

CALIBER PUBLIC SCHOOLS
CONSOLIDATED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2022
(WITH SUMMARIZED FINANCIAL INFORMATION FOR
THE YEAR ENDED JUNE 30, 2021)

OPERATING:

Caliber Beta Academy - #1622
Caliber ChangeMakers Academy - #1779



CPAs | CONSULTANTS | WEALTH ADVISORS

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(WITH COMPARATIVE TOTALS FOR JUNE 30, 2021)**

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Caliber Public Schools
Richmond, California

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Caliber Public Schools (the School), a California nonprofit public benefit corporation, which comprise the consolidated statement of financial position as of June 30, 2022, and the related consolidated statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements.

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

Basis for Opinion

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

Responsibilities of Management for the Consolidated 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.

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

Auditors' Responsibility for the Audit of the Consolidated Financial Statements

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

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

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

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

Report on Summarized Comparative Information

We have previously audited the School's 2021 consolidated financial statements, and expressed an unmodified opinion on those statements in our report dated December 14, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2021 is consistent, in all material respects, with the consolidated audited financial statements from which it has been derived.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the School’s consolidated financial statements as a whole. The supplementary information (as identified in the table of contents) and the accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and, except for the portion marked “unaudited”, was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole. The Local Education Agency Organization Structure, which is marked “unaudited”, has not been subjected to the auditing procedures applied in the audit of the consolidated financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated December 12, 2022 on our consideration of the School’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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 School’s internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Glendora, California
December 12, 2022

CALIBER PUBLIC SCHOOLS
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
JUNE 30, 2022
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2021)

ASSETS	2022	2021
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 13,110,937	\$ 5,191,862
Accounts Receivable - Federal and State	8,124,639	9,412,587
Accounts Receivable - Other	92,728	804,415
Pledges Receivable	367,179	403,865
Prepaid Expenses and Other Assets	259,033	246,535
Total Current Assets	21,954,516	16,059,264
LONG-TERM ASSETS		
Right-Of-Use Assets - Operating	327,384	382,620
Property, Plant, and Equipment, Net	41,415,939	21,611,452
Total Long-Term Assets	41,743,323	21,994,072
Total Assets	\$ 63,697,839	\$ 38,053,336
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable and Accrued Liabilities	\$ 5,858,587	\$ 4,128,434
Deferred Revenue	2,779,293	446,060
Lease Liabilities - Operating, Current Portion	53,792	48,502
Long-Term Debt, Current Portion	290,952	2,779,980
Total Current Liabilities	8,982,624	7,402,976
LONG-TERM LIABILITIES		
Lease Liabilities - Operating	283,108	336,899
Long-Term Debt	26,407,346	14,562,186
Total Long-Term Liabilities	26,690,454	14,899,085
Total Liabilities	35,673,078	22,302,061
NET ASSETS		
Without Donor Restriction	14,289,348	12,638,616
With Donor Restriction	13,735,413	3,112,659
Total Net Assets	28,024,761	15,751,275
Total Liabilities and Net Assets	\$ 63,697,839	\$ 38,053,336

See accompanying Notes to Consolidated Financial Statements.

**CALIBER PUBLIC SCHOOLS
CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2021)**

	2022	2021
REVENUES, WITHOUT DONOR RESTRICTION		
State Revenue:		
State Aid	\$ 13,004,877	\$ 11,938,536
Other State Revenue	3,038,015	1,866,988
Federal Revenue:		
Grants and Entitlements	4,970,064	2,674,377
Local Revenue:		
In-Lieu Property Tax Revenue	4,321,679	4,542,014
Investment Income	41,459	30,394
Contributions	1,017,267	498,420
Other Revenue	497,566	254,120
PPP Loan Forgiveness	2,499,300	-
Amounts Released from Restrictions	131,136	981,370
Total Revenues, Without Donor Restriction	29,521,363	22,786,219
EXPENSES		
Program Services	24,151,396	17,558,872
Management and General	3,702,387	3,403,627
Fundraising and Development	16,848	17,923
Total Expenses	27,870,631	20,980,422
CHANGE IN NET ASSETS, WITHOUT DONOR RESTRICTION	1,650,732	1,805,797
REVENUES, WITH DONOR RESTRICTION		
Other State Revenue	9,281,476	2,669,573
Federal Revenue	1,272,414	20,000
Contributions	200,000	10,500
Amounts Released from Restrictions	(131,136)	(981,370)
CHANGE IN NET ASSETS WITH DONOR RESTRICTION	10,622,754	1,718,703
CHANGE IN NET ASSETS	12,273,486	3,524,500
Net Assets - Beginning of Year	15,751,275	12,226,775
NET ASSETS - END OF YEAR	\$ 28,024,761	\$ 15,751,275

See accompanying Notes to Consolidated Financial Statements.

**CALIBER PUBLIC SCHOOLS
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2022
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2021)**

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 12,273,486	\$ 3,524,500
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	419,350	419,351
Forgiveness of Notes Payable	(2,499,300)	-
Amortization of Loan Costs	11,166	11,165
Amortization of Lease Costs - Operating	87,977	122,111
(Increase) Decrease in Assets:		
Accounts Receivable - Federal and State	1,287,948	(5,948,026)
Accounts Receivable - Other	630,445	(887,732)
Pledges Receivable	36,686	578,105
Prepaid Expenses and Other Assets	(66,655)	(140,812)
Increase (Decrease) in Liabilities:		
Accounts Payable and Accrued Liabilities	1,730,154	3,199,938
Deferred Revenue	2,387,390	393,284
Net Cash Provided by Operating Activities	16,298,647	1,271,884
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Property, Plant, and Equipment	(20,223,838)	(4,286,879)
Net Cash Used by Investing Activities	(20,223,838)	(4,286,879)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Debt	12,101,939	-
Repayments of Debt	(257,673)	(271,582)
Net Cash Provided (Used) by Financing Activities	11,844,266	(271,582)
NET CHANGE IN CASH AND CASH EQUIVALENTS	7,919,075	(3,286,577)
Cash and Cash Equivalents - Beginning of Year	5,191,862	8,478,439
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 13,110,937	\$ 5,191,862
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash Paid for Interest	\$ 503,920	\$ 509,266
Forgiveness of Notes Payable	\$ 2,499,300	\$ -

See accompanying Notes to Consolidated Financial Statements.

CALIBER PUBLIC SCHOOLS
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2022
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2021)

	Program Services	Management and General	Fundraising and Development	2022 Total	2021 Total
Salaries and Wages	\$ 13,631,987	\$ 1,571,818	\$ -	\$ 15,203,805	\$ 12,712,162
Pension Expense	353,551	45,741	-	399,292	332,165
Other Employee Benefits	1,409,884	154,024	-	1,563,908	1,285,289
Payroll Taxes	1,023,161	113,806	-	1,136,967	950,836
Management Fees	167,602	497	-	168,099	165,842
Legal Expenses	19,968	476,532	-	496,500	67,264
Accounting Expenses	841	33,920	-	34,761	33,996
Instructional Materials	1,011,648	21,944	-	1,033,592	849,755
Other Fees for Services	3,330,411	713,624	9,418	4,053,453	1,777,103
Office Expenses	427,546	92,849	3,376	523,771	438,011
Information Technology	-	920	-	920	-
Occupancy Expenses	481,027	79,074	-	560,101	690,942
Travel Expenses	57,877	61,375	39	119,291	57,622
Interest Expense	514,577	472	37	515,086	520,431
Depreciation and Amortization Expense	419,350	-	-	419,350	419,351
Insurance Expense	152,743	32,970	-	185,713	91,519
Other Expenses	1,149,223	302,821	3,978	1,456,022	588,134
Total Expenses by Function	\$ 24,151,396	\$ 3,702,387	\$ 16,848	\$ 27,870,631	\$ 20,980,422

See accompanying Notes to Consolidated Financial Statements.

CALIBER PUBLIC SCHOOLS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Caliber Public Schools (the School) is a California nonprofit public benefit corporation and is organized to manage and operate public charter schools. The School is funded principally through state of California public education monies received through the California Department of Education. The charters may be revoked by the Sponsor for material violations of the charter, failure to meet pupil outcomes identified in the charter, failure to meet generally accepted standards of fiscal management, or violation of any provision of the law.

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of Caliber: Beta Academy (CBA), Caliber: ChangeMakers Academy (CCMA), Caliber Public Schools Charter Management (CMO), and Caliber East Bay Real Estate (CEBRE), a separate 501(c)(3) nonprofit corporation and sole member of Valle Vista Education, LLC (VVE). All significant intracompany and intercompany accounts and transactions between these entities have been eliminated in the consolidated financial statements.

Basis of Accounting

The consolidated financial statements have been prepared on the accrual method of accounting, and accordingly reflect all significant receivables and liabilities.

Basis of Presentation

The accompanying consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America as prescribed by the Financial Accounting Standards Board.

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and disclosures. Accordingly, actual results could differ from those estimates.

Functional Allocation of Expenses

Costs of providing the School's programs and other activities have been presented in the consolidated statement of functional expenses. During the year, such costs are accumulated into separate groupings as either direct or indirect. Indirect or shared costs are allocated among program and support services by a method that best measures the relative degree of benefit.

Cash and Cash Equivalents

The School defines its cash and cash equivalents to include only cash on hand, demand deposits, and liquid investments with original maturities of three months or less.

CALIBER PUBLIC SCHOOLS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Asset Classes

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor- or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as restricted revenue when received and released from restrictions when the assets are placed in service. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Accounts Receivable

Accounts receivable primarily represent amounts due from federal and state governments as of June 30, 2022. Management believes that all receivables are fully collectible; therefore, no provisions for uncollectible accounts were recorded.

Pledges Receivable

Unconditional promises to give expected to be received in one year or less are recorded as pledges receivable at net realizable value. Unconditional promises to give expected to be received in more than one year are recorded as pledges receivable at fair market value at the date of the promise.

Property, Plant, and Equipment

Property, plant, and equipment are stated at cost, if purchased or at estimated fair value, if donated. Depreciation is provided on a straight-line basis over the estimated useful lives of the asset. The School capitalizes all expenditures for land, buildings, and equipment in excess of \$5,000. The useful lives range vary from 3 to 40 years.

Revenue Recognition

Amounts received from the California Department of Education are conditional and recognized as revenue by the School based on the average daily attendance (ADA) of students. Revenue that is restricted is recorded as an increase in net assets without donor restriction, if the restriction expires in the reporting period in which the revenue is recognized. All other restricted revenues are reported as increases in net assets with donor restriction.

CALIBER PUBLIC SCHOOLS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions

All contributions are considered to be available for use unless specifically restricted by the donor. Amounts received that are restricted to specific use or future periods are reported as contributions with donor restrictions. Restricted contributions that are received and released in the same period are reported as contributions without donor restrictions. Unconditional promises to give expected to be received in one year or less are recorded at net realizable value. Unconditional promises to give expected to be received in more than one year are recorded at fair value at the date of the promise. Conditional promises to give (those with a measurable performance or other barrier and a right of return) are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met.

Conditional Grants

Grants and contracts that are conditioned upon the performance of certain requirements or the incurrence of allowable qualifying expenses (barriers) are recognized as revenues in the period in which the conditions are met. Amounts received are recognized as revenue when the School has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as deferred revenues in the consolidated statement of financial position. As of June 30, 2022, the School has conditional grants of \$5,524,234 of which \$2,779,293 is recognized as deferred revenue in the consolidated statement of financial position.

Property Taxes

Secured property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on September 1 and are payable in two installments on or before November 1 and February 1. Unsecured property taxes are not a lien against real property and are payable in one installment on or before August 31. The County bills and collects property taxes for all taxing agencies within the County and distributes these collections to the various agencies. The sponsor agency of the School is required by law to provide in-lieu property tax payments on a monthly basis, from August through July. The amount paid per month is based upon an allocation per student, with a specific percentage to be paid each month.

Compensated Absences

The School does not allow employees to carry over unused vacation. Accordingly, there were no accumulated compensated absence benefits at June 30, 2022.

Income Taxes

The School is a nonprofit entity exempt from the payment of income taxes under Internal Revenue Code Section 501(c)(3) and California Revenue and Taxation Code Section 23701d. Accordingly, no provision has been made for income taxes. Management has determined that all income tax positions are more likely than not of being sustained upon potential audit or examination; therefore, no disclosures of uncertain income tax positions are required. The School files an exempt organization return in the U.S. federal jurisdiction and with the California Franchise Tax Board.

CALIBER PUBLIC SCHOOLS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases

The School determines if an arrangement is a lease at inception. Operating leases are included in right-of-use (ROU) assets – operating and lease liability – operating, and finance leases are included in ROU assets – financing and lease liability – financing in the statements of financial position.

ROU assets represent the School's right to use an underlying asset for the lease term and lease liabilities represent the School's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the School will exercise that option. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term. The School has elected to recognize payments for short-term leases with a lease term of 12 months or less as expense as incurred and these leases are not included as lease liabilities or right of use assets on the consolidated statements of financial position.

The individual lease contracts do not provide information about the discount rate implicit in the lease. Therefore, the School has elected to use their incremental borrowing rate.

Comparative Totals

The consolidated financial statements include certain prior year summarized comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the School's consolidated financial statements for the year ended June 30, 2021, from which the summarized information was derived.

Allocations between Charter Schools and CMO

For the year ended June 30, 2022, the School has chosen to identify each charter school and the CMO separately within the consolidating financial statements. In cases where specific identification of each charter's activities was not possible, items were allocated based upon identified criteria.

Evaluation of Subsequent Events

The School has evaluated subsequent events through December 12, 2022, the date these consolidated financial statements were available to be issued.

CALIBER PUBLIC SCHOOLS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 2 LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the consolidated statement of financial position date. Financial assets available for general expenditures were comprised of the following as of June 30, 2022:

Cash and Cash Equivalents	\$ 13,110,937
Accounts Receivable - Federal and State	8,124,639
Accounts Receivable - Other	92,728
Pledges Receivable	367,179
Less: Net Assets With Donor Restriction	<u>(13,735,413)</u>
Financial Assets Available for General Expenditure	<u><u>\$ 7,960,070</u></u>

As part of its liquidity management plan, the School monitors liquidity required and cash flows to meet operating needs on a monthly basis. The School structures its financial assets to be available as general expenditures, liabilities, and other obligations come due.

NOTE 3 CONCENTRATION OF CREDIT RISK

The School also maintains cash balances held in banks and revolving funds which are insured up to \$250,000 by the Federal Depository Insurance Corporation (FDIC). At times, cash in these accounts exceeds the insured amounts. The School has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on its cash and cash equivalents.

NOTE 4 PLEDGES RECEIVABLE

Unconditional promises to give expected to be received in one year or less are recorded as pledges receivable at net realizable value, which approximates fair market value. Unconditional promises to give expected to be received after one year are recorded as pledges receivable at fair value using estimated future cash flows discounted by 2%. At June 30, 2022, the School had pledges receivable expected to be received in the following periods:

In One Year or Less	\$ 390,300
Between One and Five Years	-
Total Gross Pledges Receivable	<u>390,300</u>
Less: Discount and Allowance on Pledges Receivable	<u>(23,121)</u>
Net Pledges Receivable	<u><u>\$ 367,179</u></u>

**CALIBER PUBLIC SCHOOLS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 5 PROPERTY, PLANT, AND EQUIPMENT

Property, plant, and equipment in the accompanying consolidated financial statements are presented net of accumulated depreciation. Depreciation expense was \$419,350 for the year ended June 30, 2022. Depreciation expense by location for the year ended June 30, 2022 were as follows:

Caliber: Beta Academy	\$ 13,780
Caliber: ChangeMakers Academy	8,174
VVE	397,396
Total Property, Plant, and Equipment	<u>\$ 419,350</u>

The components of property, plant, and equipment as of June 30, 2022 are as follows:

Building and Improvements	\$ 16,167,664
Furniture, Fixtures, and Equipment	26,268
Other and Construction in Progress	26,284,758
Total	<u>42,478,690</u>
Less: Accumulated Depreciation and Amortization	(1,062,751)
Total Property, Plant, and Equipment	<u>\$ 41,415,939</u>

NOTE 6 LINE OF CREDIT

The School has a \$3-million-dollar revolving line of credit from First Republic Bank at variable interest rate of approximately 4.75%. The line of credit had no outstanding balance at June 30, 2022 and matures in May 2023.

NOTE 7 EMPLOYEE RETIREMENT

Defined Contribution Plan

The School offers an Internal Revenue Code Section 401(k) retirement plan to each of its qualifying employees. Employer matching contributions are made at the rate equal 3% of salary for each employee who is eligible for employer contributions. The amount of employer contribution expense for the year ended June 30, 2022 was \$399,292.

NOTE 8 CMO FEES

In consideration for the provision of administration and management services, each active charter school pays a monthly "Services Fee" equal to 10% of certain state revenues of the School.

Caliber: Beta Academy paid a Service Fee of \$907,719 for the year ended June 30, 2022.

Caliber: ChangeMakers Academy paid a Service Fee of \$824,937 for the year ended June 30, 2022.

**CALIBER PUBLIC SCHOOLS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 9 FUNCTIONALIZED EXPENSES

The consolidated financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries and wages, pension expense, other employee benefits, payroll taxes, travel expenses, office expenses, and other expenses which are allocated on the basis of estimates of time and effort. Other fees for services were allocated based on estimated usage.

NOTE 10 MEASURE T PARCEL TAX REVENUE

The Measure T was authorized by an election of the registered voters of West Contra Costa Unified School District (WCCUSD). Measure T was approved to protect core academics – reading, writing, math and science, attract and retain qualified teachers, prepare students for college and the workforce, provide smaller class sizes for the youngest children, provide classroom computers and technology, improve safety on and around campuses, support after-school programs to keep kids away from gangs and drugs, support science laboratories, materials and activities, and support libraries for WCCUSD and its sponsored charter schools by collecting taxes of 7.2 cents per square foot of total building area on each parcel of taxable real property with the District.

A summary of revenue and expenses for those charter schools that received these funds and spent on the required purposes is as follows:

	Caliber Beta							Total
	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	
REVENUE								
Parcel Tax Revenue	\$ 44,221	\$ 106,966	\$ 107,743	\$ 162,239	\$ 225,430	\$ 253,721	\$ 239,607	\$ 1,139,927
EXPENSES								
Provide Classroom Computers and Technology Instructional Supplies	-	-	67,953	-	13,548	30,005	57,291	168,797
Total	-	-	67,953	-	13,548	30,005	57,291	168,797
Preparing Student for College and the Workforce								
Certificated Salaries	-	-	-	-	12,862	180,873	153,917	347,652
Classified Salaries	-	-	-	123,708	136,083	8,287	-	268,078
Employee Benefits	-	-	-	20,719	17,897	33,306	16,685	88,607
Payroll Taxes	-	-	-	-	-	-	11,714	11,714
Books and Supplies	-	-	-	712	-	-	-	712
Services and Other Operating Expenses	-	-	-	3,600	31,859	1,250	-	36,709
Total	-	-	-	148,739	198,701	223,716	182,316	753,472
Supporting After-School Program								
Services and Other Operating Expenses	44,221	106,966	26,775	13,500	13,181	-	-	204,643
Total	44,221	106,966	26,775	13,500	13,181	-	-	204,643
Supporting Libraries								
Instructional Supplies	-	-	13,015	-	-	-	-	13,015
Total	-	-	13,015	-	-	-	-	13,015
Total Expenses	44,221	106,966	107,743	162,239	225,430	253,721	239,607	1,139,927
Net Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**CALIBER PUBLIC SCHOOLS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 11 LONG-TERM DEBT

Prop 51 Loan

The School received \$26,803,092 pursuant to a funding agreement between the State Allocation Board and the California School Finance Authority collectively referred to as the State. The School applied to the State for financing of its charter school facilities project under the Charter School Facilities Program (CSFP) established pursuant to Article 12 of Chapter 12.5 of Part 10 of the California Education Code. The State provided grant funding for 50% of the approved costs for the project. The School is required to pay back the state the remaining 50% of the final apportionment funding and payments are expected to begin one year after the completion of the project. As of June 30, 2022, the project is still in process.

Paycheck Protection Program Loan

On April 22, 2020, the School obtained a loan in the amount of \$2,499,300 through the Paycheck Protection Program administrated by the U.S. Small Business Administration (SBA) to fund payroll, rent, utilities, and interest on mortgages and existing debt through the Paycheck Protection Program (the PPP Loan). The original loan agreement was written prior to the PPP Flexibility Act of 2020 (June 5) and was due over 24 months deferred for six months. Subsequent to this, the law changed the loan deferral terms retroactively. The PPP Flexibility Act and subsequent regulations supersede the loan agreement. The PPP Loan bears interest at a fixed rate of 1.0% per annum, with the first six months of interest deferred, has a term of two years, and is unsecured and guaranteed by the SBA. Payment of principal and interest is deferred until the date on which the amount of forgiveness is remitted to the lender or, if the organization fails to apply for forgiveness within ten months after the covered period, then payment of principal and interest shall begin on that date. In August 2021, the principal amount of \$2,499,300 along with accrued interest was forgiven by the financial institution and the SBA. The SBA may review funding eligibility and usage of funds for compliance with program requirements based on dollar thresholds and other factors. The amount of liability, if any, from potential noncompliance cannot be determined with certainty; however, management is of the opinion that any review will not have a material adverse impact on the School's financial position.

Equitable Facilities Fund – CEBRE

The School obtained a loan in the amount of \$14,219,046 bearing an interest rate of 3.6%. The loan was used to buyout their previous lease with PCSD 500 Oregon Street LLC and additional lease improvements. Closing costs of \$334,966 were associated with the loan are amortized over the term of the loan. The loan is presented in the consolidated financial statements net of the unamortized closing costs.

As of June 30, 2022, the total outstanding debt was as follows:

Prop 51 Loan	\$ 13,401,546
Equitable Facilities Fund - CEBRE	13,605,665
Total Debt, Gross	<u>27,007,211</u>
Unamortized Debt Issuance Costs	(308,913)
Total	<u><u>\$ 26,698,298</u></u>

**CALIBER PUBLIC SCHOOLS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 11 LONG-TERM DEBT (CONTINUED)

Future minimum payments on debt are as follows:

<u>Year Ending June 30,</u>	
2023	\$ 290,952
2024	604,169
2025	649,038
2026	667,209
2027	685,933
Thereafter	24,109,910
Total	<u><u>\$ 27,007,211</u></u>

NOTE 12 LEASES

The School leases a facility under a long-term, a noncancelable operating lease agreement. This lease expires in June 30, 2027. In the normal course of business, it is expected that the lease will be renewed or replaced by a similar lease. The agreement generally requires the School to comply with certain covenants and to maintain certain financial ratios. As of June 30, 2022, the School was in compliance with all ratios and covenants.

The following table provides quantitative information concerning the School's lease.

Lease Cost

Operating Lease Cost	\$ 67,140
----------------------	-----------

Other Information

Operating Cash Flows from Operating Leases	\$ 81,242
Remaining Lease Term - Operating Lease	5 Years
Discount Rate - Operating Lease	5.25%

A maturity analysis of annual undiscounted cash flows for lease liabilities as of June 30, 2022 is as follows:

<u>Year Ending June 30,</u>	<u>Operating Lease</u>
2023	\$ 69,820
2024	72,618
2025	75,525
2026	78,551
2027	88,527
Total	<u><u>\$ 385,041</u></u>

**CALIBER PUBLIC SCHOOLS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 13 NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes or periods as of June 30, 2022:

Subject to Specific Purpose:	
Other State Revenue	\$ 12,262,999
Federal Revenue	1,272,414
Subject to the Passage of Time:	
Contributions	<u>200,000</u>
Total Net Assets With Donor Restriction	<u><u>\$ 13,735,413</u></u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for the year ended June 30, 2022:

Release of Restriction	
Satisfying Purpose Restriction	\$ 120,636
Satisfied the Passage of Time	<u>10,500</u>
Total Releases	<u><u>\$ 131,136</u></u>

NOTE 14 CONTINGENCIES, RISKS AND UNCERTAINTIES

The School 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 required reimbursement would not be material.

SUPPLEMENTARY INFORMATION

CALIBER PUBLIC SCHOOLS
LOCAL EDUCATION AGENCY ORGANIZATION STRUCTURE
YEAR ENDED JUNE 30, 2022
(SEE INDEPENDENT AUDITORS' REPORT)
UNAUDITED

Caliber Schools (the School) is a California nonprofit public benefit corporation and is organized to manage and operate public charter schools.

The School began serving students at Caliber: Beta Academy in August 2014. Caliber: Beta Academy (#1622) is sponsored by the Contra Costa County Office of Education. The current charter expires June 30, 2026.

The School began serving students at Caliber: ChangeMakers Academy in August 2016. Caliber: ChangeMakers Academy (#1779) is sponsored by Vallejo City United School District. The current charter expires June 30, 2026.

**CALIBER PUBLIC SCHOOLS
 LOCAL EDUCATION AGENCY ORGANIZATION STRUCTURE (CONTINUED)
 YEAR ENDED JUNE 30, 2022
 (SEE INDEPENDENT AUDITORS' REPORT)
 UNAUDITED**

The Board of Directors and the Administrators as of the year ended June 30, 2022 were as follows:

BOARD OF DIRECTORS

<u>Member</u>	<u>Office</u>	<u>Term Expires (3 Year Term)</u>
Ron Beller	Co-Founder and Secretary	2023
Jennifer Moses	Co-Founder and Board Chair	2024
Anthony Adams	Treasurer/CFO	2024
Nolan Highbaugh	Member	2023
Katy Vasquez	Member	2024
Beth Thompson	Member	2024
Tina Sachs	Member	2024

ADMINISTRATORS

Terence Johnson	CEO
Ric Zappa	Chief Schools Officer
Markus Mullarkey	President

**CALIBER PUBLIC SCHOOLS
SCHEDULE OF INSTRUCTIONAL TIME
YEAR ENDED JUNE 30, 2022
(SEE INDEPENDENT AUDITORS' REPORT)**

	Instructional Minutes		Traditional Instructional	Status
	Requirement	Actual	Days	
Caliber: Beta Academy				
Kindergarten	36,000	60,000	175	In compliance
Grade 1	50,400	60,260	175	In compliance
Grade 2	50,400	60,260	175	In compliance
Grade 3	50,400	61,135	175	In compliance
Grade 4	54,000	61,135	175	In compliance
Grade 5	54,000	61,589	175	In compliance
Grade 6	54,000	61,589	175	In compliance
Grade 7	54,000	61,589	175	In compliance
Grade 8	54,000	61,589	175	In compliance
Caliber: ChangeMakers Academy				
TK/Kindergarten	36,000	60,000	175	In compliance
Grade 1	50,400	60,260	175	In compliance
Grade 2	50,400	60,260	175	In compliance
Grade 3	50,400	61,135	175	In compliance
Grade 4	54,000	61,135	175	In compliance
Grade 5	54,000	61,589	175	In compliance
Grade 6	54,000	61,589	175	In compliance
Grade 7	54,000	61,589	175	In compliance
Grade 8	54,000	61,589	175	In compliance

See accompanying Notes to Supplementary Information.

**CALIBER PUBLIC SCHOOLS
SCHEDULE OF AVERAGE DAILY ATTENDANCE (ADA)
YEAR ENDED JUNE 30, 2022
(SEE INDEPENDENT AUDITORS' REPORT)**

	Second Period Report		Audit Adjustments		Second Period Report (Audited)	
	Classroom Based	Total	Classroom Based	Total	Classroom Based	Total
Caliber: Beta Academy						
K-Grade 3	347.51	350.26	-	-	347.51	350.26
Grades 4-6	260.59	262.69	-	-	260.59	262.69
Grades 7-8	164.14	165.99	-	(0.39)	164.14	165.60
ADA Totals	<u>772.24</u>	<u>778.94</u>	<u>-</u>	<u>(0.39)</u>	<u>772.24</u>	<u>778.55</u>
Caliber: ChangeMakers Academy						
TK-Grade 3	343.17	358.79	-	-	343.17	358.79
Grades 4-6	231.74	243.42	-	-	231.74	243.42
Grades 7-8	113.27	120.70	-	-	113.27	120.70
ADA Totals	<u>688.18</u>	<u>722.91</u>	<u>-</u>	<u>-</u>	<u>688.18</u>	<u>722.91</u>
ADA Totals	<u>1,460.42</u>	<u>1,501.85</u>	<u>-</u>	<u>(0.39)</u>	<u>1,460.42</u>	<u>1,501.46</u>
	Annual Report		Audit Adjustments		Annual Report (Audited)	
	Classroom Based	Total	Classroom Based	Total	Classroom Based	Total
Caliber: Beta Academy						
K-Grade 3	346.92	350.53	-	-	346.92	350.53
Grades 4-6	259.36	262.34	-	-	259.36	262.34
Grades 7-8	162.91	165.13	-	(0.29)	162.91	164.84
ADA Totals	<u>769.19</u>	<u>778.00</u>	<u>-</u>	<u>(0.29)</u>	<u>769.19</u>	<u>777.71</u>
Caliber: ChangeMakers Academy						
TK-Grade 3	343.96	358.89	-	-	343.96	358.89
Grades 4-6	232.78	243.52	-	-	232.78	243.52
Grades 7-8	112.45	119.57	-	-	112.45	119.57
ADA Totals	<u>689.19</u>	<u>721.98</u>	<u>-</u>	<u>-</u>	<u>689.19</u>	<u>721.98</u>
ADA Totals	<u>1,458.38</u>	<u>1,499.98</u>	<u>-</u>	<u>(0.29)</u>	<u>1,458.38</u>	<u>1,499.69</u>

See accompanying Notes to Supplementary Information.

**CALIBER PUBLIC SCHOOLS
RECONCILIATION OF ANNUAL FINANCIAL REPORT WITH
AUDITED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022
(SEE INDEPENDENT AUDITORS' REPORT)**

	Caliber: Beta Academy	ChangeMakers Academy
June 30, 2022 Annual Financial Report Fund Balances (Net Assets)	\$ 18,223,599	\$ 2,529,569
Adjustments and Reclassifications:		
Increase (Decrease) of Fund Balance (Net Assets):		
Accounts Receivable - Federal and State	57,292	-
Accounts Payable and Accrued Liabilities	(496)	-
Net Adjustments and Reclassifications	56,796	-
June 30, 2022 Audited Financial Statement Fund Balances (Net Assets)	\$ 18,280,395	\$ 2,529,569

See accompanying Notes to Supplementary Information.

CALIBER PUBLIC SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2022
(SEE INDEPENDENT AUDITORS' REPORT)

Federal Grantor/Pass-Through Grantor Program or Cluster Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Caliber: Beta Academy	Caliber: ChangeMakers Academy	Total
U.S. Department of Education					
Pass-Through Program From					
California Department of Education:					
Every Student Succeeds Act					
Title I, Part A, Basic Grants:					
Low-Income and Neglected	84.010	14329	\$ 321,044	\$ 228,455	\$ 549,499
Title II, Part A, Teacher Quality	84.367	14341	41,840	32,338	74,178
Title III, English Learner Student Program	84.365	14346	55,841	32,171	88,012
State Charter School Facilities Incentive Grant	84.282D	n/a	1,272,414	-	1,272,414
Special Education Cluster					
IDEA Basic Local Assistance Entitlement, Part B, Section 611	84.027	13379	128,442	114,481	242,923
ARP IDEA Part B, Sec. 611, Local Assistance Entitlement	84.027	15638	36,502	32,534	69,036
Special Education Cluster			164,944	147,015	311,959
Coronavirus Aid, Relief, and Economic Security Act (CARES Act) COVID-19					
Elementary and Secondary School Emergency Relief (ESSER) Fund	84.425D	15536	21	12	33
Elementary and Secondary School Emergency Relief II (ESSER II) Fund	84.425D	15547	906,399	522,657	1,429,056
Elementary and Secondary School Emergency Relief III (ESSER III) Fund	84.425U	15559	319,921	726,610	1,046,531
Expanded Learning Opportunities (ELO) Grant ESSER II State Reserve	84.425D	15618	89,973	78,438	168,411
Expanded Learning Opportunities (ELO) Grant GEER II	84.425C	15619	20,650	18,002	38,652
Expanded Learning Opportunities (ELO) Grant: ESSER III					
State Reserve, Emergency Needs	84.425U	15620	58,652	51,132	109,784
Expanded Learning Opportunities (ELO) Grant: ESSER III					
State Reserve, Learning Loss	84.425U	15621	101,106	88,143	189,249
CARES Act - COVID-19 Total			1,496,722	1,484,994	2,981,716
<i>Total U.S. Department of Education</i>			3,352,805	1,924,973	5,277,778
U.S. Department of Agriculture					
Pass-Through Program From					
California Department of Education:					
National School Lunch Program					
Child Nutrition Cluster Subtotal	10.555	13396	394,923	351,198	746,121
Child and Adult Care Food Program	10.558	13666	40,738	43,855	84,593
Continuing Appropriations Act and Other Extensions Act:					
Pandemic Electronic Benefit Transfer (P-EBT) Administrative Costs Grant	10.649	15644	614	614	1,228
<i>Total U.S. Department of Agriculture</i>			436,275	395,667	831,942
Federal Communications Commission					
Pass-Through Program From California					
Department of Education:					
Emergency Connectivity Funds	32.009	n/a	87,439	81,291	168,730
<i>Total Federal Communications Commission</i>			87,439	81,291	168,730
Total Federal Expenditures			\$ 3,876,519	\$ 2,401,931	\$ 6,278,450
Reconciliation of Federal Expenditures to Federal Revenue					
Federal Expenditures in Excess of Federal Revenue					
Title III, English Learner Student Program	84.365	14346	(22,941)	(13,031)	(35,972)
Total Federal Revenue			\$ 3,853,578	\$ 2,388,900	\$ 6,242,478

N/A - Pass-through entity number not readily available or not applicable.

See accompanying Notes to Supplementary Information.

CALIBER PUBLIC SCHOOLS
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION BY LOCATION
JUNE 30, 2022
(SEE INDEPENDENT AUDITORS' REPORT)

ASSETS	Caliber: Beta Academy	ChangeMakers Academy	CMO	CEBRE	VVE	Eliminations	2022 Consolidated	2021 Consolidated
CURRENT ASSETS								
Cash and Cash Equivalents	\$ 19,753	\$ 6,083,570	\$ 6,538,898	\$ 62,811	\$ 405,905	\$ -	\$ 13,110,937	\$ 5,191,862
Accounts Receivable - Federal and State	4,750,626	3,374,013	-	-	-	-	8,124,639	9,412,587
Accounts Receivable - Other	-	-	92,728	-	200,572	(200,572)	92,728	804,415
Pledges Receivable	-	-	367,179	-	-	-	367,179	403,865
Intercompany Receivables	7,499,071	-	-	-	17,570	(7,516,641)	-	-
Prepaid Expenses and Other Assets	195,388	146,489	10,204	-	-	(93,048)	259,033	246,535
Total Current Assets	<u>12,464,838</u>	<u>9,604,072</u>	<u>7,009,009</u>	<u>62,811</u>	<u>624,047</u>	<u>(7,810,261)</u>	<u>21,954,516</u>	<u>16,059,264</u>
LONG-TERM ASSETS								
Right-Of-Use Assets - Operating	-	20,874,824	327,384	-	-	(20,874,824)	327,384	382,620
Property, Plant, and Equipment, Net	26,353,657	93,665	-	-	14,968,617	-	41,415,939	21,611,452
Total Long-Term Assets	<u>26,353,657</u>	<u>20,968,489</u>	<u>327,384</u>	<u>-</u>	<u>14,968,617</u>	<u>(20,874,824)</u>	<u>41,743,323</u>	<u>21,994,072</u>
Total Assets	<u>\$ 38,818,495</u>	<u>\$ 30,572,561</u>	<u>\$ 7,336,393</u>	<u>\$ 62,811</u>	<u>\$ 15,592,664</u>	<u>\$ (28,685,085)</u>	<u>\$ 63,697,839</u>	<u>\$ 38,053,336</u>
LIABILITIES AND NET ASSETS								
CURRENT LIABILITIES								
Accounts Payable and Accrued Liabilities	\$ 5,041,721	\$ 541,212	\$ 268,863	\$ -	\$ 6,791	\$ -	\$ 5,858,587	\$ 4,128,434
Intercompany Payables	-	5,741,924	1,757,147	17,570	-	(7,516,641)	-	-
Deferred Revenue	2,094,833	684,460	-	-	93,048	(93,048)	2,779,293	446,060
Lease Liabilities - Operating, Current Portion	-	376,168	53,792	-	-	(376,168)	53,792	48,502
Long-Term Debt, Current Portion	-	-	-	-	290,952	-	290,952	2,779,980
Total Current Liabilities	<u>7,136,554</u>	<u>7,343,764</u>	<u>2,079,802</u>	<u>17,570</u>	<u>390,791</u>	<u>(7,985,857)</u>	<u>8,982,624</u>	<u>7,402,976</u>
LONG-TERM LIABILITIES								
Lease Liabilities - Operating	-	20,699,228	283,108	-	-	(20,699,228)	283,108	336,899
Long-Term Debt	13,401,546	-	-	-	13,005,800	-	26,407,346	14,562,186
Total Long-Term Liabilities	<u>13,401,546</u>	<u>20,699,228</u>	<u>283,108</u>	<u>-</u>	<u>13,005,800</u>	<u>(20,699,228)</u>	<u>26,690,454</u>	<u>14,899,085</u>
Total Liabilities	20,538,100	28,042,992	2,362,910	17,570	13,396,591	(28,685,085)	35,673,078	22,302,061
NET ASSETS								
Without Donor Restriction	4,794,481	2,480,070	4,773,483	45,241	2,196,073	-	14,289,348	12,638,616
With Donor Restriction	13,485,914	49,499	200,000	-	-	-	13,735,413	3,112,659
Total Net Assets	<u>18,280,395</u>	<u>2,529,569</u>	<u>4,973,483</u>	<u>45,241</u>	<u>2,196,073</u>	<u>-</u>	<u>28,024,761</u>	<u>15,751,275</u>
Total Liabilities and Net Assets	<u>\$ 38,818,495</u>	<u>\$ 30,572,561</u>	<u>\$ 7,336,393</u>	<u>\$ 62,811</u>	<u>\$ 15,592,664</u>	<u>\$ (28,685,085)</u>	<u>\$ 63,697,839</u>	<u>\$ 38,053,336</u>

See accompanying Notes to Supplementary Information.

CALIBER PUBLIC SCHOOLS
CONSOLIDATING SCHEDULE OF ACTIVITIES BY LOCATION
YEAR ENDED JUNE 30, 2022
(SEE INDEPENDENT AUDITORS' REPORT)

	Caliber: Beta Academy	Caliber: ChangeMakers Academy	CMO	CEBRE	VVE	Eliminations	2022 Consolidated	2021 Consolidated
REVENUES, WITHOUT DONOR RESTRICTION								
State Revenue:								
State Aid	\$ 6,669,843	\$ 6,335,034	\$ -	\$ -	\$ -	\$ -	\$ 13,004,877	\$ 11,938,536
Other State Revenue	1,163,695	1,874,320	-	-	-	-	3,038,015	1,866,988
Federal Revenue:								
Grants and Entitlements	2,581,164	2,388,900	-	-	-	-	4,970,064	2,674,377
Local Revenue:								
In-Lieu Property Tax Revenue	2,407,348	1,914,331	-	-	-	-	4,321,679	4,542,014
Investment Income	-	27,641	13,754	64	-	-	41,459	30,394
Contributions	7,971	5,921	1,003,375	-	-	-	1,017,267	498,420
Other Revenue	240,402	1,614	1,988,206	-	1,189,502	(2,922,158)	497,566	254,120
PPP Loan Forgiveness	-	-	2,499,300	-	-	-	2,499,300	-
Amounts Released from Restrictions	44,280	86,856	-	-	-	-	131,136	981,370
Total Revenues Without Donor Restriction	<u>13,114,703</u>	<u>12,634,617</u>	<u>5,504,635</u>	<u>64</u>	<u>1,189,502</u>	<u>(2,922,158)</u>	<u>29,521,363</u>	<u>22,786,219</u>
EXPENSES								
Program Services	12,061,282	11,672,725	429,120	-	1,177,771	(1,189,502)	24,151,396	17,558,872
Management and General	925,604	864,657	3,634,978	9,804	-	(1,732,656)	3,702,387	3,403,627
Fundraising	3,395	-	13,453	-	-	-	16,848	17,923
Total Expenses	<u>12,990,281</u>	<u>12,537,382</u>	<u>4,077,551</u>	<u>9,804</u>	<u>1,177,771</u>	<u>(2,922,158)</u>	<u>27,870,631</u>	<u>20,980,422</u>
CHANGE IN NET ASSETS, WITHOUT DONOR RESTRICTION	124,422	97,235	1,427,084	(9,740)	11,731	-	1,650,732	1,805,797
REVENUES, WITH DONOR RESTRICTION								
Other State Revenue	9,281,476	-	-	-	-	-	9,281,476	2,669,573
Federal Revenue	1,272,414	-	-	-	-	-	1,272,414	20,000
Contributions	-	-	200,000	-	-	-	200,000	10,500
Amounts Released from Restrictions	(44,280)	(86,856)	-	-	-	-	(131,136)	(981,370)
CHANGE IN NET ASSETS, WITH DONOR RESTRICTION	<u>10,509,610</u>	<u>(86,856)</u>	<u>200,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,622,754</u>	<u>1,718,703</u>
CHANGE IN NET ASSETS	10,634,032	10,379	1,627,084	(9,740)	11,731	-	12,273,486	3,524,500
Net Assets - Beginning of Year	7,646,363	2,519,190	3,346,399	54,981	2,184,342	-	15,751,275	12,226,775
NET ASSETS - END OF YEAR	<u>\$ 18,280,395</u>	<u>\$ 2,529,569</u>	<u>\$ 4,973,483</u>	<u>\$ 45,241</u>	<u>\$ 2,196,073</u>	<u>\$ -</u>	<u>\$ 28,024,761</u>	<u>\$ 15,751,275</u>

See accompanying Notes to Supplementary Information.

CALIBER PUBLIC SCHOOLS
CONSOLIDATING SCHEDULE OF CASH FLOWS BY LOCATION
YEAR ENDED JUNE 30, 2022
(SEE INDEPENDENT AUDITORS' REPORT)

	Caliber: Beta Academy	Caliber: ChangeMakers Academy	CMO	CEBRE	VVE	Eliminations	2022 Consolidated	2021 Consolidated
CASH FLOWS FROM OPERATING ACTIVITIES								
Change in Net Assets	\$ 10,634,032	\$ 10,379	\$ 1,627,084	\$ (9,740)	\$ 11,731	\$ -	\$ 12,273,486	\$ 3,524,500
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:								
Depreciation	13,780	8,174	-	-	397,396	-	419,350	419,351
Forgiveness of Notes Payable	(1,254,523)	(981,238)	(263,539)	-	-	-	(2,499,300)	-
Amortization of Loan Costs	-	-	-	-	11,166	-	-	11,165
Amortization of Lease Costs - Operating	-	81,242	6,735	-	-	-	87,977	122,111
(Increase) Decrease in Assets:								
Accounts Receivable - Federal and State	1,164,934	123,014	-	-	-	-	1,287,948	(5,948,026)
Accounts Receivable - Other	-	-	711,687	-	(81,242)	-	630,445	(887,732)
Pledges Receivable	9,765	-	26,921	-	-	-	36,686	578,105
Intercompany Receivables	(7,499,071)	-	-	-	(17,570)	7,516,641	-	-
Prepaid Expenses and Other Assets	(108,206)	(30,118)	71,669	-	-	-	(66,655)	(140,812)
Increase (Decrease) in Liabilities:								
Accounts Payable and Accrued Liabilities	2,318,682	(673,612)	109,850	(31,558)	6,792	-	1,730,154	3,199,938
Intercompany Liabilities	-	5,741,924	1,757,147	17,570	-	(7,516,641)	-	-
Deferred Revenue	1,863,708	469,525	-	-	54,157	-	2,387,390	393,284
Net Cash Provided (Used) by Operating Activities	<u>7,143,101</u>	<u>4,749,290</u>	<u>4,047,554</u>	<u>(23,728)</u>	<u>382,430</u>	<u>-</u>	<u>16,298,647</u>	<u>1,271,884</u>
CASH FLOWS FROM INVESTING ACTIVITIES								
Purchases of Property, Plant, and Equipment	<u>(20,223,838)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(20,223,838)</u>	<u>(4,286,879)</u>
Net Cash Used by Investing Activities	<u>(20,223,838)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(20,223,838)</u>	<u>(4,286,879)</u>
CASH FLOWS FROM FINANCING ACTIVITIES								
Proceeds from Debt	12,101,939	-	-	-	-	-	12,101,939	-
Repayments of Debt	-	-	-	-	(257,673)	-	(257,673)	(271,582)
Net Cash Provided (Used) by Financing Activities	<u>12,101,939</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(257,673)</u>	<u>-</u>	<u>11,844,266</u>	<u>(271,582)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS								
	(978,798)	4,749,290	4,047,554	(23,728)	124,757	-	7,919,075	(3,286,577)
Cash and Cash Equivalents - Beginning of Year	998,551	1,334,280	2,491,344	86,539	281,148	-	5,191,862	8,478,439
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 19,753</u>	<u>\$ 6,083,570</u>	<u>\$ 6,538,898</u>	<u>\$ 62,811</u>	<u>\$ 405,905</u>	<u>\$ -</u>	<u>\$ 13,110,937</u>	<u>\$ 5,191,862</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION								
Cash Paid for Interest	<u>\$ 524</u>	<u>\$ 4,325</u>	<u>\$ 509</u>	<u>\$ -</u>	<u>\$ 498,562</u>	<u>\$ -</u>	<u>\$ 503,920</u>	<u>\$ 509,266</u>
Forgiveness of Note Payable	<u>\$ 1,254,523</u>	<u>\$ 981,238</u>	<u>\$ 263,539</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,499,300</u>	<u>\$ -</u>

See accompanying Notes to Supplementary Information.

**CALIBER PUBLIC SCHOOLS
CONSOLIDATING SCHEDULE OF FUNCTIONAL EXPENSES BY ENTITY
YEAR ENDED JUNE 30, 2022
(SEE INDEPENDENT AUDITORS' REPORT)**

	Program Services			Management and General			Fundraising			2022 Total	2021 Total
	Schools and CMO	CEBRE & VVE	Total	Schools and CMO	CEBRE & VVE	Total	Schools and CMO	CEBRE & VVE	Total		
Salaries and Wages	\$ 13,631,987	\$ -	\$ 13,631,987	\$ 1,571,818	\$ -	\$ 1,571,818	\$ -	\$ -	\$ -	\$ 15,203,805	\$ 12,712,162
Pension Expense	353,551	-	353,551	45,741	-	45,741	-	-	-	399,292	332,165
Other Employee Benefits	1,409,884	-	1,409,884	154,024	-	154,024	-	-	-	1,563,908	1,285,289
Payroll Taxes	1,023,161	-	1,023,161	113,806	-	113,806	-	-	-	1,136,967	950,836
Management Fees	167,576	26	167,602	497	-	497	-	-	-	168,099	165,842
Legal Expenses	19,968	-	19,968	476,532	-	476,532	-	-	-	496,500	67,264
Accounting Expenses	-	841	841	29,825	4,095	33,920	-	-	-	34,761	33,996
Instructional Materials	1,011,648	-	1,011,648	21,944	-	21,944	-	-	-	1,033,592	849,755
Other Fees for Services	3,187,036	143,375	3,330,411	713,624	-	713,624	9,418	-	9,418	4,053,453	1,777,103
Office Expenses	427,546	-	427,546	92,687	162	92,849	3,376	-	3,376	523,771	438,011
Information Technology	-	-	-	-	920	920	-	-	-	920	-
Occupancy Expenses	1,563,152	107,377	1,670,529	79,074	-	79,074	-	-	-	1,749,603	1,857,148
Travel Expenses	57,877	-	57,877	61,375	-	61,375	39	-	39	119,291	57,622
Interest Expense	4,849	509,728	514,577	472	-	472	37	-	37	515,086	520,431
Depreciation Expense	21,954	397,396	419,350	-	-	-	-	-	-	419,350	419,351
Insurance Expense	133,715	19,028	152,743	28,343	4,627	32,970	-	-	-	185,713	91,519
Other Expenses	1,149,223	-	1,149,223	2,035,477	-	2,035,477	3,978	-	3,978	3,188,678	2,235,631
Total Before Eliminations	24,163,127	1,177,771	25,340,898	5,425,239	9,804	5,435,043	16,848	-	16,848	30,792,789	23,794,125
Eliminations	(1,189,502)	-	(1,189,502)	(1,732,656)	-	(1,732,656)	-	-	-	(2,922,158)	(2,813,703)
Total Expenses by Function	\$ 22,973,625	\$ 1,177,771	\$ 24,151,396	\$ 3,692,583	\$ 9,804	\$ 3,702,387	\$ 16,848	\$ -	\$ 16,848	\$ 27,870,631	\$ 20,980,422

See accompanying Notes to Supplementary Information.

**CALIBER PUBLIC SCHOOLS
NOTES TO SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2022**

PURPOSE OF SCHEDULES

NOTE 1 SCHEDULE OF INSTRUCTIONAL TIME

This schedule presents information on the amount of instructional time offered by the School and whether the School complied with the provisions of California Education Code.

NOTE 2 SCHEDULE OF AVERAGE DAILY ATTENDANCE

Average daily attendance is a measurement of the number of pupils attending classes of the School. The purpose of attendance accounting from a fiscal standpoint is to provide the basis on which apportionments of state funds are made to charter schools. This schedule provides information regarding the attendance of students at various grade levels.

NOTE 3 RECONCILIATION OF ANNUAL FINANCIAL REPORT WITH AUDITED FINANCIAL STATEMENTS

This schedule provides the information necessary to reconcile the net assets of the charter schools as reported on the Annual Financial Report form to the audited consolidated financial statements.

NOTE 4 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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

The School has elected not to use the 10-percent de minimis indirect cost rate allowed under Uniform Guidance.

NOTE 5 SUPPLEMENTARY STATEMENTS BY LOCATION AND ENTITY

The supplementary consolidating statements of financial position, activities, cash flows, and functional expenses are presented as required by the state.



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

Board of Directors
Caliber Public Schools
Richmond, 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 of America, the consolidated financial statements of Caliber Public Schools (the School), a nonprofit California public benefit corporation, which comprise the consolidated statement of financial position as of June 30, 2022, and the related consolidated statements of activities, cash flows, and functional expenses for the year then ended, the related notes to the consolidated financial statements, and have issued our report thereon dated December 12, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered the School's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School'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 consolidated financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

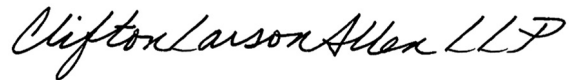
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Report on Compliance and Other Matters

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

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



CliftonLarsonAllen LLP

Glendora, California
December 12, 2022



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM, AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Board of Directors
Caliber Public Schools
Richmond, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

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

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

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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



CliftonLarsonAllen LLP

Glendora, California
December 12, 2022



INDEPENDENT AUDITORS' REPORT ON STATE COMPLIANCE

Board of Directors
Caliber Public Schools
Richmond, California

Report on Compliance

Opinion on State Compliance

We have audited Caliber Public Schools' (the School) compliance with the types of compliance requirements described in the *2021-2022 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, published by the Education Audit Appeals Panel for the year ended June 30, 2022. The School's State compliance requirements are identified in the table below.

In our opinion, the School complied with the laws and regulations of the state programs referred to above in all material respects for the year ended June 30, 2022.

Basis for Opinion

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and *2021-2022 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, published by the Education Audit Appeals Panel. Our responsibilities under those standards and *2021-2022 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, published by the Education Audit Appeals Panel are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditors' Responsibility for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to below occurred, whether due to fraud or error, and express an opinion on the School's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and *2021-2022 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, published by the Education Audit Appeals Panel will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the School's compliance with the requirements of the government program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and *2021-2022 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, published by the Education Audit Appeals Panel, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the School's compliance with the compliance requirements referred to below and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the School's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with *2021-2022 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, published by the Education Audit Appeals Panel, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control over compliance. Accordingly, no such opinion is expressed.

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

Other Matters

The results of our audit procedures disclosed instances of noncompliance, which are required to be reported in accordance with *2021-2022 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, published by the Education Audit Appeals Panel and which are described in the accompanying schedule of findings and questioned costs as item 2022-001. Our opinion on each state program is not modified with respect to this matter.

The School's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The School's response was not subjected to the auditing procedures applied in the audit of compliance, and accordingly, we express no opinion on the response.


Compliance Requirements Tested

In connection with the audit referred to above, we selected and tested transactions and records to determine the School’s compliance with the laws and regulations applicable to the following items:

<u>Description</u>	<u>Procedures Performed</u>
School Districts, County Offices of Education, and Charter Schools:	
California Clean Energy Jobs Act	Not Applicable
After/Before School Education and Safety Program	Yes
Proper Expenditure of Education Protection Account Funds	Yes
Unduplicated Local Control Funding Formula Pupil Counts	Yes
Local Control and Accountability Plan	Yes
Independent Study-Course Based	Not Applicable
Immunizations	Not Applicable
Educator Effectiveness	Yes
Expanded Learning Opportunities Grant (ELO-G)	Yes
Career Technical Education Incentive Grant	Not Applicable
In Person Instruction Grant	Not Applicable
Charter Schools:	
Attendance	Yes
Mode of Instruction	Yes
Nonclassroom-Based Instruction/Independent Study	Yes
Determination of Funding for Nonclassroom-Based Instruction	Not applicable
Annual Instructional Minutes – Classroom Based	Yes
Charter School Facility Grant Program	Yes

Purpose of this Report

The purpose of this report on state compliance is solely to describe the results of testing based on the requirements of the *2021-2022 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, published by the Education Audit Appeals Panel. Accordingly, this report is not suitable for any other purpose.



CliftonLarsonAllen LLP

Glendora, California
December 12, 2022

**CALIBER PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2022**

Section I – Summary of Auditors’ Results

Financial Statements

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? _____ Yes x No
 - Significant deficiency(ies) identified? _____ Yes x None reported
3. Noncompliance material to financial statements noted? _____ Yes x No

Federal Awards

1. Internal control over major federal programs:
- Material weakness(es) identified? _____ Yes x No
 - Significant deficiency(ies) identified? _____ Yes x None reported
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? _____ Yes x No

Identification of Major Federal Programs

Assistance Listing Number(s)	Name of Federal Program or Cluster
84.282D	State Charter School Facilities Incentive Grant
84.425D	ESSER, ESSER II
84.425C	GEER II
84.425U	ESSER III

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

Auditee qualified as low-risk auditee? x Yes _____ No

**CALIBER PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2022**

All audit findings must be identified as one or more of the following categories:

<u>Five Digit Code</u>	<u>Finding Types</u>
10000	Attendance
20000	Inventory of Equipment
30000	Internal Control
40000	State Compliance
42000	Charter School Facilities Program
43000	Apprenticeship
50000	Federal Compliance
60000	Miscellaneous
61000	Classroom Teacher Salaries
62000	Local Control Accountability Plan
70000	Instructional Materials
71000	Teacher Misassignments
72000	School Accountability Report Card

Section II – Financial Statement Findings

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

Section III – Findings and Questioned Costs – Major Federal Programs

Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).

Section IV – Findings and Questioned Costs – State Compliance Findings

2022-001 Nonclassroom-Based Instruction/Independent Study 40000

Caliber Beta Academy #1622

Criteria: Per Education Code section 51747(c), a written independent study agreement must be maintained that includes beginning and end dates for the pupil participating in independent study under the agreement.

Condition: During nonclassroom-based/independent study pupil testing we found that 1 pupil in seventh grade did not have a master agreement on file that covered the period of independent study tested.

Effect: Caliber Beta Academy is not in compliance with Education Code section 51747(c) and over-reported P2 ADA by 0.39.

**CALIBER PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2022**

2022-001 Nonclassroom-Based Instruction/Independent Study (Continued) 40000

Cause: The independent study agreement on file had an end date of when the pupil was expected to return to school however, the pupil's doctor indicated the student should not return to in person instruction and must remain in independent. Due to a clerical error the agreement was not extended for this period.

Questioned Costs: Decrease in apportionment for Caliber Beta Academy of \$4,127.

Repeat Finding: This is not a repeat finding.

Recommendation: We recommend that additional review processes be implemented to ensure that master agreements covering the entire independent study time period for each student are in place.

Corrective Action Plan: Staff will be retrained on the importance of independent study contract dates and both start and end dates of independent study agreements will be verified before filing attendance reports.

**CALIBER PUBLIC SCHOOLS
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2022**

FINDINGS—FINANCIAL STATEMENT AUDIT

There were no financial statement findings in the prior year.

FINDINGS— FEDERAL AWARD PROGRAMS AUDITS

There were no federal award program audit findings in the prior year.

FINDINGS— STATE AWARD PROGRAMS AUDITS

There were no federal award program audit findings in the prior year.



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