

ASPIRE PUBLIC SCHOOLS
CONSOLIDATED FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITOR'S REPORT
YEARS ENDED
JUNE 30, 2019 AND 2018

ASPIRE PUBLIC SCHOOLS

TABLE OF CONTENTS

	<u>PAGE</u>
INDEPENDENT AUDITOR’S REPORT	1
FINANCIAL STATEMENTS	
Consolidated Statements of Financial Position	3
Consolidated Statements of Activities	4
Consolidated Statement of Functional Expenses	5
Consolidated Statements of Cash Flows	6
Notes to Financial Statements	7
SUPPLEMENTARY INFORMATION	
Organization, Governing Board, and Administration	31
Schedule of Average Daily Attendance	32
Schedule of Instructional Time	38
Consolidating Statement of Financial Position, by Region	43
Consolidating Statement of Activities, by Region	45
Consolidating Statement of Financial Position	47
Consolidating Statement of Activities	53
Consolidating Schedule of Functional Expenses	59
Schedule of Expenditures of Federal Awards	62
Notes to Schedule of Expenditures of Federal Awards	63
OTHER INDEPENDENT AUDITOR’S 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 <i>Government Auditing Standards</i>	64
Report on Compliance with Applicable Requirements in Accordance with 2018-19 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting	66
Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance	68
FINDINGS AND QUESTIONED COSTS	
Schedule of Findings and Questioned Costs	70
Status of Prior Year Findings	73

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Aspire Public Schools, a non-profit public benefit corporation, and affiliates (collectively, the Organization), which comprise the consolidated statements of financial position as of June 30, 2019 and 2018, and the related consolidated statements of activities and cash flows for the years then ended, the related consolidated statement of functional expenses for the year ended June 30, 2019, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *2018-19 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, published by the Education Audit Appeals Panel. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Aspire Public Schools and affiliates as of June 30, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Supplementary Information

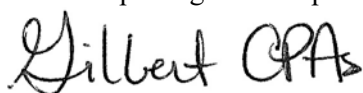
Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying Supplementary Information, as listed in the Table of Contents, as required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the *2018-19 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, published by the Education Audit Appeals Panel, 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 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.

Adoption of New Accounting Standards

As discussed in Note 1 to the consolidated financial statements, in 2019 the Organization adopted new accounting guidance, Accounting Standards Update (ASU) 2016-14, Not-for-Profit Entities (Topic 958), Presentation of Financial Statements of Not-for-Profit Entities; Topic 606, Revenue from Contracts with Customers; and ASU 2018-08, Topic 958, Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made. Our opinion is not modified with respect to this matter.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 13, 2019 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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.



**GILBERT CPAs
Sacramento, California**

December 13, 2019

ASPIRE PUBLIC SCHOOLS

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION JUNE 30, 2019 AND 2018

	ASSETS	
	2019	2018
CURRENT ASSETS:		
Cash and cash equivalents	\$ 37,422,237	\$ 41,008,458
Restricted cash and cash equivalents	4,295,780	4,014,247
Accounts receivable	27,020,706	22,773,247
Contributions receivable, current portion	439,625	3,919,091
Prepaid expenses and deposits	1,357,147	1,628,013
Total current assets	70,535,495	73,343,056
NON-CURRENT ASSETS:		
Restricted cash and cash equivalents	9,667,526	10,338,704
Investments	50,756	136,619
Contributions receivable, net	-	24,358
Property and equipment, net	183,179,872	168,981,244
Other assets, net	344,018	380,877
TOTAL ASSETS	\$ 263,777,667	\$ 253,204,858
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
Accounts payable	\$ 8,983,390	\$ 5,772,805
Accrued expenses	12,138,610	10,847,195
Deferred revenue	333,111	-
Line of credit	2,800,000	2,200,000
Debt, current	2,577,117	2,392,336
Total current liabilities	26,832,228	21,212,336
LONG-TERM LIABILITIES:		
Deferred rent	893,174	866,452
Capital lease	17,937,179	-
Debt, net	133,243,848	136,240,239
Total liabilities	178,906,429	158,319,027
NET ASSETS:		
Without donor restrictions	73,414,525	79,729,026
With donor restrictions	11,456,713	15,156,805
Total net assets	84,871,238	94,885,831
TOTAL LIABILITIES AND NET ASSETS	\$ 263,777,667	\$ 253,204,858

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

ASPIRE PUBLIC SCHOOLS

CONSOLIDATED STATEMENTS OF ACTIVITIES YEARS ENDED JUNE 30, 2019 AND 2018

NET ASSETS WITHOUT DONOR RESTRICTIONS:	2019	2018
SUPPORT AND REVENUE:		
Private grants and contributions	\$ 3,091,633	\$ 2,689,082
Donated equipment, materials, and services	5,000	-
Federal revenue	19,867,626	20,567,652
California state revenue:		
State aid portion of general purpose funding	99,279,995	91,329,707
All other state revenue	18,652,594	18,819,928
Tennessee state revenue:		
Basic education program funding	15,874,909	14,010,357
All other state revenue	531,931	382,149
Local revenue:		
Cash in-lieu of property taxes	31,063,727	28,616,003
Interest income	646,200	397,397
All other local revenue	3,199,805	2,600,053
Subtotal	192,213,420	179,412,328
Net assets released from restrictions	35,303,647	41,036,373
Total support and revenue	227,517,067	220,448,701
EXPENSES AND LOSSES		
PROGRAM EXPENSES:		
Educational programs	213,665,508	185,782,127
SUPPORTING SERVICES:		
Site support	12,735,144	15,774,016
Development and expansion	1,054,027	8,491,465
Administration and general	4,092,814	6,427,130
Total supporting services	17,881,985	30,692,611
Total expenses	231,547,493	216,474,738
Settlement expense	2,100,000	-
Return of grant funds	184,075	-
Loss on deconsolidation	-	301,198
Total expenses and losses	233,831,568	216,775,936
Increase (Decrease) in Net Assets without Donor Restrictions	(6,314,501)	3,672,765
NET ASSETS WITH DONOR RESTRICTIONS:		
Private grants and contributions	1,030,227	4,747,000
Federal and state revenue	30,576,059	27,394,309
Return of grant funds	(2,731)	-
Loss on deconsolidation	-	(2,595,975)
Net assets released from restrictions	(35,303,647)	(41,036,373)
Decrease in Net Assets with Donor Restrictions	(3,700,092)	(11,491,039)
DECREASE IN NET ASSETS	(10,014,593)	(7,818,274)
NET ASSETS - Beginning of Year	94,885,831	102,704,105
NET ASSETS - End of Year	\$ 84,871,238	\$ 94,885,831

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

ASPIRE PUBLIC SCHOOLS

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES YEAR ENDED JUNE 30, 2019

	Program Expenses	Supporting Services			Total
	<u>Educational Programs</u>	<u>Site Support</u>	<u>Development and Expansion</u>	<u>Administration and General</u>	
Salaries and wages	\$ 114,653,951	\$ 6,329,506	\$ 470,487	\$ 1,810,037	\$ 123,263,981
Employee benefits	37,591,987	2,134,083	137,126	610,054	40,473,250
Books and supplies	11,667,124	557,342	33,033	159,246	12,416,745
Rents and occupancy	11,684,136	533,003	-	533,003	12,750,142
Professional services	19,295,008	1,775,987	379,741	507,425	21,958,161
Bonds and loan interest	6,912,856	258,455	-	73,844	7,245,155
Depreciation and amortization	8,693,987	103,710	-	103,710	8,901,407
Travel and meetings	2,824,772	376,286	29,774	107,531	3,338,363
Other expenses	341,687	666,772	3,866	187,964	1,200,289
Total	<u>\$ 213,665,508</u>	<u>\$ 12,735,144</u>	<u>\$ 1,054,027</u>	<u>\$ 4,092,814</u>	<u>\$ 231,547,493</u>

ASPIRE PUBLIC SCHOOLS

CONSOLIDATED STATEMENTS OF CASH FLOWS YEARS ENDED JUNE 30, 2019 AND 2018

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES:		
Decrease in net assets	\$ (10,014,593)	\$ (7,818,274)
Adjustments to reconcile to net cash provided (used) by operating activities:		
Loss on investments	86,402	-
Depreciation	8,864,548	7,477,303
Amortization	36,859	44,840
Loss on disposal of property and equipment	202,338	-
Forgiveness of debt	-	(700,000)
Amortization of long-term debt costs	(339,002)	(339,001)
(Increase) decrease in assets:		
Accounts receivable	(4,247,459)	(3,036,054)
Contributions receivable	3,503,824	3,544,890
Prepaid expenses and deposits	270,866	(955,275)
Increase (decrease) in liabilities:		
Accounts payable	3,123,915	(2,650,807)
Accrued expenses	1,291,415	308,249
Deferred revenue	333,111	-
Deferred rent	26,722	26,001
Net cash provided (used) by operating activities	3,138,946	(4,098,128)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of investments	(539)	-
Proceeds from the sale of investments	-	9,967,877
Purchases of property and equipment	(5,241,665)	(7,112,637)
Net cash provided (used) in investing activities	(5,242,204)	2,855,240
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net proceeds from line of credit	600,000	2,000,000
Proceeds from debt	-	824,165
Principal payments on debt	(2,472,608)	(2,187,497)
Net cash provided (used) by financing activities	(1,872,608)	636,668
Net decrease in cash and cash equivalents	(3,975,866)	(606,220)
Cash and cash equivalents, beginning of year	55,361,409	55,967,629
Cash and cash equivalents, end of year	\$ 51,385,543	\$ 55,361,409
Cash and cash equivalents	\$ 37,422,237	\$ 41,008,458
Restricted cash and cash equivalents	13,963,306	14,352,951
Total	\$ 51,385,543	\$ 55,361,409
NON-CASH INVESTING AND FINANCING ACTIVITIES:		
Property and equipment financed through accounts payable	\$ 86,670	\$ 1,191,423
Property and equipment financed through capital lease	\$ 17,937,179	\$ -
Forgiveness of debt	\$ -	\$ 700,000
CASH PAID FOR INTEREST (net of capitalized amount)	\$ 6,866,918	\$ 6,366,369

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

ASPIRE PUBLIC SCHOOLS

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2019 AND 2018

1. OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES

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

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

Aspire Public Schools TN, LLC (TN LLC) is a Tennessee non-profit limited liability company created in July 2013, whose sole member is Aspire Public Schools. TN LLC incorporated pursuant to the Tennessee Nonprofit Corporation Act and is a disregarded entity for federal income tax purposes. TN LLC was formed to manage, guide, direct, and promote charter schools that provide quality education to Tennessee youth in primary and secondary grades. TN LLC's support is derived primarily from State of Tennessee public education monies, foundation contributions, and various government agency grants.

The Aspire Public Schools' board determined in December 2018 that it is in the best interest of the four Tennessee based schools to become an independently operated Tennessee-based charter management organization (CMO) entity with a tentative effective date of July 1, 2020. At that time there will be a net asset transfer from Aspire TN, LLC to a new entity that will no longer be under the control of Aspire Public Schools.

Alder Graduate School of Education (Alder) (formerly Aspire University, Inc.) was consolidated with the Organization as of June 30, 2017 since Aspire Public Schools was its sole corporate member. Alder is a separate California non-profit public benefit corporation that was founded in July 2015 with a mission to develop a high-caliber teacher, principal, and leader pipeline for the Organization and other education organizations. On July 1, 2017, Alder revised its bylaws to remove Aspire Public Schools as the sole corporate member and therefore, was deconsolidated from the Organization as of June 30, 2018, resulting in a loss of \$2,897,173 that is reflected in the *Consolidated Statement of Activities*.

Aspire Public Schools Foundation was created in July 2019 as a non-profit public benefit corporation to be organized and operated as a supporting organization of Aspire Public Schools to perform fundraising for the benefit of and on behalf of Aspire Public Schools. Aspire Public Schools Foundation is controlled by, and for the benefit of, Aspire Public Schools. Foundation support will come primarily from private donations and foundation grants.

For financial reporting purposes, CFC LLC, CFC II LLC, CFC INC, and TN LLC, are consolidated with Aspire Public Schools for the years ended June 30, 2019 and 2018.

ASPIRE PUBLIC SCHOOLS

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2019 AND 2018

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

- **Aspire Public Schools** – Aspire Public Schools operates thirty-six schools in California under thirty-five charters which are chartered by twelve charter authorizers (sponsoring districts) in seven counties. Charters were granted for each school for up to five years, with an opportunity for renewal. Charters may be revoked by the sponsoring district for material violations of the charter, failure to meet or make progress toward student outcomes identified in the charter, failure to meet generally accepted standards of fiscal management, or violation of any provision of the law. As of June 30, 2019, the charter schools operated by Aspire Public Schools were as follows:

<u>Charter School Name</u>	<u>Charter School Number</u>	<u>Sponsoring District</u>	<u>*Charter Granted/Renewed</u>	<u>Charter Expiration</u>
Aspire Alexander Twilight College Preparatory Academy	1554	San Juan Unified	Nov 2015	6/30/21
Aspire Alexander Twilight Secondary Academy	1555	San Juan Unified Los Angeles County	Nov 2015	6/30/21
Aspire Antonio Maria Lugo Academy	694	Office of Education	April 2019	6/30/24
Aspire APEX Academy	1552	Stockton Unified	Jan 2018	6/30/23
Aspire Benjamin Holt College Preparatory Academy	565	Lodi Unified	Oct 2017	6/30/23
Aspire Benjamin Holt Middle School	1782	Lodi Unified	Nov 2015	6/30/21
Aspire Berkley Maynard Academy	726	Oakland Unified	Jan 2015	6/30/20
Aspire Capitol Heights Academy	598	Sacramento City Unified	Apr 2018	6/30/23
Aspire Centennial College Preparatory Academy	1436	Los Angeles Unified	Nov 2017	6/30/23
Aspire College Academy	1577	Oakland Unified	Jan 2018	6/30/23
Aspire East Palo Alto Charter School	125	Ravenswood City	Aug 2018	6/30/24
Aspire ERES Academy	1115	Oakland Unified	Nov 2018	6/30/24
Aspire Firestone Academy	1214	Los Angeles Unified	Oct 2014	6/30/20
Aspire Gateway Academy	1213	Los Angeles Unified	Oct 2014	6/30/20
Aspire Golden State College Preparatory Academy	1023	Oakland Unified	Jan 2018	6/30/23
Aspire Inskip Academy	1332	Los Angeles Unified	Oct 2015	6/30/21
Aspire Junior Collegiate Academy	1551	Los Angeles Unified	Nov 2017	6/30/23
Aspire Langston Hughes Academy	1048	Stockton Unified	Jan 2018	6/30/23
Aspire Lionel Wilson College Preparatory Academy	465	Oakland Unified	Dec 2016	6/30/22
Aspire Monarch Academy	252	Oakland Unified Los Angeles County	Nov 2018	6/30/24
Aspire Ollin University Prep	693	Office of Education	April 2019	6/30/24
Aspire Pacific Academy	1230	Los Angeles Unified	Oct 2014	6/30/20
Aspire Port City Academy	1553	Stockton Unified	Jan 2018	6/30/23

ASPIRE PUBLIC SCHOOLS

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2019 AND 2018

<u>Charter School Name</u>	<u>Charter School Number</u>	<u>Sponsoring District</u>	<u>*Charter Granted/Renewed</u>	<u>Charter Expiration</u>
Aspire Richmond California College Preparatory Academy	1739	West Contra Costa Unified	Dec 2014	6/30/20
Aspire Richmond Technology Academy	1740	West Contra Costa Unified	Dec 2014	6/30/20
Aspire River Oaks Charter School	364	Lodi Unified	Feb 2016	6/30/21
Aspire Rosa Parks Academy	554	Stockton Unified	Jan 2015	6/30/20
Aspire Slauson Academy	1330	Los Angeles Unified	Oct 2015	6/30/21
Aspire Summit Charter Academy	812	Ceres Unified	Jan 2016	6/30/21
Aspire Tate Academy	1331	Los Angeles Unified	Oct 2015	6/30/21
Aspire Titan Academy	1550	Los Angeles Unified	Nov 2017	6/30/23
Aspire Triumph Technology Academy	1663	Oakland Unified	Nov 2018	6/30/24
Aspire University Charter School	1026	Modesto City Schools	Jan 2018	6/30/23
Aspire Vanguard College Preparatory Academy	1125	Modesto City Schools	Dec 2018	6/30/24
Aspire Vincent Shalvey Academy	178	Lodi Unified	Dec 2018	6/30/24

* Charter issuance date or the most recent renewal date.

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

Through June 30, 2019, the Organization had separately negotiated with all sponsoring districts for administrative fees and other services. Additionally, for some schools, transportation expenses and/or special education encroachment are paid by the Organization to the sponsoring districts.

- **Aspire Public Schools TN, LLC** – TN LLC operates four schools under four charters in Shelby County, Tennessee. Charters were granted for each school for ten years, with an opportunity for renewal. Charters may be revoked by the charter authorizer (sponsoring district) for material violations of the charter, failure to meet or make progress toward student outcomes identified in the charter, failure to meet generally accepted standards of fiscal management, or violation of any provision of the law. As of June 30, 2019, the charter schools operated by TN LLC were as follows:

<u>Charter School Name</u>	<u>Charter School Number</u>	<u>Sponsoring District</u>	<u>Charter Granted/Renewed</u>	<u>Charter Expiration</u>
Aspire Hanley Middle School	8024	TN Achievement School District	April 2013	6/30/23
Aspire Hanley Elementary School	8025	TN Achievement School District	April 2013	6/30/23
Aspire Coleman Elementary School	8050	TN Achievement School District	May 2014	6/30/24
Aspire East Academy	8175	Shelby County Schools	November 2014	6/30/26

ASPIRE PUBLIC SCHOOLS

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2019 AND 2018

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

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

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

Accounts receivable represent amounts of which the Organization has an unconditional right to receive. Accounts receivable are stated at the amount management expects to be collected from the outstanding balance.

Contributions receivable—Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in more than one year are recorded at fair value, which is measured as the present value of their future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. In subsequent years, amortization of the discounts is included in contribution revenue. In the absence of donor stipulations to the contrary, promises with payments due in future periods are restricted to use after the due date. Management determines the allowance for uncollectable contributions receivable based on historical experience, an assessment of economic conditions, and a review of subsequent collections and are written off when deemed uncollectable. Management has determined that no allowance is deemed necessary as of June 30, 2019 and 2018.

Investments – Investments with readily determinable fair values are stated at fair value and held for long-term purposes. Other investments without readily determinable fair values are stated at the lower of cost or market and evaluated periodically for impairment.

Intangible assets – The Organization has intangible assets for product and service discounts to be used in future periods. The Organization amortizes certain intangibles over their estimated useful lives, while intangible assets determined to have indefinite useful lives are assessed annually for impairment.

ASPIRE PUBLIC SCHOOLS

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2019 AND 2018

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

Revenue recognition – Revenue is recognized when earned. Program service fees and payments under cost-reimbursable federal or state grants received in advance are deferred to the applicable period in which the related services are performed, or the qualifying expenditures are incurred, respectively.

Contributions are recognized when cash, or other assets, or an unconditional promise to give is received. Conditional contributions are not recognized until the conditions on which they depend have been substantially met or the donor has explicitly released the restriction.

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

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

Donated equipment, materials, services, and facilities – In-kind contributions of equipment, materials, and services are recorded at their estimated fair values at the date of donation. Donated services are recorded when they create or enhance non-financial assets or require a specialized skill that the Organization would otherwise need to purchase. During the years ended June 30, 2019 and 2018, in-kind contributions of \$5,000 and \$0 were received, respectively.

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

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

ASPIRE PUBLIC SCHOOLS

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2019 AND 2018

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

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

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

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

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

Use of estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. Significant management estimates included in the financial statements are the collectability of the receivables and contributions receivables, estimate of net present value of the contributions receivable, the valuation of investments, the estimated useful lives of property and equipment, the net present value of intangibles, and the functional allocation of expenses.

Recent accounting pronouncements – In August 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-14, Not-for-Profit Entities (Topic 958) – *Presentation of Financial Statements of Not-for-Profit Entities*. The update addresses the complexity and understandability of net asset classification, information about liquidity and availability of resources, and consistency in the type of information provided about expenses and investment return. The Organization has adjusted the presentation of these statements accordingly. The ASU has been

ASPIRE PUBLIC SCHOOLS

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2019 AND 2018

applied retrospectively to all periods presented, with the exception of the functional expense statement, which has not been applied for the year ended June 30, 2018 as allowed by the transition guidance of this ASU. A list of expenses for the year ended June 30, 2018 is presented in Note 18.

In May 2014, the FASB issued Topic 606, *Revenue from Contracts with Customers*. The new accounting standard develops a common standard that will remove inconsistencies in revenue requirements, improve comparability of revenue recognition practices, provide more useful information to users of financial statements and simplify the preparation of financial statements. The Organization has adjusted the presentation of these consolidated financial statements accordingly with no effect on net assets.

In June 2018, the FASB issued ASU 2018-08, Topic 958, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The new accounting standard clarifies and improves the guidance for (1) evaluating whether transactions should be accounted for as contributions within the scope of Topic 958 or as exchange transactions subject to other guidance and (2) determining whether a contribution is conditional. The Organization has implemented the provisions in the accompanying consolidated financial statements under the modified prospective basis. Accordingly, there is no effect on net assets in connection with the implementation of ASU 2018-08.

In February 2016, the FASB issued ASU 2016-02, *Leases* (Topic 842). The new accounting standard requires lessees to recognize a lease liability measured on a discounted basis and a right-of-use asset for all leases with terms longer than 12 months. Application of this statement is effective for the year ending June 30, 2020. The Organization is currently evaluating the impact this pronouncement will have on the financial statements.

Reclassification - Beginning net assets with donor restrictions were decreased by \$1,242,711 to \$15,156,805 and beginning net assets without donor restrictions were increased by \$1,242,711 to \$79,729,026 on July 1, 2018 due to net assets with purpose restrictions that were met prior to June 30, 2018 and were not released in error. This restatement between net asset classes did not impact the overall beginning net assets of \$94,885,831 as of July 1, 2018.

The impacts of these adjustments as of and for the year ended June 30, 2018 presented are as follows:

	As Previously Issued	As Restated
Net assets without donor restrictions, ending	\$ 78,486,315	\$ 79,729,026
Net assets with donor restrictions, ending	16,399,516	15,156,805
Net assets released from restrictions	(39,793,662)	(41,036,373)
Change in net assets without donor restrictions	2,430,054	3,672,765
Change in net assets with donor restrictions	(10,248,328)	(11,491,039)

Subsequent events have been reviewed through December 13, 2019, the date the financial statements were available to be issued. Management concluded that a subsequent event has occurred since June 30, 2019 that requires recognition and disclosure in the financial statements (see Note 19).

ASPIRE PUBLIC SCHOOLS

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2019 AND 2018

2. LIQUIDITY AND AVAILABILITY OF RESOURCES

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

	<u>2019</u>	<u>2018</u>
Cash and cash equivalents	\$ 37,422,237	\$ 41,008,458
Accounts receivable	27,020,706	22,773,247
Contributions receivable	<u>439,625</u>	<u>3,919,091</u>
Total financial assets, available within one year	64,882,568	67,700,796
Less:		
Amounts unavailable for general expenditures within one year, due to:		
Restrictions by donors for purpose	<u>(6,000,814)</u>	<u>(9,450,906)</u>
Total financial assets available for general expenditures within one year	<u>\$ 58,881,754</u>	<u>\$ 58,249,890</u>

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

3. CONCENTRATIONS OF CASH

The Organization maintains its cash in bank deposit accounts that at times may exceed federally insured limits. The Organization has not experienced any losses in such accounts. Management believes the Organization is not exposed to any significant credit risk related to cash. At June 30, 2019, the Organization held deposits with three financial institutions in excess of federal depository insurance limits of \$51,921,720. Management believes the Organization is not exposed to any significant credit risk related to cash.

4. RESTRICTED CASH

Restricted cash consists of amounts that are required to be held for debt service reserves and for principal and interest payments with respect to the bond outstanding; and contributions restricted to investment in property and equipment. The total restricted cash at June 30, 2019 and 2018 was \$13,963,306 and \$14,352,951, respectively. The current portion of \$4,295,780 and \$4,014,247 as of June 30, 2019 and 2018, respectively, was restricted for current bond debt obligations. The noncurrent portion of \$9,667,526 at June 30, 2019 consisted of \$6,640,351 for debt service reserves and \$3,027,175 for investment in property and equipment. The noncurrent portion of \$10,338,704 at June 30, 2018 consisted of \$6,627,387 for debt service reserves and \$3,711,317 for investment in property and equipment.

ASPIRE PUBLIC SCHOOLS

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2019 AND 2018

5. ACCOUNTS RECEIVABLE

Accounts receivable balances at June 30, 2019 and 2018 were \$27,020,706 and \$22,773,247, respectively. The June 30, 2019 balance was due entirely from grantor government agencies, aside from \$251,006 due from Alder for administrative services performed in 2019. Management deems all receivables to be collectible as of June 30, 2019. The June 30, 2018 balance was due entirely from grantor government agencies, aside from \$126,349 due from Alder for administrative services performed in 2018.

6. CONTRIBUTIONS RECEIVABLE

The Organization recognizes unconditional contributions receivable at their estimated fair value using estimated prevailing interest rates, on a nonrecurring basis, at the time the pledge is made. Fair value is determined by calculating the net present value of the estimated future cash flows. The discount rate used in determining the net present value of new pledges receivable was 2.69% and 2.64% at June 30, 2019 and 2018, respectively. All contributions receivable are judged by management to be collectible, and were as follows as of June 30:

	<u>2019</u>	<u>2018</u>
Gross contributions receivable	\$ 439,625	\$ 3,944,091
Less: Unamortized discount	<u>-</u>	<u>(642)</u>
Contributions receivable, net	<u>\$ 439,625</u>	<u>\$ 3,943,449</u>

Contributions receivable are due to be collected as follows:

	<u>2019</u>	<u>2018</u>
Within one year	\$ 439,625	\$ 3,919,091
One to five years	<u>-</u>	<u>24,358</u>
Contributions receivable, net	<u>\$ 439,625</u>	<u>\$ 3,943,449</u>

Conditional promises to give, which depend on the occurrence of specified future and uncertain events, are not recorded until the conditions are met. Approximate outstanding conditional promises to give for the purposes of opening schools in specific locations were \$2,400,000 and \$6,400,000 at June 30, 2019 and 2018, respectively, and will be recognized as revenue as the conditions are met.

ASPIRE PUBLIC SCHOOLS

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2019 AND 2018

7. INVESTMENTS

Investments consist of the following at June 30:

	<u>2019</u>	<u>2018</u>
Equity securities invested in education technology	\$ 6,098	\$ 93,000
Pooled funds with community foundation	<u>44,658</u>	<u>43,619</u>
Investments	<u>\$ 50,756</u>	<u>\$ 136,619</u>

Equity securities are invested with a privately held business and are recorded at the lower of cost or fair value and are not subject to the fair value hierarchy. Pooled funds are classified as level 2 of the fair value hierarchy, as the fair value is quoted by the community foundation and based on prices in active markets for the pooled investments as a whole.

The Organization also owns common stock of Schoolzilla, Inc. (Schoolzilla). Schoolzilla is a for-profit company that develops web-based data management platforms allowing teachers to synthesize data from multiple sources and create reports presenting their students' academic performances. The Organization owned more than 20% of the common stock until 2015. In 2016, ownership was further diluted and management did not have significant influence and therefore accounted for the investment under the cost method. As of June 30, 2019 and 2018, the investment was reflected at \$0 value due to losses previously recognized under the equity method. Schoolzilla did not declare any dividends as of June 30, 2019 and 2018.

8. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at June 30:

	<u>2019</u>	<u>2018</u>
Land	\$ 37,459,639	\$ 34,819,639
Buildings and improvements	174,785,046	157,943,806
Construction in progress	4,554,581	4,886,429
Leasehold improvements	13,011,962	9,778,919
Equipment	10,798,164	11,010,451
Automobiles	<u>81,091</u>	<u>81,091</u>
Subtotal	240,690,483	218,520,335
Less accumulated depreciation	<u>(57,510,611)</u>	<u>(49,539,091)</u>
Property and equipment, net	<u>\$ 183,179,872</u>	<u>\$ 168,981,244</u>

Depreciation expense was \$8,864,548 and \$7,477,303 for the years ended June 30, 2019 and 2018, respectively. Various components of the land, buildings, and schools under construction shown above are pledged as collateral for the debt disclosed in Note 10, and the capital lease disclosed in Note 12.

ASPIRE PUBLIC SCHOOLS

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2019 AND 2018

9. OTHER ASSETS

Other assets consisted of the following at June 30:

	2019	2018
Indefinite-lived intangible assets	\$ 316,372	\$ 316,372
Amortizable intangible assets, net	27,646	64,505
Other assets, net	\$ 344,018	\$ 380,877

Intangible Assets

The Organization holds an indefinite-life intangible asset for product and technology discount benefits valued at \$316,372. Management assesses the carrying value of the indefinite-life intangible asset annually, or more often if facts and circumstances suggest it may be impaired. If this review indicates that the carrying value may not be recoverable, then the carrying value would be reduced to its estimated fair value. No impairment losses were recognized as a result of this review for the years ended June 30, 2019 and 2018, respectively.

Amortizable intangible assets consist of the following as of June 30, 2019:

	Gross Carrying Amount	Accumulated Amortization	Net
Product and technology discount benefits	\$ 438,922	\$ 411,276	\$ 27,646
Rights to use certain assets	53,200	53,200	-
Service discount benefits	14,263	14,263	-
Total	\$ 506,385	\$ 478,739	\$ 27,646

Amortizable intangible assets consist of the following as of June 30, 2018:

	Gross Carrying Amount	Accumulated Amortization	Net
Product and technology discount benefits	\$ 438,922	\$ 374,417	\$ 64,505
Rights to use certain assets	53,200	53,200	-
Service discount benefits	14,263	14,263	-
Total	\$ 506,385	\$ 441,880	\$ 64,505

The product and technology discount benefits, rights to use certain assets, and service discount benefits are amortized on a straight-line basis over a seven, five, and three-year period, respectively. These lives are based on the periods in which the Organization is eligible for such discounts. Amortization expense on intangible assets for the years ended June 30, 2019 and 2018 was \$36,859 and \$44,840, respectively.

ASPIRE PUBLIC SCHOOLS

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2019 AND 2018

The expected future amortization expense of intangible assets is \$27,646 in 2020.

10. DEBT

	2019	2018
<p>College for Certain Series 2016 School Facility Revenue Refunding Bonds (2016 Bonds) in the amount of \$83,170,000 were issued effective February 1, 2016; with 4 bonds and bearing interest rates ranging from 2.00% - 5.00%. The bond proceeds were used for the refunding of the outstanding principal of the College for Certain Series 2010 School Facility Revenue Bonds. Associated with this bond is a premium of \$10,618,415 and debt issuance costs of \$1,410,454, which are being amortized to interest expense over the term of the bonds. Principal and interest payments are due annually. Final maturity is in August 2046.</p>	\$ 79,280,000	\$ 80,550,000
<p>College for Certain Series 2015 School Facility Revenue Refunding Bonds (2015 Bonds) in the amount of \$20,535,000 were issued effective December 1, 2015; with 4 bonds and bearing interest rates ranging from 2.00% - 5.00%. The bond proceeds were used for the payoff of a capital lease. Associated with this bond is a premium of \$2,005,317 and debt issuance costs of \$767,482, which are being amortized to interest expense over the term of the bonds. Principal and interest payments are due annually. Final maturity is in August 2045.</p>	19,805,000	20,145,000
<p>Charter Fund, Inc. \$3,500,000 loan, effective October 15, 2012, bearing interest at 1%, to provide general support for the management of the organization. Principal payments of \$700,000 were due in 3 annual installments beginning in 2020 through 2022. This loan had the potential to be forgiven annually through 2017/18, if specific milestones are met. \$700,000 of this note was forgiven in 2018, resulting in \$0 outstanding as of June 30, 2018.</p>	-	-
<p>California School Finance Authority \$4,758,509 loan, effective June 27, 2007, bearing interest at 2.202%, for the construction of Rosa Parks Academy campus in Stockton under Proposition 47. Interest only payments of varying amounts are due annually. Principal and interest payments totaling \$231,795 are due annually. Final maturity is in 2037.</p>	3,414,149	3,567,390

ASPIRE PUBLIC SCHOOLS

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2019 AND 2018

	<u>2019</u>	<u>2018</u>
California School Finance Authority \$9,834,913 loan (\$457,251 issued in 2009/10, \$5,262,400 issued in 2010/11, and \$4,115,262 issued in 2012/13), bearing interest at 2%, for the construction of Aspire Ollin University College Preparatory campus in Los Angeles under Proposition 55. Interest only payments of varying amounts are due annually. In addition, a principal and interest payment of \$462,139 is due annually. Final maturity is in 2042.	7,991,627	8,263,249
California School Finance Authority \$8,229,438 loan (\$3,459,764 issued in 2013/14 and \$4,769,674 issued in 2015/16), bearing interest at 2%, for the construction of the Aspire Antonio Maria Lugo Academy campus in Los Angeles under Proposition 1D. Beginning July 2017, interest and principal payments of \$376,730 are due annually. Final Maturity is in 2045.	7,525,635	7,811,078
California School Finance Authority \$3,706,191 loan issued in 2015/16 for a new campus to be built for Aspire ERES Academy in Oakland under Proposition 1D. The interest rate will be approximately the state's borrowing rate and repayment will commence starting one-year after the new facility is opened. The principal will then be amortized over 30 years. Interest is not charged until the repayment period begins. The school is expected to be completed in the 2019/20 fiscal year.	3,706,191	3,706,191
Boston Community Loan Fund loan not to exceed \$4,595,331 issued in March 2017 to TN LLC, to be used for the construction of Aspire East Academy, bearing interest at a fixed rate of 5.50% until February 2027, at which time interest will reset based on the 10-year U.S Daily Treasury Yield Curve Rate. Principal and interest payments due monthly and are calculated based the total amount drawn on the loan. Associated with this loan is \$72,458 of issuance costs that are being amortized to interest expense over the term of the loan. As of June 30, 2018, \$4,547,736 has been drawn from the loan. Repayments are expected to begin in March 2019 with final maturity in February 2037.	4,495,430	4,547,736
California School Finance Authority Charter School Revolving Fund Program \$250,000 loan, effective September 25, 2017, for supporting the operations of Aspire Richmond Technology Academy. Interest rate is 1.12%, due annually. Principal payments of \$50,000 are due annually beginning in the 2018/19 fiscal year. Final maturity is 2023.	200,002	250,000

ASPIRE PUBLIC SCHOOLS

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2019 AND 2018

	2019	2018
California School Finance Authority Charter School Revolving Fund Program \$250,000 loan, effective September 25, 2017, for supporting the operations of Aspire Richmond California College Preparatory Academy. Interest rate is 1.12%, due annually. Principal payments of \$50,000 are due annually beginning in the 2018/19 fiscal year. Final maturity is 2023.	<u>200,002</u>	<u>250,000</u>
Subtotal	126,618,040	129,090,644
Unamortized premiums and debt issuance costs	9,202,925	9,541,931
Less current portions	<u>(2,577,117)</u>	<u>(2,392,336)</u>
Total Long-Term Debt	<u>\$ 133,243,848</u>	<u>\$ 136,240,239</u>

On February 25, 2016, the Organization issued \$83,170,000 of bonds (2016 Bonds), as mentioned above. The proceeds, in addition to the net premium of \$9,207,961, were used to advance refund \$83,360,000 of outstanding 2010 Bonds. The proceeds were deposited in an irrevocable trust with an escrow agent to pay the future debt service on the refunded bonds. As a result, the 2010 Bonds were considered defeased and the liability for those bonds was removed from the Consolidated Statement of Financial Position. The remaining proceeds were used to fund required reserve accounts. The reacquisition price (amount placed in escrow to repay the 2010 Bonds) exceeded the net carrying amount of those bonds and the unamortized portion of debt issuance costs, by \$15,753,640, which was reflected as a loss in 2016. At June 30, 2019 and 2018, the outstanding balance of the defeased 2010 Bonds were \$0 and \$85,247,918, respectively. The bonds were redeemed on their January 1, 2019 call date.

Future payments relating to debt are as follows as of June 30, 2019:

Year Ending June 30,	Principal	Interest	Total
2020	\$ 2,577,117	\$ 5,665,517	\$ 8,242,634
2021	2,680,762	5,441,543	8,122,305
2022	2,792,404	5,327,823	8,120,227
2023	2,909,784	5,208,722	8,118,506
2024	2,932,335	5,084,902	8,017,237
Thereafter	<u>112,725,638</u>	<u>66,126,695</u>	<u>178,852,333</u>
Total	<u>\$ 126,618,040</u>	<u>\$ 92,855,202</u>	<u>\$ 219,473,242</u>

Aspire Public Schools (the Obligated Group under the 2015 Bonds and 2016 Bonds) must meet several financial covenants as a requirement of the Bonds. The Organization was in compliance with all covenants as of June 30, 2019.

ASPIRE PUBLIC SCHOOLS

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2019 AND 2018

Revolving Line of Credit

On October 28, 2014, the Organization obtained a \$10,000,000 revolving line of credit. Advances on the credit line were payable on demand and carried an interest rate equal to the greater of the Prime Rate or 3.25%. On December 12, 2016, the Organization modified the line of credit to \$15,000,000, with the interest rate modified to the greater of the Prime Rate or 3.5%, and a maturity date of October 31, 2017. The maturity date was extended to January 2019. In September 2018, the line was amended to increase the maximum borrowing amount to \$20,000,000 and extend the maturity date to October 2019 with a one time option to extend the line by a further six months should the financing be needed to support specific facility projects. The interest rate was 5.5% and 5% at June 30, 2019 and 2018, respectively. The line had an outstanding balance of \$2,800,000 and \$2,200,000 as of June 30, 2019 and 2018, respectively. The credit line is secured by school revenues of select schools which are not already secured by other debt.

In November 2019, the Organization extended the \$20,000,000 line of credit to a maturity date of January 31, 2021. The line of credit carries an interest rate equal to the Prime Rate.

11. CAPITALIZATION OF CONSTRUCTION DEBT INTEREST

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

The amount of capitalizable interest is determined by applying the debt interest rate to the average amount of accumulated expenditures for the building during the year. Interest costs of \$7,234,060 and \$5,594,515 were incurred related to debt during the years ended June 30, 2019 and 2018, respectively. During the years ended June 30, 2019 and 2018, \$0 and \$127,226 of interest was capitalized, respectively.

ASPIRE PUBLIC SCHOOLS

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2019 AND 2018

12. LEASE COMMITMENTS

Operating leases

The Organization leases buildings for administrative offices in Oakland, Huntington Park, and Stockton and leases land and buildings for school sites in Berkeley, East Palo Alto, Empire, Los Angeles, Modesto, Oakland, Sacramento, Stockton, and Memphis under various operating leases. The Organization also leases copiers at various school sites. It is unlikely that the Organization will cancel any of these leases before they expire. The aggregate minimum rental payments required under the terms of all operating leases as of June 30, 2019 are as follows:

<u>Year Ending June 30,</u>	<u>Minimum Payments</u>
2020	\$ 4,465,853
2021	2,404,293
2022	2,106,564
2023	1,168,424
2024	1,161,725
Thereafter	<u>10,219,713</u>
Total	<u>\$ 21,526,572</u>

Rental expense under operating leases was \$4,435,312 and \$4,700,358 for the years ended June 30, 2019 and 2018, respectively.

Capital lease

The Organization entered into a capital lease TA Modesto 819 LP (TA) from August 8, 2018 through June 30, 2047. The property under capital lease is separately disclosed in Note 8 and consists of the Aspire Vanguard Academy and Aspire University Charter School campuses in Modesto. The assets and liabilities under capital leases are recorded at the fair value of the assets. The leased property is being depreciated over the term of the lease and depreciation expense for the leased property is included in the total depreciation expense.

Following is a summary of property held under capital lease:

Land	\$ 2,640,000
Buildings and improvements	15,297,179
Accumulated depreciation	<u>(934,828)</u>
	<u>\$ 17,002,351</u>

ASPIRE PUBLIC SCHOOLS

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2019 AND 2018

Minimum future lease payments under capital lease as of June 30, 2019 were as follows:

<u>Year Ending June 30,</u>	<u>Payment</u>
2020	\$ 1,467,587
2021	1,467,587
2022	1,602,116
2023	1,614,346
2024	1,659,320
Thereafter	<u>50,652,013</u>
Net minimum lease payments	<u>58,462,969</u>
Less amount representing interest	<u>(40,525,790)</u>
Present value of net minimum lease payments	<u>\$ 17,937,179</u>

The interest rate on the capitalized lease is 9.64% and is imputed based on the lessor's implicit rate of return.

13. EMPLOYEE BENEFIT PLANS

Qualified employees are covered under multiple-employer defined benefit pension plans maintained by agencies of the State of California and Tennessee. Classified employees in California are members of the California Public Employees' Retirement System (CalPERS), and certificated employees working at California Schools are members of the California State Teachers' Retirement System (CalSTRS). Certificated employees working at Tennessee schools are members of the Tennessee Consolidated Retirement System (TCRS). The Organization also has three 403(b) plans as of the year ended June 30, 2019.

California Public Employees' Retirement System (CalPERS)

Plan name:	California Public Employees' Retirement System (CalPERS) State & Schools
Plan's EIN:	94-6207465
Market value of assets:	\$64,796
Actuarial accrued liability:	\$91,459
Funded status:	65-80% funded

The actuarial value of assets and accrued liability are expressed in millions and are valued as of June 30, 2018, the most recent information available.

ASPIRE PUBLIC SCHOOLS

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2019 AND 2018

Plan Description

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

Benefits Provided

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

Contributions

Section 20814(c) of the PERL requires that the employer contribution rates for all employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Contribution rates for the CalPERS Plan are determined annually on an actuarial basis as of June 30 by CalPERS. The CalPERS Plan's actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Classic plan members, defined as a member who joined CalPERS prior to January 1, 2013, are required to contribute 7% of their salary. New members who joined CalPERS for the first time on or after January 1, 2013 are required to contribute 7% of their salary. The required employer contribution rate for fiscal years ended June 30, 2019 and 2018 were 18.062% and 15.531% of annual payroll, respectively. The contribution requirements of the plan members are established by state statute. For the fiscal year 2020, the Organization is required to contribute 19.721% of annual payroll.

Senate Bill 90, which was signed on June 27, 2019, appropriated for 2018-19 contributions on-behalf of school employers of \$904 million for CalPERS. Contributions of \$1,953,905 were made by the state on behalf of the Organization's eligible employees in 2019.

California State Teachers' Retirement System (CalSTRS):

Plan name:	California State Teachers' Retirement System (CalSTRS)
Plan's EIN:	94-6291617
Actuarial value of assets:	\$190,451
Actuarial accrued liability:	\$297,603
Funded status:	50-65% funded

ASPIRE PUBLIC SCHOOLS

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2019 AND 2018

The actuarial value of assets and accrued liability are expressed in millions and are valued as of June 30, 2018, the most recent actuarial valuation date.

Plan Description

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

Benefits Provided

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

Contributions

Assembly Bill 1469 (AB 1469), signed into law as a part of the State of California's (the State) 2014-15 budget, increases contributions to the CalSTRS Plan from members, employers, and the State over seven years, effective July 1, 2014. School employer contributions will increase from 8.25% to a total of 19.1% of covered payroll over the seven-year period. Active plan members are required to contribute 10.205% or 10.25 % of their salary, depending on when they were hired. The required employer contribution rates for the fiscal years ended June 30, 2019 and 2018 were 16.28% and 14.43% of annual payroll, respectively. For the fiscal year 2020, the Organization is required to contribute 18.13% of annual payroll.

Senate Bill 90, which was signed on June 27, 2019, appropriated for 2018-19 contributions on-behalf of school employers of \$2,246 million for CalSTRS. Contributions of \$4,006,175 were made by the state on behalf of the Organization's eligible employees in 2019.

ASPIRE PUBLIC SCHOOLS

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2019 AND 2018

Tennessee Consolidated Retirement System (TCRS):

Legacy Plan:

Plan name:	Tennessee Consolidated Retirement System (TCRS) Legacy Plan: Teachers
Plan's EIN:	62-6001445
Actuarial value of assets:	\$23,173
Actuarial accrued liability:	\$23,677
Funded status:	At least 80% funded

The actuarial value of assets and accrued liability are expressed in billions and are valued as of June 30, 2018, the most recent actuarial valuation date.

Plan Description

The Organization contributes to the Tennessee Consolidated Retirement System (TCRS) Legacy Plan, a cost-sharing multiple-employer public employee retirement system defined benefit pension plan for all employees hired on or before June 30, 2014 administered by the Tennessee Department of Treasury. 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. TCRS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the TCRS annual financial report may be obtained from the State of Tennessee Treasury Department, 502 Deaderick Street, Nashville, Tennessee, 37243.

Funding Policy

Active plan members are required to contribute 5% 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 TCRS Board of Trustees. The required employer contribution rate for the fiscal years ended June 30, 2019 and 2018 was 10.46% and 9.08% of annual payroll, respectively. The contribution requirements of the plan members are established by state statute. For the fiscal year 2020, the Organization is required to contribute 10.63% of annual payroll. The required employer contribution rate for TCRS Legacy support staff members covered by Shelby County School District regulations was 6% of annual payroll for the fiscal years ended June 30, 2019 and 2018. For fiscal year 2020, the Organization is required to contribute 6%.

Hybrid Plan:

Plan name:	TCRS Hybrid Pension Plan with Cost Controls
Plan's EIN:	62-6001445
Actuarial value of assets:	\$159,936
Actuarial accrued liability:	\$168,190
Funded status:	At least 80% funded

The actuarial value of assets and accrued liability are expressed in millions and are valued as of June 30, 2018, the most recent actuarial valuation date.

ASPIRE PUBLIC SCHOOLS

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2019 AND 2018

Plan Description

In the fiscal year ended June 30, 2015, TCRS created a new Hybrid Pension Plan with Cost Controls for all eligible new hires hired on or after July 1, 2014. This plan is a combination of a Defined Benefit and Defined Contribution plan to help provide a sustainable plan going forward, control employer pension cost, and control unfunded liabilities related to pension plans.

Contributions

Under the defined benefit portion of this plan, active plan members are required to contribute 5% of their salary and the Organization is required to contribute 4% of plan member's annual payroll for those members who are not federally funded. For federally funded active plan members the Organization contributes 1.94% to TCRS and 2.06% to the TCRS stabilization reserve. Under the defined contribution portion of this plan, employees contribute 2% of their salary, which employees can opt out of if they choose, and the Organization is required to contribute 5% of active member's annual payroll.

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

	<u>2019</u>	<u>2018</u>
CalPERS	\$ 4,955,321	\$ 4,686,931
CalSTRS	\$ 12,532,753	\$ 9,742,655
TCRS Legacy	\$ 358,564	\$ 355,718
TCRS Hybrid	\$ 419,986	\$ 360,688

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

Other Defined Contribution Plans:

The Organization offers a 403(b) retirement plan for California classified employees who are not eligible to participate in CalPERS, the Aspire Public Schools 403(b) CA Plan (CA Plan). Classified employees of Aspire Junior Collegiate Academy, Aspire Titan Academy, Aspire Centennial College Preparatory Academy, Aspire Richmond California College Preparatory Academy, and Aspire Richmond Technology Academy working 20 or more hours per week, and not eligible for CalSTRS, CalPERS or covered by another retirement plan, are eligible to receive discretionary employer contributions, determined on an annual basis. The Organization contributed \$67,562 and \$108,968 to the CA Plan in the years ended June 30, 2019 and 2018, respectively.

The Organization offers a 403(b) retirement plan for TN LLC employees, the Aspire Public Schools 403(b) TN Plan (TN Plan). All employees who normally work 20 or more hours per week and are based in Tennessee are eligible to participate in the plan, with those not already enrolled in the TCRS retirement plan eligible to receive discretionary employer contributions, determined on an annual basis. The Organization contributed \$40,915 and \$56,317 to the TN Plan for the years ended June 30, 2019 and 2018, respectively.

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

ASPIRE PUBLIC SCHOOLS

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2019 AND 2018

14. NET ASSETS

At June 30, 2019 and 2018, net assets with restrictions consisted of unexpended grants restricted for various purposes. Net assets with donor restrictions are to be used for the following purposes:

	<u>2019</u>	<u>2018</u>
Construction of facilities	\$ 5,455,899	\$ 4,465,919
School expansion	1,429,384	4,703,419
Clean energy projects	3,830,405	5,172,173
Low performing student block grant	525,475	
School improvement programs and other	<u>215,550</u>	<u>815,294</u>
Total	<u>\$ 11,456,713</u>	<u>\$ 15,156,805</u>

15. JOINT VENTURES

For their California schools, the Organization participated in a joint venture under a joint powers agreement (JPAs) with the California Charter School Joint Powers Authority, doing business as charterSAFE (SAFE) through June 30, 2019. Effective July 1, 2019, the Organization obtains their insurance coverage through a private party and no longer participates in charterSAFE.

SAFE arranges for and provides workers' compensation, property, and liability insurance coverage for their members, respectively. The JPA is governed by boards consisting of a representative from each member. The board controls the operations of the JPA, including selection of management and approval of operating budgets, independent of any influence by the member beyond their representation on the board. Each member pays a premium commensurate with the level of coverage requested and shares surpluses and deficits proportionate to their participation in the JPA.

SUMMARY OF JPA COVERAGE

1. General Liability

JPA's SIR:	\$1,000,000
Excess Insurance:	To statutory limits

2. Property

Organization	
Deductible:	\$1,000
Coverage:	
Building:	\$148,951,804
Contents:	\$5,244,965
Data processing:	\$7,321,643
Extra expense:	\$5,000,000
Business income:	\$5,000,000
Excess Insurance:	None

ASPIRE PUBLIC SCHOOLS

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2019 AND 2018

3. Liability

Organization	
Deductible:	\$0 - \$5,000
Coverage	
(SAFE- SIR)	\$1,000,000
(Insurance Company of the State of PA)	
	\$1,000,001 to \$5,000,000
(SAFE)	\$5,000,001 to \$25,000,000

Complete separate financial statements for the JPA may be obtained from:

SAFE 250 E. 1st Street, Suite 1000, Los Angeles, California 90012

The latest condensed financial information available for SAFE are as follows:

	June 30, 2019 <u>(Unaudited)</u>
Total Assets	<u>\$ 32,797,313</u>
Total Liabilities	\$ 23,196,967
Net Assets	<u>9,600,346</u>
Total Liabilities and Equity	<u>\$ 32,797,313</u>
Total Revenues	\$ 27,319,573
Total Expenses	<u>24,829,057</u>
Net Increase in Net Assets	<u>\$ 2,490,516</u>

16. CONTINGENCIES

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

The Organization has funds held in net assets with donor restrictions that were received through funding from the California Clean Energy Jobs Act that may potentially need to be returned to the California Department of Education in the event that all funds are not spent prior to June 30, 2020. No provision has been made in the accompanying consolidated financial statements since the potential liability cannot be reasonably estimated.

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

ASPIRE PUBLIC SCHOOLS

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2019 AND 2018

17. RELATED-PARTY TRANSACTIONS

The Organization's acting CFO in 2018 was a Board Member of charterSAFE (See Note 15). The Organization paid \$1,323,682 in premiums to charterSAFE during the year ended June 30, 2018.

18. EXPENSES

Expenses for the year ended June 30, 2018 are as follows:

	<u>Total</u>
Salaries and wages	\$ 119,452,386
Employee benefits	37,299,070
Books and supplies	11,594,176
Rents and occupancy	12,452,677
Professional services	19,768,257
Bonds and loan interest	5,255,612
Depreciation and amortization	7,522,143
Travel and meetings	3,005,584
Other expenses	<u>124,833</u>
Total	<u>\$ 216,474,738</u>

19. SUBSEQUENT EVENT

Subsequent to June 30, 2019, the Organization reached a resolution regarding a legal matter for which the terms of the resolution will result in the payment of \$2,100,000 by the Organization to parties involved in the matter. Management has recognized the expense and liability related to the resolution as of June 30, 2019.

SUPPLEMENTARY INFORMATION

ASPIRE PUBLIC SCHOOLS

ORGANIZATION, GOVERNING BOARD, AND ADMINISTRATION YEAR ENDED JUNE 30, 2019

ORGANIZATION

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

GOVERNING BOARD

<u>Name</u>	<u>Office</u>	<u>Term Expires</u>
Jonathan Garfinkel	Board Chair	2020
Beth Hunkapiller	Member	2022
Warren Felson	Member	2020
Jim Boyd	Member	2021
Leslie Parker Hume	Member	2021
Kay Hong	Member	2020
Nisa Frank	Member	2022

ADMINISTRATION

Mala Batra
Interim Chief Executive Officer

Mary Cha-Caswell
Chief Operating Officer

Jeanine Hawk
Chief Financial Officer

ASPIRE PUBLIC SCHOOLS

SCHEDULE OF AVERAGE DAILY ATTENDANCE YEAR ENDED JUNE 30, 2019

	Second Period Report	Annual Report
Classroom-based ADA:		
Aspire Monarch Academy:		
Grades K through 3	271.39	271.56
Grades 4 through 6	<u>126.87</u>	<u>126.74</u>
Total	<u>398.26</u>	<u>398.30</u>
Aspire Lionel Wilson College Preparatory Academy:		
Grades 4 through 6	76.61	75.27
Grades 7 and 8	173.82	172.58
Grades 9 through 12	<u>258.68</u>	<u>255.37</u>
Total	<u>509.11</u>	<u>503.22</u>
Aspire East Palo Alto Charter School:		
Grades K through 3	282.58	283.59
Grades 4 through 6	204.26	204.15
Grades 7 and 8	110.45	109.03
Grades 9 through 12	<u>19.83</u>	<u>18.42</u>
Total	<u>617.12</u>	<u>615.19</u>
Aspire Triumph Technology Academy:		
Grades K through 3	175.67	172.71
Grades 4 through 6	<u>89.73</u>	<u>85.21</u>
Total	<u>265.40</u>	<u>257.92</u>
Aspire Berkley Maynard Academy:		
Grades K through 3	279.34	281.35
Grades 4 through 6	166.45	171.38
Grades 7 and 8	<u>99.58</u>	<u>99.79</u>
Total	<u>545.37</u>	<u>552.52</u>
Aspire Richmond California College Preparatory Academy:		
Grade 6	86.80	86.86
Grades 7 and 8	173.59	173.68
Grades 9 through 12	<u>259.34</u>	<u>257.38</u>
Total	<u>519.73</u>	<u>517.92</u>

ASPIRE PUBLIC SCHOOLS

SCHEDULE OF AVERAGE DAILY ATTENDANCE YEAR ENDED JUNE 30, 2019

	Second Period Report	Annual Report
Aspire Golden State College Preparatory Academy:		
Grades 4 through 6	93.31	93.11
Grades 7 and 8	180.47	180.08
Grades 9 through 12	<u>313.46</u>	<u>309.63</u>
Total	<u>587.24</u>	<u>582.82</u>
Aspire ERES Academy:		
Grades K through 3	87.98	88.29
Grades 4 through 6	81.19	80.98
Grades 7 and 8	<u>51.26</u>	<u>50.88</u>
Total	<u>220.43</u>	<u>220.15</u>
Aspire College Academy:		
Grades K through 3	182.54	181.68
Grades 4 through 6	<u>83.50</u>	<u>82.84</u>
Total	<u>266.04</u>	<u>264.52</u>
Aspire Richmond Technology Academy:		
Grades K through 3	214.20	213.89
Grades 4 through 6	<u>114.88</u>	<u>114.72</u>
Total	<u>329.08</u>	<u>328.61</u>
Aspire Vincent Shalvey Academy:		
Grades K through 3	253.64	253.86
Grades 4 through 6	<u>120.35</u>	<u>120.48</u>
Total	<u>373.99</u>	<u>374.34</u>
Aspire University Charter School:		
Grades K through 3	249.26	245.46
Grades 4 through 6	<u>79.72</u>	<u>78.61</u>
Total	<u>328.98</u>	<u>324.07</u>
Aspire Summit Charter Academy:		
Grades K through 3	288.05	289.73
Grades 4 through 6	<u>109.81</u>	<u>110.26</u>
Total	<u>397.86</u>	<u>399.99</u>

ASPIRE PUBLIC SCHOOLS

SCHEDULE OF AVERAGE DAILY ATTENDANCE YEAR ENDED JUNE 30, 2019

	Second Period Report	Annual Report
Aspire River Oaks Charter School:		
Grades K through 3	308.51	296.97
Grades 4 through 6	<u>122.21</u>	<u>121.62</u>
Total	<u>430.72</u>	<u>418.59</u>
Aspire Benjamin Holt Middle School:		
Grades 4 through 6	186.42	185.92
Grades 7 and 8	<u>370.53</u>	<u>369.05</u>
Total	<u>556.95</u>	<u>554.97</u>
Aspire Benjamin Holt College Preparatory Academy:		
Grades 9 through 12	<u>444.93</u>	<u>442.95</u>
Total	<u>444.93</u>	<u>442.95</u>
Aspire Capitol Heights Academy:		
Grades K through 3	154.27	153.42
Grades 4 through 6	<u>65.76</u>	<u>65.55</u>
Total	<u>220.03</u>	<u>218.97</u>
Aspire Rosa Parks Academy:		
Grades K through 3	261.10	260.11
Grades 4 through 6	<u>111.11</u>	<u>111.02</u>
Total	<u>372.21</u>	<u>371.13</u>
Aspire Langston Hughes Academy:		
Grades 4 through 6	122.56	122.34
Grades 7 and 8	236.26	234.48
Grades 9 through 12	<u>357.40</u>	<u>351.12</u>
Total	<u>716.22</u>	<u>707.94</u>
Aspire Port City Academy:		
Grades K through 3	265.56	264.19
Grades 4 through 6	<u>123.80</u>	<u>123.16</u>
Total	<u>389.36</u>	<u>387.35</u>

ASPIRE PUBLIC SCHOOLS

SCHEDULE OF AVERAGE DAILY ATTENDANCE YEAR ENDED JUNE 30, 2019

	Second Period Report	Annual Report
Aspire Vanguard College Preparatory Academy:		
Grades 4 through 6	76.47	75.65
Grades 7 and 8	148.93	148.20
Grades 9 through 12	<u>151.75</u>	<u>148.67</u>
Total	<u><u>377.15</u></u>	<u><u>372.52</u></u>
Aspire Alexander Twilight College Preparatory Academy:		
Grades K through 3	289.51	289.07
Grades 4 through 6	<u>122.47</u>	<u>121.85</u>
Total	<u><u>411.98</u></u>	<u><u>410.92</u></u>
Aspire Alexander Twilight Secondary Academy:		
Grades 4 through 6	90.50	88.89
Grades 7 and 8	176.87	175.53
Grades 9 through 12	<u>180.02</u>	<u>177.74</u>
Total	<u><u>447.39</u></u>	<u><u>442.16</u></u>
Aspire APEX Academy:		
Grades K through 3	204.39	207.44
Grades 4 through 6	<u>116.63</u>	<u>116.71</u>
Total	<u><u>321.02</u></u>	<u><u>324.15</u></u>
Aspire Antonio Maria Lugo Academy:		
Grades K through 3	231.51	231.51
Grades 4 through 6	<u>153.34</u>	<u>153.28</u>
Total	<u><u>384.85</u></u>	<u><u>384.79</u></u>
Aspire Ollin College Preparatory Academy:		
Grade 6	64.18	64.07
Grades 7 and 8	127.38	127.10
Grades 9 through 12	<u>383.22</u>	<u>380.62</u>
Total	<u><u>574.78</u></u>	<u><u>571.79</u></u>
Aspire Junior Collegiate Academy:		
Grades K through 3	199.73	199.53
Grades 4 through 6	<u>114.91</u>	<u>114.55</u>
Total	<u><u>314.64</u></u>	<u><u>314.08</u></u>

ASPIRE PUBLIC SCHOOLS

SCHEDULE OF AVERAGE DAILY ATTENDANCE YEAR ENDED JUNE 30, 2019

	<u>Second Period Report</u>	<u>Annual Report</u>
Aspire Titan Academy:		
Grades K through 3	200.68	200.65
Grades 4 through 6	<u>117.10</u>	<u>117.10</u>
Total	<u>317.78</u>	<u>317.75</u>
Aspire Pacific Academy:		
Grades 4 through 6	61.65	61.42
Grades 7 and 8	147.82	147.03
Grades 9 through 12	<u>342.74</u>	<u>337.96</u>
Total	<u>552.21</u>	<u>546.41</u>
Aspire Firestone Academy:		
Grades K through 3	261.68	260.61
Grades 4 through 6	<u>122.41</u>	<u>122.49</u>
Total	<u>384.09</u>	<u>383.10</u>
Aspire Gateway Academy:		
Grades K through 3	233.36	232.92
Grades 4 through 6	<u>153.59</u>	<u>154.14</u>
Total	<u>386.95</u>	<u>387.06</u>
Aspire Tate Academy:		
Grades K through 3	193.63	193.12
Grades 4 through 6	<u>173.29</u>	<u>172.87</u>
Total	<u>366.92</u>	<u>365.99</u>
Aspire Inskeep Academy:		
Grades K through 3	216.37	215.86
Grades 4 through 6	<u>148.92</u>	<u>148.34</u>
Total	<u>365.29</u>	<u>364.20</u>
Aspire Slauson Academy:		
Grades K through 3	183.81	183.35
Grades 4 through 6	<u>137.29</u>	<u>137.09</u>
Total	<u>321.10</u>	<u>320.44</u>

ASPIRE PUBLIC SCHOOLS

SCHEDULE OF AVERAGE DAILY ATTENDANCE YEAR ENDED JUNE 30, 2019

	<u>Second Period Report</u>	<u>Annual Report</u>
Aspire Centennial College Preparatory Academy:		
Grades 4 through 6	166.25	167.20
Grades 7 through 8	<u>350.70</u>	<u>350.13</u>
Total	<u>516.95</u>	<u>517.33</u>
Combined Totals:		
Grades K through 3	5,488.76	5,470.87
Grades 4 through 6	3,984.34	3,975.87
Grades 7 and 8	2,347.66	2,337.56
Grades 9 through 12	<u>2,711.37</u>	<u>2,679.86</u>
Total	<u>14,532.13</u>	<u>14,464.16</u>

ASPIRE PUBLIC SCHOOLS

SCHEDULE OF INSTRUCTIONAL TIME YEAR ENDED JUNE 30, 2019

Effective January 1, 2000, California Education Code Section 47612.5 requires classroom-based charter schools to offer a minimum number of minutes of instruction, as specified in Section 46201. This schedule documents the compliance of the Organization’s campuses with these requirements.

	Instructional Days – Traditional Calendar	2018-19 Minutes		
		Requirement	Offered	Status
Aspire Monarch Academy:				
Kindergarten	181 days	36,000	57,900	In Compliance
Grades 1 through 3	181 days	50,400	59,500	In Compliance
Grades 4 through 5	181 days	54,000	59,500	In Compliance
Aspire Lionel Wilson College Preparatory Academy:				
Grades 6 through 8	180 days	54,000	63,805	In Compliance
Grades 9 through 12	180 days	64,800	66,950	In Compliance
Aspire East Palo Alto Charter School:				
Kindergarten	181 days	36,000	56,225	In Compliance
Grades 1 through 3	181 days	50,400	58,645	In Compliance
Grades 4 through 5	181 days	54,000	59,440	In Compliance
Grades 6 through 8	181 days	54,000	65,068	In Compliance
Grades 9 through 12	181 days	64,800	65,068	In Compliance
Aspire Triumph Technology Academy:				
Kindergarten	181 days	36,000	58,500	In Compliance
Grades 1 through 3	181 days	50,400	60,000	In Compliance
Grades 4 through 5	181 days	54,000	60,000	In Compliance
Aspire Berkley Maynard Academy:				
Kindergarten	181 days	36,000	57,820	In Compliance
Grades 1 through 3	181 days	50,400	58,420	In Compliance
Grades 4 through 5	181 days	54,000	58,420	In Compliance
Grades 6 through 8	181 days	54,000	60,220	In Compliance
Aspire Richmond California College Preparatory Academy:				
Grades 6 through 8	182 days	54,000	63,345	In Compliance
Grades 9 through 12	182 days	64,800	64,860	In Compliance
Aspire Golden State College Preparatory Academy:				
Grades 6 through 8	180 days	54,000	64,875	In Compliance
Grades 9 through 12	180 days	64,800	64,875	In Compliance

ASPIRE PUBLIC SCHOOLS

SCHEDULE OF INSTRUCTIONAL TIME YEAR ENDED JUNE 30, 2019

Effective January 1, 2000, California Education Code Section 47612.5 requires classroom-based charter schools to offer a minimum number of minutes of instruction, as specified in Section 46201. This schedule documents the compliance of the Organization’s campuses with these requirements.

	Instructional Days – Traditional Calendar	2018-19 Minutes		
		Requirement	Offered	Status
Aspire ERES Academy:				
Kindergarten	180 days	36,000	56,620	In Compliance
Grades 1 through 3	180 days	50,400	56,620	In Compliance
Grades 4 through 5	180 days	54,000	56,620	In Compliance
Grades 6 through 8	180 days	54,000	62,325	In Compliance
Aspire College Academy:				
Kindergarten	180 days	36,000	61,465	In Compliance
Grades 1 through 3	180 days	50,400	61,465	In Compliance
Grades 4 through 5	180 days	54,000	61,465	In Compliance
Aspire Richmond Technology Academy:				
Kindergarten	181 days	36,000	49,880	In Compliance
Grades 1 through 3	181 days	50,400	58,915	In Compliance
Grades 4 through 5	181 days	54,000	58,915	In Compliance
Aspire Vincent Shalvey Academy:				
Kindergarten	186 days	36,000	57,910	In Compliance
Grade 1	186 days	50,400	58,430	In Compliance
Grades 2 through 3	186 days	50,400	59,740	In Compliance
Grades 4 through 5	186 days	54,000	59,740	In Compliance
Aspire University Charter School:				
Kindergarten	186 days	36,000	56,260	In Compliance
Grades 1 through 3	186 days	50,400	57,380	In Compliance
Grades 4 through 5	186 days	54,000	57,380	In Compliance
Aspire Summit Charter Academy:				
Kindergarten	186 days	36,000	52,540	In Compliance
Grade 1	186 days	50,400	54,880	In Compliance
Grades 2 through 3	186 days	50,400	54,880	In Compliance
Grades 4 through 5	186 days	54,000	56,180	In Compliance

ASPIRE PUBLIC SCHOOLS

SCHEDULE OF INSTRUCTIONAL TIME YEAR ENDED JUNE 30, 2019

Effective January 1, 2000, California Education Code Section 47612.5 requires classroom-based charter schools to offer a minimum number of minutes of instruction, as specified in Section 46201. This schedule documents the compliance of the Organization’s campuses with these requirements.

	Instructional Days – Traditional Calendar	2018-19 Minutes		
		Requirement	Offered	Status
Aspire River Oaks Charter School:				
Kindergarten	186 days	36,000	53,070	In Compliance
Grade 1	186 days	50,400	56,700	In Compliance
Grades 2 through 3	186 days	50,400	58,635	In Compliance
Grades 4 through 5	186 days	54,000	59,735	In Compliance
Aspire Benjamin Holt College Middle School:				
Grades 6 through 8	186 days	54,000	64,050	In Compliance
Aspire Benjamin Holt College Preparatory Academy:				
Grades 9 through 12	186 days	64,800	65,000	In Compliance
Aspire Capitol Heights Academy:				
Kindergarten	186 days	36,000	57,960	In Compliance
Grade 1	186 days	50,400	60,480	In Compliance
Grades 2 through 3	186 days	50,400	62,965	In Compliance
Grades 4 through 5	186 days	54,000	64,785	In Compliance
Aspire Rosa Parks Academy:				
Kindergarten	186 days	36,000	57,900	In Compliance
Grade 1	186 days	50,400	57,900	In Compliance
Grades 2 through 3	186 days	50,400	59,740	In Compliance
Grades 4 through 5	186 days	54,000	59,740	In Compliance
Aspire Langston Hughes Academy:				
Grades 6 through 8	186 days	54,000	66,735	In Compliance
Grades 9 through 12	186 days	64,800	66,735	In Compliance
Aspire Port City Academy:				
Kindergarten	186 days	36,000	56,570	In Compliance
Grade 1	186 days	50,400	58,820	In Compliance
Grades 2 through 3	186 days	50,400	60,800	In Compliance
Grades 4 through 5	186 days	54,000	60,800	In Compliance

ASPIRE PUBLIC SCHOOLS

SCHEDULE OF INSTRUCTIONAL TIME YEAR ENDED JUNE 30, 2019

Effective January 1, 2000, California Education Code Section 47612.5 requires classroom-based charter schools to offer a minimum number of minutes of instruction, as specified in Section 46201. This schedule documents the compliance of the Organization’s campuses with these requirements.

	Instructional Days – Traditional Calendar	2018-19 Minutes		
		Requirement	Offered	Status
Aspire Vanguard College				
Preparatory Academy:				
Grades 6 through 8	186 days	54,000	64,829	In Compliance
Grades 9 through 12	186 days	64,800	64,829	In Compliance
Aspire Alexander Twilight College				
Preparatory Academy:				
Kindergarten	186 days	36,000	53,720	In Compliance
Grade 1	186 days	50,400	54,470	In Compliance
Grades 2 through 3	186 days	50,400	60,450	In Compliance
Grades 4 through 5	186 days	54,000	62,400	In Compliance
Aspire Alexander Twilight				
Secondary Academy:				
Grades 6 through 8	186 days	54,000	65,290	In Compliance
Grades 9 through 12	186 days	64,800	65,290	In Compliance
Aspire APEX Academy:				
Kindergarten – Grade 1	186 days	36,000	61,020	In Compliance
Grades 2 through 3	186 days	50,400	62,190	In Compliance
Grades 4 through 5	186 days	54,000	62,190	In Compliance
Aspire Antonio Maria Lugo Academy:				
Kindergarten	180 days	36,000	58,450	In Compliance
Grades 1 through 3	180 days	50,400	59,660	In Compliance
Grades 4 through 5	180 days	54,000	59,660	In Compliance
Aspire Ollin University				
Preparatory Academy:				
Grades 7 through 8	180 days	54,000	65,020	In Compliance
Grades 9 through 12	180 days	64,800	65,020	In Compliance
Aspire Junior Collegiate Academy:				
Kindergarten	180 days	36,000	60,485	In Compliance
Grades 1 through 3	180 days	50,400	60,485	In Compliance
Grades 4 through 5	180 days	54,000	60,485	In Compliance

ASPIRE PUBLIC SCHOOLS

SCHEDULE OF INSTRUCTIONAL TIME YEAR ENDED JUNE 30, 2019

Effective January 1, 2000, California Education Code Section 47612.5 requires classroom-based charter schools to offer a minimum number of minutes of instruction, as specified in Section 46201. This schedule documents the compliance of the Organization’s campuses with these requirements.

	Instructional Days – Traditional Calendar	2018-19 Minutes		
		Requirement	Offered	Status
Aspire Titan Academy:				
Kindergarten	180 days	36,000	57,420	In Compliance
Grades 1 through 3	180 days	50,400	58,410	In Compliance
Grades 4 through 5	180 days	54,000	58,410	In Compliance
Aspire Pacific Academy:				
Grades 6 through 8	180 days	54,000	65,052	In Compliance
Grades 9 through 12	180 days	64,800	65,052	In Compliance
Aspire Firestone Academy:				
Kindergarten	180 days	36,000	58,440	In Compliance
Grades 1 through 3	180 days	50,400	58,440	In Compliance
Grades 4 through 5	180 days	54,000	58,440	In Compliance
Aspire Gateway Academy:				
Kindergarten	180 days	36,000	58,440	In Compliance
Grades 1 through 3	180 days	50,400	58,440	In Compliance
Grades 4 through 5	180 days	54,000	58,440	In Compliance
Aspire Tate Academy:				
Kindergarten	180 days	36,000	61,260	In Compliance
Grades 1 through 3	180 days	50,400	61,260	In Compliance
Grades 4 through 6	180 days	54,000	61,260	In Compliance
Aspire Inskeep Academy:				
Kindergarten	180 days	36,000	61,260	In Compliance
Grades 1 through 3	180 days	50,400	61,260	In Compliance
Grades 4 through 6	180 days	54,000	61,260	In Compliance
Aspire Slauson Academy:				
Kindergarten	180 days	36,000	61,260	In Compliance
Grades 1 through 3	180 days	50,400	61,260	In Compliance
Grades 4 through 6	180 days	54,000	61,260	In Compliance
Aspire Centennial College Preparatory Academy:				
Grades 6 through 8	180 days	54,000	64,786	In Compliance

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF FINANCIAL POSITION, BY REGION JUNE 30, 2019

Page 1 of 2

	School Operations				Administration	Total School Activity
	Bay Area Schools	Central Valley Schools	LA Schools	Tennessee Schools	National Office	
CURRENT ASSETS:						
Cash and cash equivalents	\$ 9,747,431	\$ 9,674,030	\$ 13,476,247	\$ 4,236,111	\$ 288,418	\$ 37,422,237
Restricted cash and cash equivalents	-	-	-	-	-	-
Accounts receivable	8,804,182	9,282,709	7,019,174	1,827,553	87,088	27,020,706
Contributions receivable, current portion	-	-	10,000	-	429,625	439,625
Prepaid expenses and deposits	276,019	578,637	136,615	57,849	308,027	1,357,147
Intercompany receivable	-	645,000	1,583,315	52,316	930,780	3,211,411
Total current assets	18,827,632	20,180,376	22,225,351	6,173,829	2,043,938	69,451,126
NON-CURRENT ASSETS:						
Restricted cash and cash equivalents	3,027,175	-	-	-	-	3,027,175
Investments	-	-	-	-	50,756	50,756
Deferred rent	341,741	567,298	183,823	-	-	1,092,862
Property and equipment, net	13,672,529	34,040,184	32,610,953	6,192,628	297,556	86,813,850
Other assets, net	-	-	-	-	344,018	344,018
TOTAL ASSETS	\$ 35,869,077	\$ 54,787,858	\$ 55,020,127	\$ 12,366,457	\$ 2,736,268	\$ 160,779,787
CURRENT LIABILITIES:						
Accounts payable	\$ 1,109,458	\$ 1,746,875	\$ 1,157,364	\$ 469,993	\$ 4,499,700	\$ 8,983,390
Accrued expenses	1,968,012	2,107,131	2,992,942	798,104	2,208,150	10,074,339
Deferred revenue	333,111	-	-	-	-	333,111
Line of credit	-	-	-	-	2,800,000	2,800,000
Debt, current	100,000	156,616	496,893	138,608	-	892,117
Intercompany payable	-	668,448	928,250	51,482	1,563,231	3,211,411
Total current liabilities	3,510,581	4,679,070	5,575,449	1,458,187	11,071,081	26,294,368
LONG-TERM LIABILITIES:						
Deferred rent	-	219,942	1,068,780	-	-	1,288,722
Capital lease	-	17,937,179	-	-	-	17,937,179
Debt, net	4,006,195	3,257,533	15,020,369	4,291,732	-	26,575,829
Total liabilities	7,516,776	26,093,724	21,664,598	5,749,919	11,071,081	72,096,098
NET ASSETS:						
Without donor restrictions	22,037,357	27,148,913	31,188,360	5,187,159	(8,334,813)	77,226,976
With donor restrictions	6,314,944	1,545,221	2,167,169	1,429,379	-	11,456,713
Total net assets	28,352,301	28,694,134	33,355,529	6,616,538	(8,334,813)	88,683,689
TOTAL LIABILITIES AND NET ASSETS	\$ 35,869,077	\$ 54,787,858	\$ 55,020,127	\$ 12,366,457	\$ 2,736,268	\$ 160,779,787

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF FINANCIAL POSITION, BY REGION

JUNE 30, 2019

Page 2 of 2

	CFC, Inc.	Eliminations	Total Consolidated
CURRENT ASSETS:			
Cash and cash equivalents	\$ -	\$ -	\$ 37,422,237
Restricted cash and cash equivalents	4,295,780	-	4,295,780
Accounts receivable	-	-	27,020,706
Contributions receivable, current portion	-	-	439,625
Prepaid expenses and deposits	-	-	1,357,147
Intercompany receivable	-	(3,211,411)	-
Total current assets	4,295,780	(3,211,411)	70,535,495
NON-CURRENT ASSETS:			
Restricted cash and cash equivalents	6,640,351	-	9,667,526
Investments	-	-	50,756
Deferred rent	15,995	(1,108,857)	-
Property and equipment, net	97,398,150	(1,032,128)	183,179,872
Other assets, net	-	-	344,018
TOTAL ASSETS	\$ 108,350,276	\$ (5,352,396)	\$ 263,777,667
CURRENT LIABILITIES:			
Accounts payable	\$ -	\$ -	\$ 8,983,390
Accrued expenses	2,064,271	-	12,138,610
Deferred revenue	-	-	333,111
Line of credit	-	-	2,800,000
Debt, current	1,685,000	-	2,577,117
Intercompany payable	-	(3,211,411)	-
Total current liabilities	3,749,271	(3,211,411)	26,832,228
LONG-TERM LIABILITIES:			
Deferred rent	713,309	(1,108,857)	893,174
Capital lease	-	-	17,937,179
Debt, net	106,668,019	-	133,243,848
Total liabilities	111,130,599	(4,320,268)	178,906,429
NET ASSETS:			
Without donor restrictions	(2,780,323)	(1,032,128)	73,414,525
With donor restrictions	-	-	11,456,713
Total net assets	(2,780,323)	(1,032,128)	84,871,238
TOTAL LIABILITIES AND NET ASSETS	\$ 108,350,276	\$ (5,352,396)	\$ 263,777,667

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF ACTIVITIES, BY REGION YEAR ENDED JUNE 30, 2019

Page 1 of 2

	School Operations			Administration		Total School Activity
	Bay Area Schools	Central Valley Schools	LA Schools	Tennessee Schools	National Office	
NET ASSETS WITHOUT DONOR RESTRICTIONS:						
SUPPORT AND REVENUE:						
Private grants and contributions	\$ 435,218	\$ 47,666	\$ 48,719	\$ 94,180	\$ 2,465,850	\$ 3,091,633
Donated equipment, materials, and services	5,000	-	-	-	-	5,000
Federal revenue	5,318,801	5,093,089	6,187,549	3,165,333	102,854	19,867,626
California State revenue						
State aid portion of general purpose funding	29,687,131	38,616,646	30,976,218	-	-	99,279,995
All other state revenue	5,952,076	7,975,371	4,725,123	-	24	18,652,594
Tennessee State revenue						
Basic education program funding	-	-	-	15,874,909	-	15,874,909
All other state revenue	-	-	-	531,931	-	531,931
Local revenue:						
Cash in-lieu of property taxes	9,952,294	9,666,488	11,444,945	-	-	31,063,727
Interest income	105,272	158,188	179,364	12,313	4,330	459,467
All other local revenue	1,630,907	1,074,535	397,309	53,626	893,679	4,050,056
Subtotal	53,086,699	62,631,983	53,959,227	19,732,292	3,466,737	192,876,938
Net assets released from restrictions	10,270,931	9,381,028	10,301,216	2,031,325	3,319,147	35,303,647
Total support and revenue	<u>63,357,630</u>	<u>72,013,011</u>	<u>64,260,443</u>	<u>21,763,617</u>	<u>6,785,884</u>	<u>228,180,585</u>
EXPENSES AND LOSSES						
PROGRAM EXPENSES:						
Educational programs	<u>59,998,372</u>	<u>66,929,662</u>	<u>60,119,270</u>	<u>19,164,671</u>	<u>7,018,268</u>	<u>213,230,243</u>
SUPPORTING SERVICES:						
Site support	45,887	41,089	106,926	1,709,478	10,831,764	12,735,144
Development and expansion	-	-	-	-	1,054,027	1,054,027
Administration and general	45,887	41,090	106,925	531,216	3,367,696	4,092,814
Cost allocations	<u>4,074,060</u>	<u>4,934,795</u>	<u>4,445,363</u>	<u>-</u>	<u>(13,454,218)</u>	<u>-</u>
Total supporting services	<u>4,165,834</u>	<u>5,016,974</u>	<u>4,659,214</u>	<u>2,240,694</u>	<u>1,799,269</u>	<u>17,881,985</u>
Total expenses	64,164,206	71,946,636	64,778,484	21,405,365	8,817,537	231,112,228
Settlement expense	-	-	-	-	2,100,000	2,100,000
Return of grant funds	<u>7,252</u>	<u>107,277</u>	<u>69,546</u>	<u>-</u>	<u>-</u>	<u>184,075</u>
Total expenses and losses	64,171,458	72,053,913	64,848,030	21,405,365	10,917,537	233,396,303
TRANSFERS BETWEEN AFFILIATES	<u>(16,620)</u>	<u>195,802</u>	<u>(16,620)</u>	<u>-</u>	<u>(1,082,532)</u>	<u>(919,970)</u>
Increase (Decrease) in Net Assets without Donor Restrictions	<u>(830,448)</u>	<u>154,900</u>	<u>(604,207)</u>	<u>358,252</u>	<u>(5,214,185)</u>	<u>(6,135,688)</u>
NET ASSETS WITH DONOR RESTRICTIONS:						
Private grants and contributions	-	159,606	94,500	-	776,121	1,030,227
Federal and state revenue	10,504,701	9,976,440	10,055,835	-	39,083	30,576,059
Return of grant funds	-	-	(2,731)	-	-	(2,731)
Interfund transfers	(688,763)	(931,793)	(384,962)	-	2,005,518	-
Net assets released from restrictions	<u>(10,270,931)</u>	<u>(9,381,028)</u>	<u>(10,301,216)</u>	<u>(2,031,325)</u>	<u>(3,319,147)</u>	<u>(35,303,647)</u>
Increase (Decrease) in Net Assets with Donor Restrictions	<u>(454,993)</u>	<u>(176,775)</u>	<u>(538,574)</u>	<u>(2,031,325)</u>	<u>(498,425)</u>	<u>(3,700,092)</u>
INCREASE (DECREASE) IN NET ASSETS	<u>(1,285,441)</u>	<u>(21,875)</u>	<u>(1,142,781)</u>	<u>(1,673,073)</u>	<u>(5,712,610)</u>	<u>(9,835,780)</u>
NET ASSETS - Beginning of Year	<u>29,637,742</u>	<u>28,716,009</u>	<u>34,498,310</u>	<u>8,289,611</u>	<u>(2,622,203)</u>	<u>98,519,469</u>
NET ASSETS - End of Year	<u>\$ 28,352,301</u>	<u>\$ 28,694,134</u>	<u>\$ 33,355,529</u>	<u>\$ 6,616,538</u>	<u>\$ (8,334,813)</u>	<u>\$ 88,683,689</u>

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF ACTIVITIES, BY REGION YEAR ENDED JUNE 30, 2019

Page 2 of 2

	CFC, Inc.	Eliminations	Total Consolidated
NET ASSETS WITHOUT DONOR RESTRICTIONS:			
SUPPORT AND REVENUE:			
Private grants and contributions	\$ -	\$ -	\$ 3,091,633
Donated equipment, materials, and services	-	-	5,000
Federal revenue	-	-	19,867,626
California State revenue			
State aid portion of general purpose funding	-	-	99,279,995
All other state revenue	-	-	18,652,594
Tennessee State revenue			
Basic education program funding	-	-	15,874,909
All other state revenue	-	-	531,931
Local revenue:			
Cash in-lieu of property taxes	-	-	31,063,727
Interest income	186,733	-	646,200
All other local revenue	6,713,758	(7,564,009)	3,199,805
Subtotal	6,900,491	(7,564,009)	192,213,420
Net assets released from restrictions	-	-	35,303,647
Total support and revenue	6,900,491	(7,564,009)	227,517,067
EXPENSES AND LOSSES			
PROGRAM EXPENSES:			
Educational programs	7,999,274	(7,564,009)	213,665,508
SUPPORTING SERVICES:			
Site support	-	-	12,735,144
Development and expansion	-	-	1,054,027
Administration and general	-	-	4,092,814
Cost allocations	-	-	-
Total supporting services	-	-	17,881,985
Total expenses	7,999,274	(7,564,009)	231,547,493
Settlement expense	-	-	2,100,000
Return of grant funds	-	-	184,075
Total expenses and losses	7,999,274	(7,564,009)	233,831,568
TRANSFERS BETWEEN AFFILIATES	919,970	-	-
Increase (Decrease) in Net Assets without Donor Restrictions	(178,813)	-	(6,314,501)
NET ASSETS WITH DONOR RESTRICTIONS:			
Private grants and contributions	-	-	1,030,227
Federal and state revenue	-	-	30,576,059
Return of grant funds	-	-	(2,731)
Interfund transfers	-	-	-
Net assets released from restrictions	-	-	(35,303,647)
Increase (Decrease) in Net Assets with Donor Restrictions	-	-	(3,700,092)
INCREASE (DECREASE) IN NET ASSETS	(178,813)	-	(10,014,593)
NET ASSETS - Beginning of Year	(2,601,510)	(1,032,128)	94,885,831
NET ASSETS - End of Year	\$ (2,780,323)	\$ (1,032,128)	\$ 84,871,238

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

JUNE 30, 2019

Page 1 of 6

	Aspire Monarch Academy	Aspire Lionel Wilson College Prep Academy	Aspire East Palo Alto Charter School	Aspire Triumph Technology Academy	Aspire Berkley Maynard Academy	Aspire Richmond California College Prep Academy	Aspire Richmond Technology Academy	Aspire Golden State College Prep Academy	Aspire ERES Academy
CURRENT ASSETS:									
Cash and cash equivalents	\$ 818,748	\$ 574,048	\$ 1,234,405	\$ 308,591	\$ 1,158,606	\$ 425,810	\$ 27,089	\$ 1,015,029	\$ 3,498,900
Restricted cash and cash equivalents	-	-	-	-	-	-	-	-	-
Accounts receivable	798,316	1,241,011	1,579,293	596,242	846,655	818,436	717,718	1,159,596	443,443
Contributions receivable, current portion	-	-	-	-	-	-	-	-	-
Prepaid expenses and deposits	51,579	-	35,260	31,638	19,909	48,092	30,658	14,536	12,360
Intercompany receivable	-	-	-	-	-	-	-	-	-
Total current assets	<u>1,668,643</u>	<u>1,815,059</u>	<u>2,848,958</u>	<u>936,471</u>	<u>2,025,170</u>	<u>1,292,338</u>	<u>775,465</u>	<u>2,189,161</u>	<u>3,954,703</u>
NON-CURRENT ASSETS:									
Restricted cash and cash equivalents	-	-	-	875,000	-	-	-	-	1,277,175
Investments	-	-	-	-	-	-	-	-	-
Deferred rent	-	106,877	83,015	-	-	-	-	151,849	-
Property and equipment, net	580,448	628,769	5,537,196	52,785	837,370	255,132	505,487	2,734,189	2,457,015
Other assets, net	-	-	-	-	-	-	-	-	-
TOTAL ASSETS	<u>\$ 2,249,091</u>	<u>\$ 2,550,705</u>	<u>\$ 8,469,169</u>	<u>\$ 1,864,256</u>	<u>\$ 2,862,540</u>	<u>\$ 1,547,470</u>	<u>\$ 1,280,952</u>	<u>\$ 5,075,199</u>	<u>\$ 7,688,893</u>
CURRENT LIABILITIES:									
Accounts payable	\$ 48,551	\$ 175,269	\$ 342,158	\$ 31,645	\$ 71,326	\$ 66,959	\$ 85,332	\$ 73,460	\$ 129,924
Accrued expenses	173,473	150,101	241,229	126,340	217,141	327,336	190,180	222,176	97,444
Deferred revenue	22,870	-	-	22,870	22,870	-	-	-	61,031
Line of credit	-	-	-	-	-	-	-	-	-
Debt, current	-	-	-	-	-	50,000	50,000	-	-
Intercompany payable	-	-	-	-	-	-	-	-	-
Total current liabilities	<u>244,894</u>	<u>325,370</u>	<u>583,387</u>	<u>180,855</u>	<u>311,337</u>	<u>444,295</u>	<u>325,512</u>	<u>295,636</u>	<u>288,399</u>
LONG-TERM LIABILITIES:									
Deferred rent	-	-	-	-	-	-	-	-	-
Capital lease	-	-	-	-	-	-	-	-	-
Debt, net	-	-	-	-	-	150,002	150,002	-	3,706,191
Total liabilities	<u>244,894</u>	<u>325,370</u>	<u>583,387</u>	<u>180,855</u>	<u>311,337</u>	<u>594,297</u>	<u>475,514</u>	<u>295,636</u>	<u>3,994,590</u>
NET ASSETS:									
Without donor restrictions	1,793,131	2,205,719	7,628,631	736,276	2,516,305	874,588	744,300	4,754,024	(18,082)
With donor restrictions	211,066	19,616	257,151	947,125	34,898	78,585	61,138	25,539	3,712,385
Total net assets	<u>2,004,197</u>	<u>2,225,335</u>	<u>7,885,782</u>	<u>1,683,401</u>	<u>2,551,203</u>	<u>953,173</u>	<u>805,438</u>	<u>4,779,563</u>	<u>3,694,303</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 2,249,091</u>	<u>\$ 2,550,705</u>	<u>\$ 8,469,169</u>	<u>\$ 1,864,256</u>	<u>\$ 2,862,540</u>	<u>\$ 1,547,470</u>	<u>\$ 1,280,952</u>	<u>\$ 5,075,199</u>	<u>\$ 7,688,893</u>

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

JUNE 30, 2019

Page 2 of 6

	Aspire College Academy	Bay Area Regional Office	Total Bay Area Region	Aspire Vincent Shalvey Academy	Aspire University Charter School	Aspire Summit Charter Academy	Aspire River Oaks Charter School	Aspire Benjamin Holt College Prep Academy	Aspire Benjamin Holt Middle School
CURRENT ASSETS:									
Cash and cash equivalents	\$ 100,199	\$ 586,006	\$ 9,747,431	\$ 1,016,725	\$ 13,776	\$ 866,360	\$ 321,760	\$ 1,408,900	\$ 553,949
Restricted cash and cash equivalents	-	-	-	-	-	-	-	-	-
Accounts receivable	555,130	48,342	8,804,182	597,476	529,209	319,841	595,467	820,971	888,958
Contributions receivable, current portion	-	-	-	-	-	-	-	-	-
Prepaid expenses and deposits	31,987	-	276,019	26,026	181,766	43,055	17,433	9,514	-
Intercompany receivable	-	-	-	-	-	-	-	-	-
Total current assets	<u>687,316</u>	<u>634,348</u>	<u>18,827,632</u>	<u>1,640,227</u>	<u>724,751</u>	<u>1,229,256</u>	<u>934,660</u>	<u>2,239,385</u>	<u>1,442,907</u>
NON-CURRENT ASSETS:									
Restricted cash and cash equivalents	875,000	-	3,027,175	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-
Deferred rent	-	-	341,741	-	-	-	203,948	-	-
Property and equipment, net	71,312	12,826	13,672,529	644,118	7,262,441	574,532	634,757	697,609	314,758
Other assets, net	-	-	-	-	-	-	-	-	-
TOTAL ASSETS	<u>\$ 1,633,628</u>	<u>\$ 647,174</u>	<u>\$ 35,869,077</u>	<u>\$ 2,284,345</u>	<u>\$ 7,987,192</u>	<u>\$ 1,803,788</u>	<u>\$ 1,773,365</u>	<u>\$ 2,936,994</u>	<u>\$ 1,757,665</u>
CURRENT LIABILITIES:									
Accounts payable	\$ 55,264	\$ 29,570	\$ 1,109,458	\$ 87,146	\$ 116,356	\$ 147,592	\$ 70,157	\$ 199,777	\$ 58,721
Accrued expenses	127,854	94,738	1,968,012	113,458	213,025	123,380	127,989	151,921	142,405
Deferred revenue	22,870	180,600	333,111	-	-	-	-	-	-
Line of credit	-	-	-	-	-	-	-	-	-
Debt, current	-	-	100,000	-	-	-	-	-	-
Intercompany payable	-	-	-	-	60,000	-	-	-	-
Total current liabilities	<u>205,988</u>	<u>304,908</u>	<u>3,510,581</u>	<u>200,604</u>	<u>389,381</u>	<u>270,972</u>	<u>198,146</u>	<u>351,698</u>	<u>201,126</u>
LONG-TERM LIABILITIES:									
Deferred rent	-	-	-	-	-	-	-	14,744	205,198
Capital lease	-	-	-	-	7,174,872	-	-	-	-
Debt, net	-	-	4,006,195	-	-	-	-	-	-
Total liabilities	<u>205,988</u>	<u>304,908</u>	<u>7,516,776</u>	<u>200,604</u>	<u>7,564,253</u>	<u>270,972</u>	<u>198,146</u>	<u>366,442</u>	<u>406,324</u>
NET ASSETS:									
Without donor restrictions	544,467	257,998	22,037,357	2,026,596	422,938	1,466,462	1,525,702	2,549,575	1,222,947
With donor restrictions	883,173	84,268	6,314,944	57,145	1	66,354	49,517	20,977	128,394
Total net assets	<u>1,427,640</u>	<u>342,266</u>	<u>28,352,301</u>	<u>2,083,741</u>	<u>422,939</u>	<u>1,532,816</u>	<u>1,575,219</u>	<u>2,570,552</u>	<u>1,351,341</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,633,628</u>	<u>\$ 647,174</u>	<u>\$ 35,869,077</u>	<u>\$ 2,284,345</u>	<u>\$ 7,987,192</u>	<u>\$ 1,803,788</u>	<u>\$ 1,773,365</u>	<u>\$ 2,936,994</u>	<u>\$ 1,757,665</u>

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF FINANCIAL POSITION JUNE 30, 2019

Page 3 of 6

	Aspire Capitol Heights Academy	Aspire Rosa Parks Academy	Aspire Langston Hughes Academy	Aspire Port City Academy	Aspire Vanguard College Prep Academy	Aspire Alexander Twilight College Prep Academy	Aspire Alexander Twilight Secondary Academy	Aspire APEX Academy	Central Valley Regional Office
CURRENT ASSETS:									
Cash and cash equivalents	\$ 127,409	\$ 1,560,698	\$ 1,627,813	\$ 1,741,464	\$ 13,317	\$ 10,866	\$ 19,566	\$ 16,042	\$ 375,385
Restricted cash and cash equivalents	-	-	-	-	-	-	-	-	-
Accounts receivable	332,123	564,816	1,648,196	752,658	266,139	605,168	613,786	686,509	61,392
Contributions receivable, current portion	-	-	-	-	-	-	-	-	-
Prepaid expenses and deposits	16,176	-	865	25,000	207,924	23,443	6,043	21,392	-
Intercompany receivable	-	285,000	-	-	-	-	-	-	360,000
Total current assets	<u>475,708</u>	<u>2,410,514</u>	<u>3,276,874</u>	<u>2,519,122</u>	<u>487,380</u>	<u>639,477</u>	<u>639,395</u>	<u>723,943</u>	<u>796,777</u>
NON-CURRENT ASSETS:									
Restricted cash and cash equivalents	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-
Deferred rent	-	-	137,736	113,390	-	111,762	462	-	-
Property and equipment, net	544,318	8,556,039	736,515	366,069	10,767,865	1,227,644	1,139,344	491,668	82,507
Other assets, net	-	-	-	-	-	-	-	-	-
TOTAL ASSETS	<u>\$ 1,020,026</u>	<u>\$ 10,966,553</u>	<u>\$ 4,151,125</u>	<u>\$ 2,998,581</u>	<u>\$ 11,255,245</u>	<u>\$ 1,978,883</u>	<u>\$ 1,779,201</u>	<u>\$ 1,215,611</u>	<u>\$ 879,284</u>
CURRENT LIABILITIES:									
Accounts payable	\$ 111,151	\$ 79,958	\$ 255,094	\$ 82,724	\$ 96,970	\$ 139,709	\$ 137,976	\$ 137,700	\$ 25,844
Accrued expenses	72,410	145,774	195,765	137,321	282,417	120,733	113,561	73,687	93,285
Deferred revenue	-	-	-	-	-	-	-	-	-
Line of credit	-	-	-	-	-	-	-	-	-
Debt, current	-	156,616	-	-	-	-	-	-	-
Intercompany payable	-	-	-	-	68,006	125,000	235,000	180,442	-
Total current liabilities	<u>183,561</u>	<u>382,348</u>	<u>450,859</u>	<u>220,045</u>	<u>447,393</u>	<u>385,442</u>	<u>486,537</u>	<u>391,829</u>	<u>119,129</u>
LONG-TERM LIABILITIES:									
Deferred rent	-	-	-	-	-	-	-	-	-
Capital lease	-	-	-	-	10,762,307	-	-	-	-
Debt, net	-	3,257,533	-	-	-	-	-	-	-
Total liabilities	<u>183,561</u>	<u>3,639,881</u>	<u>450,859</u>	<u>220,045</u>	<u>11,209,700</u>	<u>385,442</u>	<u>486,537</u>	<u>391,829</u>	<u>119,129</u>
NET ASSETS:									
Without donor restrictions	584,640	7,162,728	3,628,979	2,679,196	17,770	1,387,525	1,092,880	620,820	760,155
With donor restrictions	251,825	163,944	71,287	99,340	27,775	205,916	199,784	202,962	-
Total net assets	<u>836,465</u>	<u>7,326,672</u>	<u>3,700,266</u>	<u>2,778,536</u>	<u>45,545</u>	<u>1,593,441</u>	<u>1,292,664</u>	<u>823,782</u>	<u>760,155</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,020,026</u>	<u>\$ 10,966,553</u>	<u>\$ 4,151,125</u>	<u>\$ 2,998,581</u>	<u>\$ 11,255,245</u>	<u>\$ 1,978,883</u>	<u>\$ 1,779,201</u>	<u>\$ 1,215,611</u>	<u>\$ 879,284</u>

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

JUNE 30, 2019

Page 4 of 6

	Total Central Valley Region	Aspire Antonio Maria Lugo Academy	Aspire Ollin University Preparatory Academy	Aspire Junior Collegiate Academy	Aspire Titan Academy	Aspire Pacific Academy	Aspire Firestone Academy	Aspire Gateway Academy	Aspire Tate Academy
CURRENT ASSETS:									
Cash and cash equivalents	\$ 9,674,030	\$ 882,178	\$ 893,580	\$ 1,278,828	\$ 913,846	\$ 267,400	\$ 1,602,201	\$ 1,597,487	\$ 1,209,865
Restricted cash and cash equivalents	-	-	-	-	-	-	-	-	-
Accounts receivable	9,282,709	639,799	1,084,411	508,069	523,901	903,248	531,243	527,759	533,915
Contributions receivable, current portion	-	-	5,000	-	-	-	-	-	-
Prepaid expenses and deposits	578,637	500	2,500	14,755	-	16,202	10,741	5,142	-
Intercompany receivable	645,000	289,068	497,542	-	-	-	-	-	-
Total current assets	<u>20,180,376</u>	<u>1,811,545</u>	<u>2,483,033</u>	<u>1,801,652</u>	<u>1,437,747</u>	<u>1,186,850</u>	<u>2,144,185</u>	<u>2,130,388</u>	<u>1,743,780</u>
NON-CURRENT ASSETS:									
Restricted cash and cash equivalents	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-
Deferred rent	567,298	-	-	90,783	93,040	-	-	-	-
Property and equipment, net	34,040,184	14,843,736	16,263,425	226,868	265,883	405,517	44,836	49,672	13,965
Other assets, net	-	-	-	-	-	-	-	-	-
TOTAL ASSETS	<u>\$ 54,787,858</u>	<u>\$ 16,655,281</u>	<u>\$ 18,746,458</u>	<u>\$ 2,119,303</u>	<u>\$ 1,796,670</u>	<u>\$ 1,592,367</u>	<u>\$ 2,189,021</u>	<u>\$ 2,180,060</u>	<u>\$ 1,757,745</u>
CURRENT LIABILITIES:									
Accounts payable	\$ 1,746,875	\$ 94,321	\$ 183,542	\$ 39,210	\$ 41,843	\$ 88,997	\$ 123,298	\$ 99,096	\$ 95,219
Accrued expenses	2,107,131	356,041	363,403	267,314	241,112	237,667	186,791	172,649	201,583
Deferred revenue	-	-	-	-	-	-	-	-	-
Line of credit	-	-	-	-	-	-	-	-	-
Debt, current	156,616	219,839	277,054	-	-	-	-	-	-
Intercompany payable	668,448	383,930	534,825	-	-	9,350	-	-	-
Total current liabilities	<u>4,679,070</u>	<u>1,054,131</u>	<u>1,358,824</u>	<u>306,524</u>	<u>282,955</u>	<u>336,014</u>	<u>310,089</u>	<u>271,745</u>	<u>296,802</u>
LONG-TERM LIABILITIES:									
Deferred rent	219,942	-	-	-	-	175,605	-	-	-
Capital lease	17,937,179	-	-	-	-	-	-	-	-
Debt, net	3,257,533	7,305,796	7,714,573	-	-	-	-	-	-
Total liabilities	<u>26,093,724</u>	<u>8,359,927</u>	<u>9,073,397</u>	<u>306,524</u>	<u>282,955</u>	<u>511,619</u>	<u>310,089</u>	<u>271,745</u>	<u>296,802</u>
NET ASSETS:									
Without donor restrictions	27,148,913	8,177,405	9,654,755	1,574,378	1,287,319	1,069,161	1,584,311	1,629,626	1,184,537
With donor restrictions	1,545,221	117,949	18,306	238,401	226,396	11,587	294,621	278,689	276,406
Total net assets	<u>28,694,134</u>	<u>8,295,354</u>	<u>9,673,061</u>	<u>1,812,779</u>	<u>1,513,715</u>	<u>1,080,748</u>	<u>1,878,932</u>	<u>1,908,315</u>	<u>1,460,943</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 54,787,858</u>	<u>\$ 16,655,281</u>	<u>\$ 18,746,458</u>	<u>\$ 2,119,303</u>	<u>\$ 1,796,670</u>	<u>\$ 1,592,367</u>	<u>\$ 2,189,021</u>	<u>\$ 2,180,060</u>	<u>\$ 1,757,745</u>

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

JUNE 30, 2019

Page 5 of 6

	Aspire Inskeep Academy	Aspire Slauson Academy	Aspire Centennial College Preparatory Academy	LA Regional Office	Total LA Region	National Office	Total Aspire Public Schools	Aspire Hanley Middle	Aspire Hanley Elementary
CURRENT ASSETS:									
Cash and cash equivalents	\$ 730,216	\$ 1,254,972	\$ 1,988,121	\$ 857,553	\$ 13,476,247	\$ 288,418	\$ 33,186,126	\$ 937,745	\$ 1,114,549
Restricted cash and cash equivalents	-	-	-	-	-	-	-	-	-
Accounts receivable	509,805	444,157	755,459	57,408	7,019,174	87,088	25,193,153	219,421	662,338
Contributions receivable, current portion	-	-	5,000	-	10,000	429,625	439,625	-	-
Prepaid expenses and deposits	5,176	4,328	54,216	23,055	136,615	308,027	1,299,298	3,493	15,138
Intercompany receivable	-	-	-	796,705	1,583,315	930,780	3,159,095	-	12,043
Total current assets	<u>1,245,197</u>	<u>1,703,457</u>	<u>2,802,796</u>	<u>1,734,721</u>	<u>22,225,351</u>	<u>2,043,938</u>	<u>63,277,297</u>	<u>1,160,659</u>	<u>1,804,068</u>
NON-CURRENT ASSETS:									
Restricted cash and cash equivalents	-	-	-	-	-	-	3,027,175	-	-
Investments	-	-	-	-	-	50,756	50,756	-	-
Deferred rent	-	-	-	-	183,823	-	1,092,862	-	-
Property and equipment, net	11,371	11,306	438,368	36,006	32,610,953	297,556	80,621,222	173,844	135,399
Other assets, net	-	-	-	-	-	344,018	344,018	-	-
TOTAL ASSETS	<u>\$ 1,256,568</u>	<u>\$ 1,714,763</u>	<u>\$ 3,241,164</u>	<u>\$ 1,770,727</u>	<u>\$ 55,020,127</u>	<u>\$ 2,736,268</u>	<u>\$ 148,413,330</u>	<u>\$ 1,334,503</u>	<u>\$ 1,939,467</u>
CURRENT LIABILITIES:									
Accounts payable	\$ 97,800	\$ 106,946	\$ 163,710	\$ 23,382	\$ 1,157,364	\$ 4,499,700	\$ 8,513,397	\$ 25,995	\$ 117,290
Accrued expenses	217,244	127,900	547,590	73,648	2,992,942	2,208,150	9,276,235	72,590	131,598
Deferred revenue	-	-	-	-	-	-	333,111	-	-
Line of credit	-	-	-	-	-	2,800,000	2,800,000	-	-
Debt, current	-	-	-	-	496,893	-	753,509	-	-
Intercompany payable	-	-	-	145	928,250	1,563,231	3,159,929	8,783	-
Total current liabilities	<u>315,044</u>	<u>234,846</u>	<u>711,300</u>	<u>97,175</u>	<u>5,575,449</u>	<u>11,071,081</u>	<u>24,836,181</u>	<u>107,368</u>	<u>248,888</u>
LONG-TERM LIABILITIES:									
Deferred rent	-	-	893,175	-	1,068,780	-	1,288,722	-	-
Capital lease	-	-	-	-	-	-	17,937,179	-	-
Debt, net	-	-	-	-	15,020,369	-	22,284,097	-	-
Total liabilities	<u>315,044</u>	<u>234,846</u>	<u>1,604,475</u>	<u>97,175</u>	<u>21,664,598</u>	<u>11,071,081</u>	<u>66,346,179</u>	<u>107,368</u>	<u>248,888</u>
NET ASSETS:									
Without donor restrictions	665,006	1,204,862	1,483,448	1,673,552	31,188,360	(8,334,813)	72,039,817	804,878	1,659,025
With donor restrictions	276,518	275,055	153,241	-	2,167,169	-	10,027,334	422,257	31,554
Total net assets	<u>941,524</u>	<u>1,479,917</u>	<u>1,636,689</u>	<u>1,673,552</u>	<u>33,355,529</u>	<u>(8,334,813)</u>	<u>82,067,151</u>	<u>1,227,135</u>	<u>1,690,579</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,256,568</u>	<u>\$ 1,714,763</u>	<u>\$ 3,241,164</u>	<u>\$ 1,770,727</u>	<u>\$ 55,020,127</u>	<u>\$ 2,736,268</u>	<u>\$ 148,413,330</u>	<u>\$ 1,334,503</u>	<u>\$ 1,939,467</u>

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

JUNE 30, 2019

Page 6 of 6

	Aspire Coleman Elementary	Aspire East Academy	Tennessee Regional Office	Total Aspire TN, LLC	CFC, Inc.	Eliminations	Total Consolidated
CURRENT ASSETS:							
Cash and cash equivalents	\$ 449,688	\$ 930,237	\$ 803,892	\$ 4,236,111	\$ -	\$ -	\$ 37,422,237
Restricted cash and cash equivalents	-	-	-	-	4,295,780	-	4,295,780
Accounts receivable	711,188	175,662	58,944	1,827,553	-	-	27,020,706
Contributions receivable, current portion	-	-	-	-	-	-	439,625
Prepaid expenses and deposits	22,268	10,050	6,900	57,849	-	-	1,357,147
Intercompany receivable	16,733	-	23,540	52,316	-	(3,211,411)	-
Total current assets	1,199,877	1,115,949	893,276	6,173,829	4,295,780	(3,211,411)	70,535,495
NON-CURRENT ASSETS:							
Restricted cash and cash equivalents	-	-	-	-	6,640,351	-	9,667,526
Investments	-	-	-	-	-	-	50,756
Deferred rent	-	-	-	-	15,995	(1,108,857)	-
Property and equipment, net	527,234	5,281,514	74,637	6,192,628	97,398,150	(1,032,128)	183,179,872
Other assets, net	-	-	-	-	-	-	344,018
TOTAL ASSETS	\$ 1,727,111	\$ 6,397,463	\$ 967,913	\$ 12,366,457	\$ 108,350,276	\$ (5,352,396)	\$ 263,777,667
CURRENT LIABILITIES:							
Accounts payable	\$ 83,243	\$ 103,274	\$ 140,191	\$ 469,993	\$ -	\$ -	\$ 8,983,390
Accrued expenses	163,941	100,320	329,655	798,104	2,064,271	-	12,138,610
Deferred revenue	-	-	-	-	-	-	333,111
Line of credit	-	-	-	-	-	-	2,800,000
Debt, current	-	138,608	-	138,608	1,685,000	-	2,577,117
Intercompany payable	-	1,269	41,430	51,482	-	(3,211,411)	-
Total current liabilities	247,184	343,471	511,276	1,458,187	3,749,271	(3,211,411)	26,832,228
LONG-TERM LIABILITIES:							
Deferred rent	-	-	-	-	713,309	(1,108,857)	893,174
Capital lease	-	-	-	-	-	-	17,937,179
Debt, net	-	4,291,732	-	4,291,732	106,668,019	-	133,243,848
Total liabilities	247,184	4,635,203	511,276	5,749,919	111,130,599	(4,320,268)	178,906,429
NET ASSETS:							
Without donor restrictions	1,388,058	1,322,222	12,976	5,187,159	(2,780,323)	(1,032,128)	73,414,525
With donor restrictions	91,869	440,038	443,661	1,429,379	-	-	11,456,713
Total net assets	1,479,927	1,762,260	456,637	6,616,538	(2,780,323)	(1,032,128)	84,871,238
TOTAL LIABILITIES AND NET ASSETS	\$ 1,727,111	\$ 6,397,463	\$ 967,913	\$ 12,366,457	\$ 108,350,276	\$ (5,352,396)	\$ 263,777,667

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF ACTIVITIES YEAR ENDED JUNE 30, 2019

	Aspire Monarch Academy	Aspire Lionel Wilson College Prep Academy	Aspire East Palo Alto Charter School	Aspire Triumph Technology Academy	Aspire Berkley Maynard Academy	Aspire Richmond California College Prep Academy	Aspire Richmond Technology Academy	Aspire Golden State College Prep Academy	Aspire ERES Academy
NET ASSETS WITHOUT DONOR RESTRICTIONS:									
SUPPORT AND REVENUE:									
Private grants and contributions	\$ 507	\$ 2,600	\$ 375,177	\$ -	\$ 12,000	\$ 5,291	\$ 8,318	\$ 1,125	\$ 250
Donated equipment, materials, and services	-	-	-	-	-	-	-	-	-
Federal revenue	727,753	588,217	1,274,139	335,326	496,745	332,788	459,600	536,970	282,258
California State revenue:									
State aid portion of general purpose funding	2,473,181	3,354,028	5,273,786	1,995,752	3,180,081	3,827,244	2,330,812	3,910,362	1,328,787
All other state revenue	614,799	874,939	648,307	446,242	365,520	708,008	561,836	979,527	339,511
Tennessee State revenue:									
Basic education program funding	-	-	-	-	-	-	-	-	-
All other state revenue	-	-	-	-	-	-	-	-	-
Local revenue:									
Cash in-lieu of property taxes	1,016,824	1,299,842	435,200	677,613	1,392,426	1,462,811	926,215	1,499,317	562,797
Interest income	9,048	6,777	32,488	13,530	12,740	1,554	-	9,321	204
All other local revenue	112,450	316,937	99,381	55,056	176,765	88,335	171,280	480,812	55,313
Subtotal	<u>4,954,562</u>	<u>6,443,340</u>	<u>8,138,478</u>	<u>3,523,519</u>	<u>5,636,277</u>	<u>6,426,031</u>	<u>4,458,061</u>	<u>7,417,434</u>	<u>2,569,120</u>
Net assets released from restrictions	766,858	1,625,077	1,845,350	807,594	1,466,724	316,078	480,311	1,326,868	782,351
Total support and revenue	<u>5,721,420</u>	<u>8,068,417</u>	<u>9,983,828</u>	<u>4,331,113</u>	<u>7,103,001</u>	<u>6,742,109</u>	<u>4,938,372</u>	<u>8,744,302</u>	<u>3,351,471</u>
EXPENSES AND LOSSES									
PROGRAM EXPENSES:									
Educational programs	<u>5,304,372</u>	<u>7,393,283</u>	<u>8,768,604</u>	<u>4,171,696</u>	<u>6,595,953</u>	<u>6,115,581</u>	<u>4,444,821</u>	<u>7,776,187</u>	<u>3,377,327</u>
SUPPORTING SERVICES:									
Site support	-	-	-	-	-	-	-	-	-
Program development and expansion	-	-	-	-	-	-	-	-	-
Administration and general	-	-	-	-	-	-	-	-	-
Cost allocations	554,990	739,235	852,662	341,902	712,024	701,544	456,819	871,223	260,509
Total supporting services	<u>554,990</u>	<u>739,235</u>	<u>852,662</u>	<u>341,902</u>	<u>712,024</u>	<u>701,544</u>	<u>456,819</u>	<u>871,223</u>	<u>260,509</u>
Total expenses	5,859,362	8,132,518	9,621,266	4,513,598	7,307,977	6,817,125	4,901,640	8,647,410	3,637,836
Settlement expense	-	-	-	-	-	-	-	-	-
Return of grant funds	-	-	-	-	-	-	-	7,252	-
Total expenses and losses	<u>5,859,362</u>	<u>8,132,518</u>	<u>9,621,266</u>	<u>4,513,598</u>	<u>7,307,977</u>	<u>6,817,125</u>	<u>4,901,640</u>	<u>8,654,662</u>	<u>3,637,836</u>
TRANSFERS BETWEEN AFFILIATES	<u>-</u>	<u>(5,540)</u>	<u>(5,540)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,540)</u>	<u>-</u>
Increase (Decrease) in Net Assets without Donor Restrictions	<u>(137,942)</u>	<u>(69,641)</u>	<u>357,022</u>	<u>(182,485)</u>	<u>(204,976)</u>	<u>(75,016)</u>	<u>36,732</u>	<u>84,100</u>	<u>(286,365)</u>
NET ASSETS WITH DONOR RESTRICTIONS:									
Private grants and contributions									
Federal and state revenue	756,634	1,620,205	1,959,251	714,529	1,571,315	426,492	542,091	1,434,546	815,218
Return of grant funds	-	-	-	-	-	-	-	-	-
Interfund transfers	(58,968)	(81,958)	(99,035)	(42,945)	(88,826)	(84,473)	(52,622)	(95,177)	(36,271)
Net assets released from restrictions	(766,858)	(1,625,077)	(1,845,350)	(807,594)	(1,466,724)	(316,078)	(480,311)	(1,326,868)	(782,351)
Increase (Decrease) in Net Assets with Donor Restrictions	<u>(69,192)</u>	<u>(86,830)</u>	<u>14,866</u>	<u>(136,010)</u>	<u>15,765</u>	<u>25,941</u>	<u>9,158</u>	<u>12,501</u>	<u>(3,404)</u>
INCREASE (DECREASE) IN NET ASSETS	<u>(207,134)</u>	<u>(156,471)</u>	<u>371,888</u>	<u>(318,495)</u>	<u>(189,211)</u>	<u>(49,075)</u>	<u>45,890</u>	<u>96,601</u>	<u>(289,769)</u>
NET ASSETS - Beginning of Year	<u>2,211,331</u>	<u>2,381,806</u>	<u>7,513,894</u>	<u>2,001,896</u>	<u>2,740,414</u>	<u>1,002,248</u>	<u>759,548</u>	<u>4,682,962</u>	<u>3,984,072</u>
NET ASSETS - End of Year	<u>\$ 2,004,197</u>	<u>\$ 2,225,335</u>	<u>\$ 7,885,782</u>	<u>\$ 1,683,401</u>	<u>\$ 2,551,203</u>	<u>\$ 953,173</u>	<u>\$ 805,438</u>	<u>\$ 4,779,563</u>	<u>\$ 3,694,303</u>

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF ACTIVITIES YEAR ENDED JUNE 30, 2019

	Aspire College Academy	Bay Area Regional Office	Total Bay Area Region	Aspire Vincent Shalvey Academy	Aspire University Charter School	Aspire Summit Charter Academy	Aspire River Oaks Charter School	Aspire Benjamin Holt College Prep Academy	Aspire Benjamin Holt Middle School
NET ASSETS WITHOUT DONOR RESTRICTIONS:									
SUPPORT AND REVENUE:									
Private grants and contributions	\$ 250	\$ 29,700	\$ 435,218	\$ 18,149	\$ -	\$ -	\$ 3,092	\$ 2,269	\$ 3,708
Donated equipment, materials, and services	-	5,000	5,000	-	-	-	-	-	-
Federal revenue	285,005	-	5,318,801	218,095	570,613	320,105	318,276	211,001	275,469
California State revenue:									
State aid portion of general purpose funding	2,013,098	-	29,687,131	2,035,270	2,857,205	2,801,158	2,724,599	2,926,372	3,588,237
All other state revenue	413,387	-	5,952,076	398,599	444,296	520,376	693,679	570,501	665,192
Tennessee State revenue:									
Basic education program funding	-	-	-	-	-	-	-	-	-
All other state revenue	-	-	-	-	-	-	-	-	-
Local revenue:									
Cash in-lieu of property taxes	679,249	-	9,952,294	670,037	388,906	381,615	771,674	797,132	997,826
Interest income	13,213	6,397	105,272	19,824	3,533	7,633	3,293	20,156	3,551
All other local revenue	74,578	-	1,630,907	96,632	11,774	78,162	48,419	133,980	120,705
Subtotal	<u>3,478,780</u>	<u>41,097</u>	<u>53,086,699</u>	<u>3,456,606</u>	<u>4,276,327</u>	<u>4,109,049</u>	<u>4,563,032</u>	<u>4,661,411</u>	<u>5,654,688</u>
Net assets released from restrictions	752,559	101,161	10,270,931	786,004	160,877	1,034,506	649,012	738,847	95,230
Total support and revenue	<u>4,231,339</u>	<u>142,258</u>	<u>63,357,630</u>	<u>4,242,610</u>	<u>4,437,204</u>	<u>5,143,555</u>	<u>5,212,044</u>	<u>5,400,258</u>	<u>5,749,918</u>
EXPENSES AND LOSSES									
PROGRAM EXPENSES:									
Educational programs	<u>4,282,172</u>	<u>1,768,376</u>	<u>59,998,372</u>	<u>3,677,578</u>	<u>4,531,105</u>	<u>4,676,397</u>	<u>4,582,041</u>	<u>4,624,644</u>	<u>4,541,275</u>
SUPPORTING SERVICES:									
Site support	-	45,887	45,887	-	-	-	-	-	-
Program development and expansion	-	-	-	-	-	-	-	-	-
Administration and general	-	45,887	45,887	-	-	-	-	-	-
Cost allocations	323,749	(1,740,597)	4,074,060	394,103	394,319	470,676	516,161	537,938	567,770
Total supporting services	<u>323,749</u>	<u>(1,648,823)</u>	<u>4,165,834</u>	<u>394,103</u>	<u>394,319</u>	<u>470,676</u>	<u>516,161</u>	<u>537,938</u>	<u>567,770</u>
Total expenses	4,605,921	119,553	64,164,206	4,071,681	4,925,424	5,147,073	5,098,202	5,162,582	5,109,045
Settlement expense	-	-	-	-	-	-	-	-	-
Return of grant funds	-	-	7,252	-	-	-	-	-	-
Total expenses and losses	<u>4,605,921</u>	<u>119,553</u>	<u>64,171,458</u>	<u>4,071,681</u>	<u>4,925,424</u>	<u>5,147,073</u>	<u>5,098,202</u>	<u>5,162,582</u>	<u>5,109,045</u>
TRANSFERS BETWEEN AFFILIATES	-	-	(16,620)	-	-	-	(5,224)	108,981	114,205
Increase (Decrease) in Net Assets without Donor Restrictions	<u>(374,582)</u>	<u>22,705</u>	<u>(830,448)</u>	<u>170,929</u>	<u>(488,220)</u>	<u>(3,518)</u>	<u>108,618</u>	<u>346,657</u>	<u>755,078</u>
NET ASSETS WITH DONOR RESTRICTIONS:									
Private grants and contributions	-	-	-	-	-	-	-	-	-
Federal and state revenue	664,420	-	10,504,701	657,731	214,571	903,342	738,397	820,116	260,420
Return of grant funds	-	-	-	-	-	-	-	-	-
Interfund transfers	(48,488)	-	(688,763)	(60,329)	(53,694)	(63,664)	(69,322)	(71,510)	(89,403)
Net assets released from restrictions	(752,559)	(101,161)	(10,270,931)	(786,004)	(160,877)	(1,034,506)	(649,012)	(738,847)	(95,230)
Increase (Decrease) in Net Assets with Donor Restrictions	<u>(136,627)</u>	<u>(101,161)</u>	<u>(454,993)</u>	<u>(188,602)</u>	<u>-</u>	<u>(194,828)</u>	<u>20,063</u>	<u>9,759</u>	<u>75,787</u>
INCREASE (DECREASE) IN NET ASSETS	<u>(511,209)</u>	<u>(78,456)</u>	<u>(1,285,441)</u>	<u>(17,673)</u>	<u>(488,220)</u>	<u>(198,346)</u>	<u>128,681</u>	<u>356,416</u>	<u>830,865</u>
NET ASSETS - Beginning of Year	<u>1,938,849</u>	<u>420,722</u>	<u>29,637,742</u>	<u>2,101,414</u>	<u>911,159</u>	<u>1,731,162</u>	<u>1,446,538</u>	<u>2,214,136</u>	<u>520,476</u>
NET ASSETS - End of Year	<u>\$ 1,427,640</u>	<u>\$ 342,266</u>	<u>\$ 28,352,301</u>	<u>\$ 2,083,741</u>	<u>\$ 422,939</u>	<u>\$ 1,532,816</u>	<u>\$ 1,575,219</u>	<u>\$ 2,570,552</u>	<u>\$ 1,351,341</u>

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF ACTIVITIES YEAR ENDED JUNE 30, 2019

	Aspire Capitol Heights Academy	Aspire Rosa Parks Academy	Aspire Langston Hughes Academy	Aspire Port City Academy	Aspire Vanguard College Prep Academy	Aspire Alexander Twilight College Prep Academy	Aspire Alexander Twilight Secondary Academy	Aspire APEX Academy	Central Valley Regional Office
NET ASSETS WITHOUT DONOR RESTRICTIONS:									
SUPPORT AND REVENUE:									
Private grants and contributions	\$ 626	\$ 500	\$ 2,820	\$ 1,243	\$ 368	\$ 890	\$ 10,000	\$ -	\$ 4,001
Donated equipment, materials, and services	-	-	-	-	-	-	-	-	-
Federal revenue	398,723	307,119	633,166	237,022	498,543	439,923	367,708	297,326	-
California State revenue:									
State aid portion of general purpose funding	1,403,630	2,919,127	5,412,638	2,706,488	2,043,113	2,258,709	2,598,468	2,341,632	-
All other state revenue	321,901	257,486	1,094,895	661,149	580,280	670,752	724,871	371,394	-
Tennessee State revenue:									
Basic education program funding	-	-	-	-	-	-	-	-	-
All other state revenue	-	-	-	-	-	-	-	-	-
Local revenue:									
Cash in-lieu of property taxes	454,378	457,671	874,192	485,143	1,007,322	953,195	1,032,487	394,910	-
Interest income	1,929	31,098	31,329	24,605	398	-	-	3,094	7,745
All other local revenue	47,240	53,991	177,040	81,702	63,643	10,521	67,376	27,095	56,255
Subtotal	<u>2,628,427</u>	<u>4,026,992</u>	<u>8,226,080</u>	<u>4,197,352</u>	<u>4,193,667</u>	<u>4,333,990</u>	<u>4,800,910</u>	<u>3,435,451</u>	<u>68,001</u>
Net assets released from restrictions	391,994	570,953	1,213,005	592,494	655,498	705,827	1,064,605	562,570	159,606
Total support and revenue	<u>3,020,421</u>	<u>4,597,945</u>	<u>9,439,085</u>	<u>4,789,846</u>	<u>4,849,165</u>	<u>5,039,817</u>	<u>5,865,515</u>	<u>3,998,021</u>	<u>227,607</u>
EXPENSES AND LOSSES									
PROGRAM EXPENSES:									
Educational programs	<u>2,914,904</u>	<u>4,317,712</u>	<u>8,494,756</u>	<u>4,216,927</u>	<u>4,970,460</u>	<u>4,554,543</u>	<u>5,185,111</u>	<u>3,768,521</u>	<u>1,873,688</u>
SUPPORTING SERVICES:									
Site support	-	-	-	-	-	-	-	-	41,089
Program development and expansion	-	-	-	-	-	-	-	-	-
Administration and general	-	-	-	-	-	-	-	-	41,090
Cost allocations	183,511	484,157	932,696	472,786	436,121	484,038	525,396	403,985	(1,868,862)
Total supporting services	<u>183,511</u>	<u>484,157</u>	<u>932,696</u>	<u>472,786</u>	<u>436,121</u>	<u>484,038</u>	<u>525,396</u>	<u>403,985</u>	<u>(1,786,683)</u>
Total expenses	3,098,415	4,801,869	9,427,452	4,689,713	5,406,581	5,038,581	5,710,507	4,172,506	87,005
Settlement expense	-	-	-	-	-	-	-	-	-
Return of grant funds	103,971	-	-	2,648	-	658	-	-	-
Total expenses and losses	<u>3,202,386</u>	<u>4,801,869</u>	<u>9,427,452</u>	<u>4,692,361</u>	<u>5,406,581</u>	<u>5,039,239</u>	<u>5,710,507</u>	<u>4,172,506</u>	<u>87,005</u>
TRANSFERS BETWEEN AFFILIATES	<u>-</u>	<u>-</u>	<u>(5,540)</u>	<u>(5,540)</u>	<u>-</u>	<u>(5,540)</u>	<u>(5,540)</u>	<u>-</u>	<u>-</u>
Increase (Decrease) in Net Assets without Donor Restrictions	<u>(181,965)</u>	<u>(203,924)</u>	<u>6,093</u>	<u>91,945</u>	<u>(557,416)</u>	<u>(4,962)</u>	<u>149,468</u>	<u>(174,485)</u>	<u>140,602</u>
NET ASSETS WITH DONOR RESTRICTIONS:									
Private grants and contributions	-	-	-	-	-	-	-	-	159,606
Federal and state revenue	416,201	641,555	1,368,167	688,327	743,146	798,938	1,169,311	556,218	-
Return of grant funds	-	-	-	-	-	-	-	-	-
Interfund transfers	(35,508)	(59,851)	(115,452)	(62,815)	(59,874)	(66,233)	(72,300)	(51,838)	-
Net assets released from restrictions	(391,994)	(570,953)	(1,213,005)	(592,494)	(655,498)	(705,827)	(1,064,605)	(562,570)	(159,606)
Increase (Decrease) in Net Assets with Donor Restrictions	<u>(11,301)</u>	<u>10,751</u>	<u>39,710</u>	<u>33,018</u>	<u>27,774</u>	<u>26,878</u>	<u>32,406</u>	<u>(58,190)</u>	<u>-</u>
INCREASE (DECREASE) IN NET ASSETS	<u>(193,266)</u>	<u>(193,173)</u>	<u>45,803</u>	<u>124,963</u>	<u>(529,642)</u>	<u>21,916</u>	<u>181,874</u>	<u>(232,675)</u>	<u>140,602</u>
NET ASSETS - Beginning of Year	<u>1,029,731</u>	<u>7,519,845</u>	<u>3,654,463</u>	<u>2,653,573</u>	<u>575,187</u>	<u>1,571,525</u>	<u>1,110,790</u>	<u>1,056,457</u>	<u>619,553</u>
NET ASSETS - End of Year	<u>\$ 836,465</u>	<u>\$ 7,326,672</u>	<u>\$ 3,700,266</u>	<u>\$ 2,778,536</u>	<u>\$ 45,545</u>	<u>\$ 1,593,441</u>	<u>\$ 1,292,664</u>	<u>\$ 823,782</u>	<u>\$ 760,155</u>

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF ACTIVITIES YEAR ENDED JUNE 30, 2019

	Total Central Valley Region	Aspire Antonio Maria Lugo Academy	Aspire Ollin College Prep Academy	Aspire Junior Collegiate Academy	Aspire Titan Academy	Aspire Pacific Academy	Aspire Firestone Academy	Aspire Gateway Academy	Aspire Tate Academy
NET ASSETS WITHOUT DONOR RESTRICTIONS:									
SUPPORT AND REVENUE:									
Private grants and contributions	\$ 47,666	\$ -	\$ 5,000	\$ -	\$ 15,000	\$ 22,029	\$ -	\$ 730	\$ -
Donated equipment, materials, and services	-	-	-	-	-	-	-	-	-
Federal revenue	5,093,089	590,805	622,557	445,372	436,721	601,356	506,327	522,161	606,479
California State revenue:									
State aid portion of general purpose funding	38,616,646	2,530,241	4,354,029	2,082,129	2,103,579	3,973,798	2,534,886	2,523,200	2,414,211
All other state revenue	7,975,371	270,710	414,631	538,579	516,104	786,487	276,486	280,308	300,420
Tennessee State revenue:									
Basic education program funding	-	-	-	-	-	-	-	-	-
All other state revenue	-	-	-	-	-	-	-	-	-
Local revenue:									
Cash in-lieu of property taxes	9,666,488	981,835	1,466,673	802,794	810,761	1,408,015	979,928	987,280	936,064
Interest income	158,188	11,328	6,350	16,325	12,108	1,831	24,412	25,741	16,245
All other local revenue	1,074,535	92,797	54,433	20,488	8,665	86,148	20,087	32,365	9,092
Subtotal	<u>62,631,983</u>	<u>4,477,716</u>	<u>6,923,673</u>	<u>3,905,687</u>	<u>3,902,938</u>	<u>6,879,664</u>	<u>4,342,126</u>	<u>4,371,785</u>	<u>4,282,511</u>
Net assets released from restrictions	9,381,028	1,028,046	1,626,217	669,213	671,754	1,452,938	817,875	824,130	777,744
Total support and revenue	<u>72,013,011</u>	<u>5,505,762</u>	<u>8,549,890</u>	<u>4,574,900</u>	<u>4,574,692</u>	<u>8,332,602</u>	<u>5,160,001</u>	<u>5,195,915</u>	<u>5,060,255</u>
EXPENSES AND LOSSES									
PROGRAM EXPENSES:									
Educational programs	<u>66,929,662</u>	<u>5,429,183</u>	<u>7,157,446</u>	<u>4,280,829</u>	<u>4,280,492</u>	<u>7,465,700</u>	<u>4,823,929</u>	<u>4,791,041</u>	<u>4,473,566</u>
SUPPORTING SERVICES:									
Site support	41,089	-	-	-	-	-	-	-	-
Program development and expansion	-	-	-	-	-	-	-	-	-
Administration and general	41,090	-	-	-	-	-	-	-	-
Cost allocations	4,934,795	598,448	953,133	483,343	487,654	897,364	589,911	585,881	571,595
Total supporting services	<u>5,016,974</u>	<u>598,448</u>	<u>953,133</u>	<u>483,343</u>	<u>487,654</u>	<u>897,364</u>	<u>589,911</u>	<u>585,881</u>	<u>571,595</u>
Total expenses	71,946,636	6,027,631	8,110,579	4,764,172	4,768,146	8,363,064	5,413,840	5,376,922	5,045,161
Settlement expense	-	-	-	-	-	-	-	-	-
Return of grant funds	107,277	67,204	-	-	2,342	-	-	-	-
Total expenses and losses	<u>72,053,913</u>	<u>6,094,835</u>	<u>8,110,579</u>	<u>4,764,172</u>	<u>4,770,488</u>	<u>8,363,064</u>	<u>5,413,840</u>	<u>5,376,922</u>	<u>5,045,161</u>
TRANSFERS BETWEEN AFFILIATES	195,802	-	-	(5,540)	(5,540)	(5,540)	-	-	-
Increase (Decrease) in Net Assets without Donor Restrictions	<u>154,900</u>	<u>(589,073)</u>	<u>439,311</u>	<u>(194,812)</u>	<u>(201,336)</u>	<u>(36,002)</u>	<u>(253,839)</u>	<u>(181,007)</u>	<u>15,094</u>
NET ASSETS WITH DONOR RESTRICTIONS:									
Private grants and contributions	159,606	-	-	-	-	-	-	-	-
Federal and state revenue	9,976,440	915,294	1,452,580	728,940	725,561	1,473,441	898,942	889,669	840,901
Return of grant funds	-	(2,731)	-	-	-	-	-	-	-
Interfund transfers	(931,793)	(62,004)	(93,406)	(50,861)	(51,236)	(89,641)	(61,876)	(62,092)	(59,138)
Net assets released from restrictions	(9,381,028)	(1,028,046)	(1,626,217)	(669,213)	(671,754)	(1,452,938)	(817,875)	(824,130)	(777,744)
Increase (Decrease) in Net Assets with Donor Restrictions	<u>(176,775)</u>	<u>(177,487)</u>	<u>(267,043)</u>	<u>8,866</u>	<u>2,571</u>	<u>(69,138)</u>	<u>19,191</u>	<u>3,447</u>	<u>4,019</u>
INCREASE (DECREASE) IN NET ASSETS	<u>(21,875)</u>	<u>(766,560)</u>	<u>172,268</u>	<u>(185,946)</u>	<u>(198,765)</u>	<u>(105,140)</u>	<u>(234,648)</u>	<u>(177,560)</u>	<u>19,113</u>
NET ASSETS - Beginning of Year	<u>28,716,009</u>	<u>9,061,914</u>	<u>9,500,793</u>	<u>1,998,725</u>	<u>1,712,480</u>	<u>1,185,888</u>	<u>2,113,580</u>	<u>2,085,875</u>	<u>1,441,830</u>
NET ASSETS - End of Year	<u>\$ 28,694,134</u>	<u>\$ 8,295,354</u>	<u>\$ 9,673,061</u>	<u>\$ 1,812,779</u>	<u>\$ 1,513,715</u>	<u>\$ 1,080,748</u>	<u>\$ 1,878,932</u>	<u>\$ 1,908,315</u>	<u>\$ 1,460,943</u>

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF ACTIVITIES YEAR ENDED JUNE 30, 2019

	Aspire Inskeep Academy	Aspire Slauson Academy	Aspire Centennial College Prep Academy	LA Regional Office	Total LA Region	National Office	Total Aspire Public Schools	Aspire Hanley Middle	Aspire Hanley Elementary
NET ASSETS WITHOUT DONOR RESTRICTIONS:									
SUPPORT AND REVENUE:									
Private grants and contributions	\$ 720	\$ 240	\$ 5,000	\$ -	\$ 48,719	\$ 2,465,850	\$ 2,997,453	\$ -	\$ 3,410
Donated equipment, materials, and services	-	-	-	-	-	-	5,000	-	-
Federal revenue	593,265	561,002	701,504	-	6,187,549	102,854	16,702,293	438,401	1,221,022
California State revenue:									
State aid portion of general purpose funding	2,421,149	2,126,752	3,912,244	-	30,976,218	-	99,279,995	-	-
All other state revenue	292,827	284,688	763,883	-	4,725,123	24	18,652,594	-	-
Tennessee State revenue:									
Basic education program funding	-	-	-	-	-	-	-	2,239,204	5,127,349
All other state revenue	-	-	-	-	-	-	-	90,494	127,509
Local revenue:									
Cash in-lieu of property taxes	931,655	818,789	1,321,151	-	11,444,945	-	31,063,727	-	-
Interest income	6,620	17,879	27,779	12,746	179,364	4,330	447,154	2,450	2,594
All other local revenue	11,893	20,729	40,562	50	397,309	893,679	3,996,430	261	7,895
Subtotal	4,258,129	3,830,079	6,772,123	12,796	53,959,227	3,466,737	173,144,646	2,770,810	6,489,779
Net assets released from restrictions	793,446	693,305	513,031	433,517	10,301,216	3,319,147	33,272,322	233,264	903,994
Total support and revenue	<u>5,051,575</u>	<u>4,523,384</u>	<u>7,285,154</u>	<u>446,313</u>	<u>64,260,443</u>	<u>6,785,884</u>	<u>206,416,968</u>	<u>3,004,074</u>	<u>7,393,773</u>
EXPENSES AND LOSSES									
PROGRAM EXPENSES:									
Educational programs	<u>4,754,459</u>	<u>4,013,786</u>	<u>6,773,223</u>	<u>1,875,616</u>	<u>60,119,270</u>	<u>7,018,268</u>	<u>194,065,572</u>	<u>2,681,746</u>	<u>5,752,722</u>
SUPPORTING SERVICES:									
Site support	-	-	-	106,926	106,926	10,831,764	11,025,666	-	-
Program development and expansion	-	-	-	-	-	1,054,027	1,054,027	-	-
Administration and general	-	-	-	106,925	106,925	3,367,696	3,561,598	-	-
Cost allocations	564,103	498,201	773,606	(2,557,876)	4,445,363	(13,454,218)	-	303,988	662,586
Total supporting services	564,103	498,201	773,606	(2,344,025)	4,659,214	1,799,269	15,641,291	303,988	662,586
Total expenses	5,318,562	4,511,987	7,546,829	(468,409)	64,778,484	8,817,537	209,706,863	2,985,734	6,415,308
Settlement expense	-	-	-	-	-	2,100,000	2,100,000	-	-
Return of grant funds	-	-	-	-	69,546	-	184,075	-	-
Total expenses and losses	5,318,562	4,511,987	7,546,829	(468,409)	64,848,030	10,917,537	211,990,938	2,985,734	6,415,308
TRANSFERS BETWEEN AFFILIATES	-	-	-	-	(16,620)	(1,082,532)	(919,970)	-	-
Increase (Decrease) in Net Assets without Donor Restrictions	<u>(266,987)</u>	<u>11,397</u>	<u>(261,675)</u>	<u>914,722</u>	<u>(604,207)</u>	<u>(5,214,185)</u>	<u>(6,493,940)</u>	<u>18,340</u>	<u>978,465</u>
NET ASSETS WITH DONOR RESTRICTIONS:									
Private grants and contributions	-	-	-	94,500	94,500	776,121	1,030,227	-	-
Federal and state revenue	856,055	748,188	526,264	-	10,055,835	39,083	30,576,059	-	-
Return of grant funds	-	-	-	-	(2,731)	-	(2,731)	-	-
Interfund transfers	(58,817)	(51,516)	(83,392)	339,017	(384,962)	2,005,518	-	-	-
Net assets released from restrictions	(793,446)	(693,305)	(513,031)	(433,517)	(10,301,216)	(3,319,147)	(33,272,322)	(233,264)	(903,994)
Increase (Decrease) in Net Assets with Donor Restrictions	<u>3,792</u>	<u>3,367</u>	<u>(70,159)</u>	<u>-</u>	<u>(538,574)</u>	<u>(498,425)</u>	<u>(1,668,767)</u>	<u>(233,264)</u>	<u>(903,994)</u>
INCREASE (DECREASE) IN NET ASSETS	<u>(263,195)</u>	<u>14,764</u>	<u>(331,834)</u>	<u>914,722</u>	<u>(1,142,781)</u>	<u>(5,712,610)</u>	<u>(8,162,707)</u>	<u>(214,924)</u>	<u>74,471</u>
NET ASSETS - Beginning of Year	<u>1,204,719</u>	<u>1,465,153</u>	<u>1,968,523</u>	<u>758,830</u>	<u>34,498,310</u>	<u>(2,622,203)</u>	<u>90,229,858</u>	<u>1,442,059</u>	<u>1,616,108</u>
NET ASSETS - End of Year	<u>\$ 941,524</u>	<u>\$ 1,479,917</u>	<u>\$ 1,636,689</u>	<u>\$ 1,673,552</u>	<u>\$ 33,355,529</u>	<u>\$ (8,334,813)</u>	<u>\$ 82,067,151</u>	<u>\$ 1,227,135</u>	<u>\$ 1,690,579</u>

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING STATEMENT OF ACTIVITIES YEAR ENDED JUNE 30, 2019

	Aspire Coleman Elementary	Aspire East Academy	Tennessee Regional Office	Total Aspire TN, LLC	CFC, Inc.	Eliminations	Total Consolidated
NET ASSETS WITHOUT DONOR RESTRICTIONS:							
SUPPORT AND REVENUE:							
Private grants and contributions	\$ 16,220	\$ -	\$ 74,550	\$ 94,180	\$ -	\$ -	\$ 3,091,633
Donated equipment, materials, and services	-	-	-	-	-	-	5,000
Federal revenue	1,137,945	367,965	-	3,165,333	-	-	19,867,626
California State revenue:							
State aid portion of general purpose funding	-	-	-	-	-	-	99,279,995
All other state revenue	-	-	-	-	-	-	18,652,594
Tennessee State revenue:							
Basic education program funding	5,834,133	2,674,223	-	15,874,909	-	-	15,874,909
All other state revenue	269,652	44,276	-	531,931	-	-	531,931
Local revenue:							
Cash in-lieu of property taxes	-	-	-	-	-	-	31,063,727
Interest income	798	2,402	4,069	12,313	186,733	-	646,200
All other local revenue	9,634	34,452	1,384	53,626	6,713,758	(7,564,009)	3,199,805
Subtotal	7,268,382	3,123,318	80,003	19,732,292	6,900,491	(7,564,009)	192,213,420
Net assets released from restrictions	347,401	378,024	168,642	2,031,325	-	-	35,303,647
Total support and revenue	<u>7,615,783</u>	<u>3,501,342</u>	<u>248,645</u>	<u>21,763,617</u>	<u>6,900,491</u>	<u>(7,564,009)</u>	<u>227,517,067</u>
EXPENSES AND LOSSES							
PROGRAM EXPENSES:							
Educational programs	6,346,376	3,477,748	906,079	19,164,671	7,999,274	(7,564,009)	213,665,508
SUPPORTING SERVICES:							
Site support	-	-	1,709,478	1,709,478	-	-	12,735,144
Program development and expansion	-	-	-	-	-	-	1,054,027
Administration and general	-	-	531,216	531,216	-	-	4,092,814
Cost allocations	743,384	336,098	(2,046,056)	-	-	-	-
Total supporting services	743,384	336,098	194,638	2,240,694	-	-	17,881,985
Total expenses	7,089,760	3,813,846	1,100,717	21,405,365	7,999,274	(7,564,009)	231,547,493
Settlement expense	-	-	-	-	-	-	2,100,000
Return of grant funds	-	-	-	-	-	-	184,075
Total expenses and losses	7,089,760	3,813,846	1,100,717	21,405,365	7,999,274	(7,564,009)	233,831,568
TRANSFERS BETWEEN AFFILIATES	-	-	-	-	919,970	-	-
Increase (Decrease) in Net Assets without Donor Restrictions	<u>526,023</u>	<u>(312,504)</u>	<u>(852,072)</u>	<u>358,252</u>	<u>(178,813)</u>	<u>-</u>	<u>(6,314,501)</u>
NET ASSETS WITH DONOR RESTRICTIONS:							
Private grants and contributions	-	-	-	-	-	-	1,030,227
Federal and state revenue	-	-	-	-	-	-	30,576,059
Return of grant funds	-	-	-	-	-	-	(2,731)
Interfund transfers	-	-	-	-	-	-	-
Net assets released from restrictions	(347,401)	(378,024)	(168,642)	(2,031,325)	-	-	(35,303,647)
Increase (Decrease) in Net Assets with Donor Restrictions	<u>(347,401)</u>	<u>(378,024)</u>	<u>(168,642)</u>	<u>(2,031,325)</u>	<u>-</u>	<u>-</u>	<u>(3,700,092)</u>
INCREASE (DECREASE) IN NET ASSETS	178,622	(690,528)	(1,020,714)	(1,673,073)	(178,813)	-	(10,014,593)
NET ASSETS - Beginning of Year	1,301,305	2,452,788	1,477,351	8,289,611	(2,601,510)	(1,032,128)	94,885,831
NET ASSETS - End of Year	<u>\$ 1,479,927</u>	<u>\$ 1,762,260</u>	<u>\$ 456,637</u>	<u>\$ 6,616,538</u>	<u>\$ (2,780,323)</u>	<u>\$ (1,032,128)</u>	<u>\$ 84,871,238</u>

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING SCHEDULE OF FUNCTIONAL EXPENSES YEAR ENDED JUNE 30, 2019

Program Expenses										
	Aspire Monarch Academy	Aspire Lionel Wilson College Prep Academy	Aspire East Palo Alto Charter School	Aspire Triumph Technology Academy	Aspire Berkley Maynard Academy	Richmond California College Prep Academy	Aspire Richmond Technology Academy	Aspire Golden State College Prep Academy	Aspire ERES Academy	Aspire College Academy
Salaries and wages	\$ 2,859,414	\$ 4,007,651	\$ 4,424,097	\$ 2,333,234	\$ 3,865,153	\$ 3,433,898	\$ 2,398,452	\$ 4,267,492	\$ 2,027,570	\$ 2,486,393
Employee benefits	924,311	1,255,806	1,473,590	721,721	1,357,235	1,116,247	711,007	1,267,782	635,761	788,004
Books and supplies	196,740	416,037	301,314	144,371	364,075	254,033	207,337	402,979	223,075	137,539
Rents and occupancy	520,771	815,543	840,397	517,367	345,813	833,316	515,962	943,642	233,650	498,652
Professional services	383,306	784,134	1,333,043	291,230	419,755	352,887	451,259	619,101	215,633	317,600
Bonds and loan interest	-	-	1,210	-	-	5,142	4,960	3,493	-	-
Depreciation and amortization	383,078	70,210	341,321	133,686	216,341	85,307	136,304	212,497	24,551	31,890
Travel and meetings	19,498	41,938	51,457	28,032	26,520	33,011	18,211	57,490	16,581	21,787
Other expenses	17,254	1,964	2,175	2,055	1,061	1,740	1,329	1,711	506	307
Total	<u>\$ 5,304,372</u>	<u>\$ 7,393,283</u>	<u>\$ 8,768,604</u>	<u>\$ 4,171,696</u>	<u>\$ 6,595,953</u>	<u>\$ 6,115,581</u>	<u>\$ 4,444,821</u>	<u>\$ 7,776,187</u>	<u>\$ 3,377,327</u>	<u>\$ 4,282,172</u>

Program Expenses											
	Bay Area Regional Office	Total Bay Area Region	Aspire Vincent Shalvey Academy	Aspire University Charter School	Aspire Summit Charter Academy	Aspire River Oaks Charter School	Aspire Benjamin Holt College Prep Academy	Aspire Benjamin Holt Middle School	Aspire Capitol Heights Academy	Aspire Rosa Parks Academy	Aspire Langston Hughes Academy
Salaries and wages	\$ 1,105,375	\$ 33,208,729	\$ 2,051,067	\$ 1,967,964	\$ 2,666,754	\$ 2,399,320	\$ 2,320,338	\$ 2,445,588	\$ 1,549,402	\$ 2,308,759	\$ 4,131,784
Employee benefits	377,284	10,628,748	687,154	661,944	876,930	851,985	839,849	863,307	575,718	810,142	1,449,668
Books and supplies	54,327	2,701,827	185,085	357,465	281,845	227,610	246,462	222,211	168,225	311,265	824,119
Rents and occupancy	-	6,065,113	326,044	302,076	420,222	670,898	767,151	686,122	197,841	183,027	1,139,324
Professional services	150,161	5,318,109	239,074	319,013	253,478	348,675	347,425	240,258	256,141	184,522	805,495
Bonds and loan interest	-	14,805	-	635,551	-	-	-	84	675	78,554	-
Depreciation and amortization	-	1,635,185	152,390	239,884	143,018	62,017	64,967	58,414	134,102	387,415	47,115
Travel and meetings	81,229	395,754	25,920	17,123	30,172	17,674	33,554	24,149	28,335	50,643	97,039
Other expenses	-	30,102	10,844	30,085	3,978	3,862	4,898	1,142	4,465	3,385	212
Total	<u>\$ 1,768,376</u>	<u>\$ 59,998,372</u>	<u>\$ 3,677,578</u>	<u>\$ 4,531,105</u>	<u>\$ 4,676,397</u>	<u>\$ 4,582,041</u>	<u>\$ 4,624,644</u>	<u>\$ 4,541,275</u>	<u>\$ 2,914,904</u>	<u>\$ 4,317,712</u>	<u>\$ 8,494,756</u>

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING SCHEDULE OF FUNCTIONAL EXPENSES YEAR ENDED JUNE 30, 2019

Program Expenses											
	Aspire Port City Academy	Aspire Vanguard College Prep Academy	Aspire Alexander Twilight College Prep	Alexander Twilight Secondary Academy	Aspire APEX Academy	Central Valley Regional Office	Total Central Valley Region	Aspire Antonio Maria Lugo Academy	Aspire Ollin College Prep Academy	Aspire Junior Collegiate Academy	Aspire Titan Academy
Salaries and wages	\$ 2,363,966	\$ 2,171,294	\$ 2,359,009	\$ 2,533,179	\$ 2,103,633	\$ 994,575	\$ 34,366,632	\$ 2,854,957	\$ 3,881,408	\$ 2,194,516	\$ 2,176,711
Employee benefits	809,591	750,839	836,601	899,705	707,044	367,355	11,987,832	974,712	1,313,725	738,577	742,625
Books and supplies	228,006	262,241	192,006	366,834	219,000	145,337	4,237,711	255,635	392,853	264,164	239,075
Rents and occupancy	609,669	176,673	636,088	759,071	324,464	-	7,198,670	165,123	214,767	535,981	542,210
Professional services	149,518	228,046	390,759	463,120	291,046	165,588	4,682,158	442,785	499,775	468,308	495,713
Bonds and loan interest	-	952,817	1,841	2,425	-	-	1,671,947	153,951	162,548	-	-
Depreciation and amortization	30,456	353,108	88,644	89,179	58,117	-	1,908,826	521,590	608,314	25,214	43,114
Travel and meetings	25,139	27,788	44,443	65,583	61,741	200,833	750,136	42,316	78,722	53,522	34,981
Other expenses	582	47,654	5,152	6,015	3,476	-	125,750	18,114	5,334	547	6,063
Total	<u>\$ 4,216,927</u>	<u>\$ 4,970,460</u>	<u>\$ 4,554,543</u>	<u>\$ 5,185,111</u>	<u>\$ 3,768,521</u>	<u>\$ 1,873,688</u>	<u>\$ 66,929,662</u>	<u>\$ 5,429,183</u>	<u>\$ 7,157,446</u>	<u>\$ 4,280,829</u>	<u>\$ 4,280,492</u>

Program Expenses											
	Aspire Pacific Academy	Aspire Firestone Academy	Aspire Gateway Academy	Aspire Tate Academy	Aspire Inskeep Academy	Aspire Slauson Academy	Aspire Centennial College Prep Academy	LA Regional Office	Total LA Region	National Office	Aspire Public Schools Program Expenses
Salaries and wages	\$ 3,975,609	\$ 2,741,123	\$ 2,705,579	\$ 2,682,154	\$ 2,787,917	\$ 2,303,603	\$ 3,555,831	\$ 1,109,533	\$ 32,968,941	\$ 4,676,852	105,221,154
Employee benefits	1,290,034	904,594	934,873	868,858	886,474	777,048	1,300,292	392,424	11,124,236	759,125	34,499,941
Books and supplies	450,109	405,037	377,801	237,321	240,068	291,375	359,234	132,603	3,645,275	232,397	10,817,210
Rents and occupancy	923,639	241,040	228,338	130,293	142,276	130,177	687,187	-	3,941,031	-	17,204,814
Professional services	632,432	447,945	451,837	461,995	543,527	456,353	698,588	116,288	5,715,546	599,928	16,315,741
Bonds and loan interest	639	-	-	-	-	-	-	-	317,138	36,922	2,040,812
Depreciation and amortization	63,644	12,936	13,552	8,519	9,110	8,530	75,505	-	1,390,028	-	4,934,039
Travel and meetings	104,762	68,691	76,557	82,502	143,169	44,775	87,488	124,768	942,253	607,241	2,695,384
Other expenses	24,832	2,563	2,504	1,924	1,918	1,925	9,098	-	74,822	105,803	336,477
Total	<u>\$ 7,465,700</u>	<u>\$ 4,823,929</u>	<u>\$ 4,791,041</u>	<u>\$ 4,473,566</u>	<u>\$ 4,754,459</u>	<u>\$ 4,013,786</u>	<u>\$ 6,773,223</u>	<u>\$ 1,875,616</u>	<u>\$ 60,119,270</u>	<u>\$ 7,018,268</u>	<u>\$ 194,065,572</u>

ASPIRE PUBLIC SCHOOLS

CONSOLIDATING SCHEDULE OF FUNCTIONAL EXPENSES YEAR ENDED JUNE 30, 2019

	Program Expenses								Total Program Expenses
	Aspire Hanley School #1	Aspire Hanley School #2	Aspire Coleman Elementary School	Aspire East Academy	TN Regional Office	Total Aspire TN, LLC Program Expenses	CFC Inc.	Eliminations	
Salaries and wages	\$ 1,397,699	\$ 2,845,621	\$ 3,305,381	\$ 1,479,367	\$ 404,729	\$ 9,432,797	\$ -	\$ -	114,653,951
Employee benefits	444,150	908,271	1,106,420	496,107	137,098	3,092,046	-	-	37,591,987
Books and supplies	122,314	212,148	275,764	218,599	21,089	849,914	-	-	11,667,124
Rents and occupancy	193,217	350,305	365,624	283,934	-	1,193,080	-	(6,713,758)	11,684,136
Professional services	440,015	1,355,223	1,204,358	526,403	303,519	3,829,518	-	(850,251)	19,295,008
Bonds and loan interest	-	-	-	255,128	-	255,128	4,616,916	-	6,912,856
Depreciation and amortization	70,181	62,465	69,131	175,813	-	377,590	3,382,358	-	8,693,987
Travel and meetings	14,021	18,689	19,658	38,700	38,320	129,388	-	-	2,824,772
Other expenses	149	-	40	3,697	1,324	5,210	-	-	341,687
Total	<u>\$ 2,681,746</u>	<u>\$ 5,752,722</u>	<u>\$ 6,346,376</u>	<u>\$ 3,477,748</u>	<u>\$ 906,079</u>	<u>\$19,164,671</u>	<u>\$ 7,999,274</u>	<u>\$(7,564,009)</u>	<u>\$ 213,665,508</u>

	Aspire Public Schools				Aspire TN LLC				CFC Inc.	Eliminations	Total Supporting Services
	Site support	Development and expansion	Administrative and general	Total Aspire Public Schools Supporting Expenses	Site support	Development and expansion	Administrative and general	Total Aspire TN LLC Supporting Expenses			
Salaries and wages	\$ 5,545,757	\$ 470,487	\$ 1,586,109	\$ 7,602,353	\$ 783,749	\$ -	\$ 223,928	\$ 1,007,677	\$ -	\$ -	\$ 8,610,030
Employee benefits	1,889,148	137,126	540,072	2,566,346	244,935	-	69,982	314,917	-	-	2,881,263
Books and supplies	488,810	33,033	139,665	661,508	68,532	-	19,581	88,113	-	-	749,621
Rents and occupancy	488,784	-	488,784	977,568	44,219	-	44,219	88,438	-	-	1,066,006
Professional services	1,343,481	379,741	383,852	2,107,074	432,506	-	123,573	556,079	-	-	2,663,153
Bonds and loan interest	258,455	-	73,844	332,299	-	-	-	-	-	-	332,299
Depreciation and amortization	88,019	-	88,019	176,038	15,692	-	15,692	31,384	-	-	207,422
Travel and meetings	265,708	29,774	75,937	371,419	110,578	-	31,594	142,172	-	-	513,591
Other expenses	657,504	3,866	185,316	846,686	9,267	-	2,647	11,914	-	-	858,600
Total	<u>\$11,025,666</u>	<u>\$ 1,054,027</u>	<u>\$ 3,561,598</u>	<u>\$15,641,291</u>	<u>\$ 1,709,478</u>	<u>\$ -</u>	<u>\$ 531,216</u>	<u>\$ 2,240,694</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,881,985</u>

ASPIRE PUBLIC SCHOOLS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2019

<u>Federal Grantor/Pass-Through Grantor/ Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass- Through Entity Identifying Number</u>	<u>Total Federal Expenditures</u>
U.S. Department of Education:			
Replication and Expansion of High-Quality Charter Schools	84.282M	N/A	\$ <u>589,367</u>
Passed Through California Department of Education (CDE):			
Title I, Part A, Basic Grant	84.010	14329	5,443,719
Special Education: IDEA Basic Local Assistance, Part B	84.027	13379	2,583,689
IASA Title II, Part A, Teacher Quality	84.367	14341	675,636
IASA Title III, Limited English Proficiency	84.365	14346	409,762
ESSA Title IV, Part A, Student Support and Academic Enrichment	84.424	15396	<u>411,761</u>
Total Dept of Education Passed Through CDE			<u>9,524,567</u>
Passed Through California School Finance Authority:			
State Charter Schools Facilities Incentive Grant	84.282D	N/A	<u>1,030,884</u>
U.S. Department of Agriculture:			
Passed Through California Department of Education (CDE):			
Child Nutrition Cluster:			
Child Nutrition: National School Lunch Program	10.555	13391	4,021,330
Child Nutrition: School Programs (School Breakfast Basic)	10.553	13390	<u>803,526</u>
Total Child Nutrition Cluster			<u>4,824,856</u>
Child & Adult Care Food Program	10.558	13666	544,998
Fresh Fruit and Vegetable Program	10.582	14968	<u>84,780</u>
Total Dept of Agriculture Passed Through CDE			<u>5,454,634</u>
U.S. Department of Health and Human Services:			
Passed Through California Department of Education (CDE):			
Medical Assistance Program	93.778	10013	<u>102,961</u>
Total Expenditures of Federal Awards			<u>\$ 16,702,413</u>

ASPIRE PUBLIC SCHOOLS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2019

1. BASIS OF PRESENTATION

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

The expenditures of federal awards issued directly to Aspire Public Schools TN, LLC (TN LLC) in the amount of \$3,165,331 are not included on the accompanying schedule of expenditures of federal awards. These expenditures are presented with TN LLC's separately issued financial statements which is required by the Tennessee Department of Education.

2. INDIRECT COST RATE

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

OTHER INDEPENDENT AUDITOR'S 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 Auditor's Report

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Aspire Public Schools, a non-profit public benefit corporation, and affiliates (collectively, the Organization) which comprise the consolidated statement of financial position as of June 30, 2019, and the related consolidated statement of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 13, 2019.

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) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of 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 may exist that have not been identified.

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

Purpose of this Report

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



**GILBERT CPAs
Sacramento, California**

December 13, 2019

**REPORT ON COMPLIANCE WITH APPLICABLE REQUIREMENTS IN
ACCORDANCE WITH 2018-19 GUIDE FOR ANNUAL AUDITS OF
K-12 LOCAL EDUCATION AGENCIES AND
STATE COMPLIANCE REPORTING**

Independent Auditor's Report

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

Report on State Compliance

We have audited Aspire Public Schools' (the Organization) compliance with the types of compliance requirements described in the *2018-19 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* applicable to the Organization's programs identified in the below schedule for the school year ended June 30, 2019.

Management's Responsibility

Compliance with the requirements referred to above is the responsibility of the Organization's management.

Auditor's Responsibility

Our responsibility is to express an opinion on the Organization's compliance based on our audit.

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 *2018-19 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, published by the Education Audit Appeals Panel. Those standards and the *2018-19 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* 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 material effect on the programs identified in the below schedule occurred. An audit includes examining, on a test basis, evidence about the Organization's compliance with those requirements and performing such other procedures as we considered necessary under the circumstances.

We believe that our audit provides a reasonable basis for our opinion. However, our audit does not provide a legal determination on the Organization's compliance with those requirements.

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

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

Opinion on State Compliance

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the State programs for the school year ended June 30, 2019.



**GILBERT CPAs
Sacramento, California**

December 13, 2019

**REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE**

Independent Auditor's Report

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

Report on Compliance for Each Major Federal Program

We have audited Aspire Public Schools' (Organization) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the year ended June 30, 2019. The Organization's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Aspire Public Schools' basic financial statements include the operations of Aspire Public Schools TN, LLC, which received \$3,165,331 in federal awards which is not included in the schedule during the year ended June 30, 2019. Our audit described below did not include the operations of Aspire Public Schools TN, LLC because a separate audit was performed in accordance with Uniform Guidance as required by the Tennessee Department of Education.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Organization's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on the major federal program occurred. An audit includes examining, on a test basis, evidence about the Organization's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major program. However, our audit does not provide a legal determination of the Organization's compliance.

Opinion on Each Major Federal Program

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

Report on Internal Control Over Compliance

Management of the Organization is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Organization's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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



**GILBERT CPAS
Sacramento, California**

December 13, 2019

FINDINGS AND QUESTIONED COSTS

ASPIRE PUBLIC SCHOOLS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS YEAR ENDED JUNE 30, 2019

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

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

Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major programs:

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

Type of auditor's report issued: Unmodified

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

Identification of major programs:

<u>Name of Federal Program or Cluster</u>	<u>CFDA Number</u>
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Title I, Part A, Basic Grant	84.010
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Special Education: IDEA Basic Local Assistance, Part B	84.027
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Dollar threshold used to distinguish between Type A and Type B programs: \$ 750,000

Auditee qualified as low-risk auditee? Yes No

ASPIRE PUBLIC SCHOOLS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS YEAR ENDED JUNE 30, 2019

State Awards

Internal control over state programs:

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

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

Unmodified

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

Yes No

ASPIRE PUBLIC SCHOOLS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS YEAR ENDED JUNE 30, 2019

SECTION II - FINANCIAL STATEMENT FINDINGS

There were no findings for the year ended June 30, 2019.

SECTION III - STATE COMPLIANCE FINDINGS

There were no findings for the year ended June 30, 2019.

SECTION IV - FEDERAL COMPLIANCE FINDINGS

There were no findings for the year ended June 30, 2019.

ASPIRE PUBLIC SCHOOLS

STATUS OF PRIOR YEAR FINDINGS YEAR ENDED JUNE 30, 2019

SECTION V - STATUS OF PRIOR YEAR FINDINGS:

FINANCIAL STATEMENT FINDINGS

There were no findings for the year ended June 30, 2018.

STATE COMPLIANCE FINDINGS

There were no findings for the year ended June 30, 2018.

FEDERAL COMPLIANCE FINDINGS

There were no findings for the year ended June 30, 2018.