 14,107,107</u>

**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**PUC VALLEY**  
**COMBINING STATEMENT OF FINANCIAL POSITION**  
**June 30, 2022**

	TCA	NECA	LCHS	CCE	ICA	TL-LLC	Eliminations	Totals
<b>ASSETS</b>								
Current assets:								
Cash	\$ 3,430,767	\$ 1,888,274	\$ 3,518,799	\$ 2,141,130	\$ 443,745	\$ 2,342,263	\$ -	\$ 13,764,978
Accounts receivable	4,823,904	2,376,990	2,775,861	1,497,267	1,431,464	499,512	-	13,404,998
Due from related party	-	317,912	-	-	-	-	(312,492)	5,420
Prepaid expenses	17,020	24,225	5,162	3,580	2,523	-	-	52,510
Other current assets	67,390	32,525	39,164	34,168	62,847	-	-	236,094
Total current assets	8,339,081	4,639,926	6,338,986	3,676,145	1,940,579	2,841,775	(312,492)	27,464,000
Restricted cash, noncurrent portion	-	-	-	-	-	1,493,858	-	1,493,858
Fixed assets, net	89,897	75,563	157,469	120,139	119,720	20,622,685	-	21,185,473
Deposits	134,457	18,002	74,257	9,013	2,363	-	-	238,092
Total assets	<u>\$ 8,563,435</u>	<u>\$ 4,733,491</u>	<u>\$ 6,570,712</u>	<u>\$ 3,805,297</u>	<u>\$ 2,062,662</u>	<u>\$ 24,958,318</u>	<u>\$ (312,492)</u>	<u>\$ 50,381,423</u>
<b>LIABILITIES AND NET ASSETS</b>								
Current liabilities:								
Accounts payable	\$ 879,164	\$ 202,588	\$ 696,195	\$ 146,303	\$ 55,149	\$ -	\$ -	\$ 1,979,399
Due to related party	-	-	-	-	-	312,492	(312,492)	-
Accrued expenses	127,482	200,798	190,886	61,237	127,706	515,035	-	1,223,144
Deferred rent	79,619	274,988	46,760	17,795	-	-	-	419,162
Other current liabilities	213,476	77,730	152,063	119,526	81,321	-	-	644,116
Current portion of debt obligations, net	-	-	-	-	-	400,780	-	400,780
Total current liabilities	1,299,741	756,104	1,085,904	344,861	264,176	1,228,307	(312,492)	4,666,601
Debt obligations, net of current portion	-	-	-	-	-	21,343,797	-	21,343,797
Total long-term liabilities	-	-	-	-	-	21,343,797	-	21,343,797
Total liabilities	1,299,741	756,104	1,085,904	344,861	264,176	22,572,104	(312,492)	26,010,398
Net assets:								
Net assets with donor restrictions	2,902,485	1,412,277	1,835,541	910,361	822,059	-	-	7,882,723
net assets without donor restrictions - Undesignated	4,361,209	2,565,110	3,649,267	2,550,075	976,427	2,386,214	-	16,488,302
Total net assets	<u>7,263,694</u>	<u>3,977,387</u>	<u>5,484,808</u>	<u>3,460,436</u>	<u>1,798,486</u>	<u>2,386,214</u>	<u>-</u>	<u>24,371,025</u>
Total liabilities and net assets	<u>\$ 8,563,435</u>	<u>\$ 4,733,491</u>	<u>\$ 6,570,712</u>	<u>\$ 3,805,297</u>	<u>\$ 2,062,662</u>	<u>\$ 24,958,318</u>	<u>\$ -</u>	<u>\$ 50,381,423</u>

**PARTNERSHIPS TO UPLIFT COMMUNITIES  
PUC VALLEY  
COMBINING STATEMENT OF ACTIVITIES  
June 30, 2022**

	TCA	NECA	LCHS	CCE	ICA	TL-LLC	Elimination	Totals
<b>REVENUES</b>								
Revenue limit sources:								
State aid	\$ 4,758,371	\$ 1,600,377	\$ 2,668,633	\$ 2,171,548	\$ 1,557,359	\$ -	\$ -	\$ 12,756,288
Education protection account	2,123,498	912,028	1,596,734	54,356	38,446	-	-	4,725,062
In-lieu of property taxes	2,267,927	972,973	1,262,958	860,958	608,956	-	-	5,973,772
Federal revenues	3,044,165	1,522,643	1,673,665	1,208,362	1,179,120	-	-	8,627,955
State revenues	2,734,152	1,141,038	1,481,501	1,065,014	603,978	-	-	7,025,683
Local revenues:								
Fundraising	78,148	40,469	70,000	22,371	53,391	-	-	264,379
Rent	-	-	-	-	-	2,030,157	(2,030,157)	-
Miscellaneous	184,907	58,559	95,014	46,659	94,897	6,182	-	486,218
Total revenues	<u>15,191,168</u>	<u>6,248,087</u>	<u>8,848,505</u>	<u>5,429,268</u>	<u>4,136,147</u>	<u>2,036,339</u>	<u>(2,030,157)</u>	<u>39,859,357</u>
<b>EXPENSES</b>								
Program services:								
Education	8,950,937	3,562,701	5,087,840	3,485,441	2,952,388	-	-	24,039,307
Support services:								
Management and general	4,090,306	1,791,774	2,347,858	1,341,700	1,251,136	2,218,350	(2,030,157)	11,010,967
Total expenses	<u>13,041,243</u>	<u>5,354,475</u>	<u>7,435,698</u>	<u>4,827,141</u>	<u>4,203,524</u>	<u>2,218,350</u>	<u>(2,030,157)</u>	<u>35,050,274</u>
<b>CHANGE IN NET ASSETS</b>	2,149,925	893,612	1,412,807	602,127	(67,377)	(182,011)	-	4,809,083
<b>NET ASSETS, BEGINNING</b>	5,113,769	3,083,775	4,072,001	2,858,309	1,865,863	2,568,225	-	19,561,942
<b>NET ASSETS, ENDING</b>	<u>\$ 7,263,694</u>	<u>\$ 3,977,387</u>	<u>\$ 5,484,808</u>	<u>\$ 3,460,436</u>	<u>\$ 1,798,486</u>	<u>\$ 2,386,214</u>	<u>\$ -</u>	<u>\$ 24,371,025</u>

**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**PUC VALLEY**  
**COMBINING STATEMENT OF CASH FLOWS**  
**For the Fiscal Year Ended June 30, 2022**

	TCA	NECA	LCHS	CCE	ICA	TL-LLC	Totals
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>							
Change in net assets	\$ 2,149,925	\$ 893,612	\$ 1,412,807	\$ 602,127	\$ (67,377)	\$ (182,011)	\$ 4,809,083
Adjustments to reconcile change in net assets to net cash from provided by operating activities:							
Depreciation	35,465	37,014	62,021	52,560	45,299	664,452	896,811
Amortization of debt discount	-	141,130	-	-	-	-	141,130
(Increase) decrease in operating assets:							
Accounts receivable	(869,840)	(395,078)	(465,319)	(65,286)	(37,643)	-	(1,833,166)
Prepaid expenses	22,384	(14,168)	17,686	6,718	9,526	-	42,146
Other current assets	178,228	82,069	96,997	70,465	33,384	-	461,143
Deposits	-	(1,240)	-	-	-	-	(1,240)
Increase (decrease) in operating liabilities:							
Accounts payable	143,296	50,560	227,254	(87,813)	(34,932)	-	298,365
Accrued expenses	(452,794)	8,263	(47,796)	(89,441)	(23,832)	(8,204)	(613,804)
Deferred rent	213,757	-	-	-	-	-	213,757
Other current liabilities	(281)	44,095	57,912	53,486	31,871	-	187,083
Net cash flows provided by (used in) operating activities	<u>1,420,140</u>	<u>846,257</u>	<u>1,361,562</u>	<u>542,816</u>	<u>(43,704)</u>	<u>474,237</u>	<u>4,601,308</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>							
Purchase of fixed assets	(16,697)	(194,905)	(45,387)	(13,089)	(15,598)	-	(285,676)
Net cash flows used in investing activities	<u>(16,697)</u>	<u>(194,905)</u>	<u>(45,387)</u>	<u>(13,089)</u>	<u>(15,598)</u>	<u>-</u>	<u>(285,676)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>							
Payments on debt obligations	-	-	-	-	-	(460,000)	(460,000)
Net cash flows used in financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(460,000)</u>	<u>(460,000)</u>
<b>NET INCREASE (DECREASE) IN CASH</b>	<u>1,403,443</u>	<u>651,352</u>	<u>1,316,175</u>	<u>529,727</u>	<u>(59,302)</u>	<u>14,237</u>	<u>3,855,632</u>
<b>CASH AND RESTRICTED CASH, BEGINNING</b>	<u>2,027,324</u>	<u>1,236,922</u>	<u>2,202,624</u>	<u>1,611,403</u>	<u>503,047</u>	<u>3,821,884</u>	<u>11,403,204</u>
<b>CASH AND RESTRICTED CASH, ENDING</b>	<u>\$ 3,430,767</u>	<u>\$ 1,888,274</u>	<u>\$ 3,518,799</u>	<u>\$ 2,141,130</u>	<u>\$ 443,745</u>	<u>\$ 3,836,121</u>	<u>\$ 15,258,836</u>
<b>SUPPLEMENTAL DISCLOSURE:</b>							
Cash paid for interest	<u>\$ 84</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 90</u>	<u>\$ 90</u>	<u>\$ 1,557,413</u>	<u>\$ 1,557,677</u>
<b>RECONCILIATION OF CASH AND RESTRICTED CASH TO THE STATEMENT OF FINANCIAL POSITION</b>							
Cash	\$ 3,430,767	\$ 1,888,274	\$ 3,518,799	\$ 2,141,130	\$ 443,745	\$ 2,342,263	\$ 13,764,978
Restricted cash	-	-	-	-	-	1,493,858	1,493,858
<b>TOTAL CASH AND RESTRICTED CASH</b>	<u>\$ 3,430,767</u>	<u>\$ 1,888,274</u>	<u>\$ 3,518,799</u>	<u>\$ 2,141,130</u>	<u>\$ 443,745</u>	<u>\$ 3,836,121</u>	<u>\$ 15,258,836</u>

**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**PUC VALLEY**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**For the Fiscal Year Ended June 30, 2022**

	<u>Program Services</u>	<u>Support Services</u>	<u>Totals</u>
	<u>Education</u>	<u>Management and General</u>	
Certificated salaries	8,327,446	3,652,048	\$ 11,979,494
Classified salaries	3,421,387	1,519,096	4,940,483
Employee benefits	2,992,135	1,315,328	4,307,463
Books and supplies	2,006,482	885,508	2,891,990
Travel and conferences	17,167	7,641	24,808
Dues and memberships	22,079	9,732	31,811
Insurance	234,765	103,225	337,990
Operation and housekeeping services	460,615	199,876	660,491
Rental, leases, repairs, and non-capitalized improvements	2,227,213	2,247,550	4,474,763
Professional/consulting services and operating expenditures	4,090,104	1,959,389	6,049,493
Communications	239,914	103,790	343,704
Depreciation & Amortization	-	1,037,941	1,037,941
Total expenses before eliminations	24,039,307	13,041,124	37,080,431
Intercompany eliminations	-	(2,030,157)	(2,030,157)
Total expenses	<u>\$ 24,039,307</u>	<u>\$ 11,010,967</u>	<u>\$ 35,050,274</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, 2022**

	<u>TCA</u>	<u>NECA</u>	<u>LCHS</u>	<u>CCE</u>	<u>ICA</u>	<u>Totals</u>
June 30, 2022, Charter School Unaudited Actuals Financial Report -- Alternative Form, Ending Fund Balance	\$ 7,000,332	\$ 3,931,343	\$ 5,406,215	\$ 3,421,259	\$ 1,759,481	\$ 21,518,630
Adjustments and reclassifications:						
Increasing (decreasing) the fund balance to net assets:						
Cash in banks (overstatement) understatement	(251,850)	(219,888)	(131,221)	(67,915)	(60,961)	(731,835)
Accounts receivable understatement/ (overstatement)	273,324	(25,069)	(29,356)	(29,470)	(54,122)	135,307
Other current assets understatement/(overstatement)	-	309,500	26,892	30,433	54,901	421,726
Accrued expenses overstatement (understatement)	241,888	(18,499)	212,278	106,129	99,187	640,983
Net adjustments and reclassifications	<u>263,362</u>	<u>46,044</u>	<u>78,593</u>	<u>39,177</u>	<u>39,005</u>	<u>466,181</u>
June 30, 2022, Audited Financial Statements, Net Assets	<u>\$ 7,263,694</u>	<u>\$ 3,977,387</u>	<u>\$ 5,484,808</u>	<u>\$ 3,460,436</u>	<u>\$ 1,798,486</u>	<u>\$ 21,984,811</u>

**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**PUC LAKEVIEW TERRACE**  
**COMBINING STATEMENT OF FINANCIAL POSITION**  
**For the Fiscal Year Ended June 30, 2022**

	CCMSHS	LCA	SC-LLC	Totals
<b>ASSETS</b>				
Current assets:				
Cash	\$ 6,011,236	\$ 1,536,446	\$ 2,782,916	\$ 10,330,598
Accounts receivable	4,660,300	2,203,124	-	6,863,424
Prepaid expenses	15,688	3,726	-	19,414
Other current assets	81,922	15,495	-	97,417
Deferred rent	27,921	11,746	-	39,667
Total current assets	10,797,067	3,770,537	2,782,916	17,350,520
Restricted cash, noncurrent portion	-	-	479,151	479,151
Fixed assets, net	484,760	229,367	\$ 17,785,993	18,500,120
Deposits	263,261	106,586	-	369,847
Total noncurrent assets	748,021	335,953	18,265,144	19,349,118
Total assets	\$ 11,545,088	\$ 4,106,490	\$ 21,048,060	\$ 36,699,638
<b>LIABILITIES AND NET ASSETS</b>				
Current liabilities:				
Accounts payable	\$ 481,855	\$ 270,212	\$ 349,958	\$ 1,102,025
Accrued expenses	121,958	171,317	407,133	700,408
Other current liabilities	-	111,235	-	111,235
Current portion of debt obligations, net	-	-	398,090	398,090
Total current liabilities	603,813	552,764	1,155,181	2,311,758
Debt obligations, net, less current portion	-	-	21,797,035	21,797,035
Total liabilities	603,813	552,764	22,952,216	24,108,793
Net assets:				
Net assets with donor restrictions	3,222,917	1,411,800	-	4,634,717
Net assets without donor restrictions - Undesignated	7,718,358	2,141,926	(1,904,156)	7,956,128
Total net assets	10,941,275	3,553,726	(1,904,156)	12,590,845
Total liabilities and net assets	\$ 11,545,088	\$ 4,106,490	\$ 21,048,060	\$ 36,699,638



**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**PUC LAKEVIEW TERRACE**  
**COMBINING STATEMENT OF ACTIVITIES**  
**For the Fiscal Year Ended June 30, 2022**

	<u>CCMSHS</u>	<u>LCA</u>	<u>SC-LLC</u>	<u>Eliminations</u>	<u>Totals</u>
<b>REVENUES</b>					
Revenue limit sources:					
State aid	\$ 4,938,749	\$ 1,442,502	\$ -	\$ -	\$ 6,381,251
Education protection account	2,221,174	826,065	-	-	3,047,239
In-lieu of property taxes	2,371,167	882,056	-	-	3,253,223
Federal revenues	3,111,566	1,438,953	-	-	4,550,519
State revenues	2,593,382	1,106,174	-	-	3,699,556
Local revenues:					
Fundraising	192,196	26,056	-	-	218,252
Rent	-	-	1,676,397	(1,676,397)	-
Miscellaneous	115,018	22,248	47,734	-	185,000
Total revenues	<u>15,543,252</u>	<u>5,744,054</u>	<u>1,724,131</u>	<u>(1,676,397)</u>	<u>21,335,040</u>
<b>EXPENSES</b>					
Program services:					
Education	9,283,225	3,694,175	-	-	12,977,400
Support services:					
Management and general	<u>3,523,271</u>	<u>1,494,314</u>	<u>1,820,313</u>	<u>(1,676,397)</u>	<u>5,161,501</u>
Total expenses	<u>12,806,496</u>	<u>5,188,489</u>	<u>1,820,313</u>	<u>(1,676,397)</u>	<u>18,138,901</u>
<b>CHANGE IN NET ASSETS</b>	2,736,756	555,565	(96,182)	-	3,196,139
<b>NET ASSETS (DEFICIT), BEGINNING</b>	<u>8,204,519</u>	<u>2,998,161</u>	<u>(1,807,974)</u>	<u>-</u>	<u>9,394,706</u>
<b>NET ASSETS (DEFICIT), ENDING</b>	<u>\$ 10,941,275</u>	<u>\$ 3,553,726</u>	<u>\$ (1,904,156)</u>	<u>\$ -</u>	<u>\$ 12,590,845</u>

**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**PUC LAKEVIEW TERRACE**  
**COMBINING STATEMENT OF CASH FLOWS**  
**For the Fiscal Year Ended June 30, 2022**

	<u>CCMSHS</u>	<u>LCA</u>	<u>SL-LLC</u>	<u>Totals</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Change in net assets	\$ 2,736,756	\$ 555,565	\$ (96,182)	\$ 3,196,139
Adjustments to reconcile change in net assets to net cash provided by operating activities:				
Depreciation	92,122	57,194	588,694	738,010
(Increase) decrease in operating assets:				
Accounts receivable	(845,655)	(636,727)	-	(1,482,382)
Prepaid expenses	16,456	6,007	-	22,463
Increase (decrease) in operating liabilities:				
Accounts payable	8,051	53,822	-	61,873
Accrued expenses	(279,315)	18,531	(6,887)	(267,671)
Other current liabilities	(31,986)	57,419	-	25,433
Net cash flows provided by operating activities	<u>1,625,501</u>	<u>105,569</u>	<u>485,625</u>	<u>2,216,695</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Purchase of fixed assets	(248,263)	(63,441)	-	(311,704)
Net cash flows used in investing activities	<u>(248,263)</u>	<u>(63,441)</u>	<u>-</u>	<u>(311,704)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>				
Payments on debt obligations	-	-	(435,000)	(435,000)
Net cash flows used in financing activities	<u>-</u>	<u>-</u>	<u>(435,000)</u>	<u>(435,000)</u>
<b>NET INCREASE IN CASH</b>	<u>1,377,238</u>	<u>42,128</u>	<u>50,625</u>	<u>1,469,991</u>
<b>CASH AND RESTRICTED CASH, BEGINNING</b>	<u>4,633,998</u>	<u>1,494,318</u>	<u>3,211,442</u>	<u>9,339,758</u>
<b>CASH AND RESTRICTED, ENDING</b>	<u>\$ 6,011,236</u>	<u>\$ 1,536,446</u>	<u>\$ 3,262,067</u>	<u>\$ 10,809,749</u>
<b>SUPPLEMENTAL DISCLOSURE:</b>				
Cash paid for interest	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,231,729</u>	<u>\$ 1,231,729</u>
<b>RECONCILIATION OF CASH AND RESTRICTED CASH TO THE STATEMENT OF FINANCIAL POSITION</b>				
Cash	\$ 6,011,236	\$ 1,536,446	\$ 2,782,916	\$ 10,330,598
Restricted cash	-	-	479,151	479,151
<b>TOTAL CASH AND RESTRICTED CASH</b>	<u>\$ 6,011,236</u>	<u>\$ 1,536,446</u>	<u>\$ 3,262,067</u>	<u>\$ 10,809,749</u>

**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**PUC LAKEVIEW TERRACE**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**For the Fiscal Year Ended June 30, 2022**

	<u>Program Services</u>	<u>Support Services</u>	<u>Totals</u>
	<u>Education</u>	<u>Management and General</u>	
Certificated salaries	\$ 4,671,620	\$ 1,752,909	\$ 6,424,529
Classified salaries	1,270,742	471,707	1,742,449
Employee benefits	1,660,441	623,350	2,283,791
Books and supplies	824,958	308,994	1,133,952
Travel and conferences	5,280	1,995	7,275
Dues and memberships	11,900	4,465	16,365
Insurance	145,433	54,607	200,040
Operation and housekeeping services	255,384	95,904	351,288
Rental, leases, repairs, and non-capitalized improvements	1,129,023	1,511,702	2,640,725
Professional/consulting services and operating expenditures	2,905,185	1,239,495	4,144,680
Communications	97,434	34,760	132,194
Depreciation & Amortization	-	738,010	738,010
Total expenses before eliminations	12,977,400	6,837,898	19,815,298
Eliminations	-	(1,676,397)	(1,676,397)
Total expenses	<u>\$ 12,977,400</u>	<u>\$ 5,161,501</u>	<u>\$ 18,138,901</u>

**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**PUC LAKEVIEW TERRACE**  
**RECONCILIATION OF CHARTER SCHOOL UNAUDITED ACTUALS FINANCIAL**  
**REPORT -- ALTERNATIVE FORM WITH AUDITED FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended June 30, 2022**

	<b>CCMSHS</b>	<b>LCA</b>	<b>Totals</b>
June 30, 2022, Charter School Unaudited Actuals Financial Report -- Alternative Form, Ending Fund Balance	\$ 10,363,186	\$ 3,514,399	\$ 13,877,585
Adjustments and reclassifications:			
Increasing (decreasing) the fund balance to net assets:			
Cash in banks (overstatement) understatement	(216,609)	(47,378)	(263,987)
Accounts receivable (overstatement) understatement	(21,721)	(4,940)	(26,661)
Other current assets (overstatement) understatement	102,459	(112)	102,347
Accrued expenses overstatement (understatement)	713,960	91,757	805,717
Net adjustments and reclassifications	578,089	39,327	617,416
June 30, 2022, Audited Financial Statements, Net Assets	\$ 10,941,275	\$ 3,553,726	\$ 14,495,001

**OTHER INDEPENDENT AUDITORS' REPORTS**

**Report on Internal Control  
Over Financial Reporting and on Compliance  
and Other Matters Based on an Audit of  
Financial Statements Performed in Accordance  
With *Government Auditing Standards***

Independent Auditors' Report

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 (*Government Auditing Standards*), the consolidated financial statements of Partnerships to Uplift Communities (the Organization), which comprise the Organization's consolidated statement of financial position as of June 30, 2022, and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidating financial statements, and have issued our report thereon dated December 29, 2022.

**Report on Internal Control Over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

## **Report on Compliance and Other Matters**

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

### **Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Baker Tilly US, LLP*

San Diego, California  
December 29, 2022

**Report on Compliance  
for the Major Federal Program and  
Report on Internal Control Over Compliance  
Required by the Uniform Guidance**

Independent Auditors' Report

Board of Directors  
Partnerships to Uplift Communities  
Burbank, California

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

***Opinion on the Major Federal Program***

We have audited Partnerships to Uplift Communities' (the Organization) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the Organization's major federal program for the year ended June 30, 2022. The Organization's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

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

***Basis for Opinion on the Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

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

***Responsibilities of Management for Compliance***

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



## ***Auditors' Responsibilities for the Audit of Compliance***

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

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over compliance. Accordingly, no such opinion is expressed.

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

### **Report on Internal Control Over Compliance**

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

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

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

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

*Baker Tilly US, LLP*

San Diego, California  
December 29, 2022

## 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 *2021-22 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, 2022. 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.

### Auditors’ 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, *2021-22 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:

Description	Procedures Performed
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	Not Applicable
Immunizations	Yes
Educator Effectiveness	Yes
Expanded Learning Opportunities Grant	Yes
Career Technical Education Incentive Grant	Yes
InPerson Instruction Grant	Not Applicable
Attendance	Yes
Mode of Instruction	Yes
Nonclassroom-Based Instruction/Independent Study	Not Applicable
Determination of Funding for Nonclassroom-Based Instruction	Not Applicable
Annual Instructional Minutes - Classroom Based	Yes
Charter School Facility Grant Program	Yes

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

In our opinion, Partnership 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 state programs for the fiscal year ended June 30, 2022.

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 the *2021-22 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Accordingly, this report is not suitable for any other purpose.



San Diego, California  
December 29, 2022

## **FINDINGS AND RECOMMENDATIONS SECTION**

**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the Fiscal Year Ended June 30, 2022**

**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>
84.425	COVID-19- Elementary and Secondary School Emergency Relief (ESSER) Fund

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  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For the Fiscal Year Ended June 30, 2022**

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**A. Summary of Auditor's Results (Continued)**

3. State Awards

Internal control over state 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 auditors' report issued on compliance  
for state programs:                Unmodified          

**B. Financial Statement Findings**

None

**C. Federal Award Findings and Questioned Costs**

None

**D. State Award Findings and Questioned Costs**

None

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**PARTNERSHIPS TO UPLIFT COMMUNITIES**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**For the Fiscal Year Ended June 30, 2022**

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