

**CALIBER PUBLIC SCHOOLS**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**AND SUPPLEMENTARY INFORMATION**  
**YEAR ENDED JUNE 30, 2023**  
**(WITH SUMMARIZED FINANCIAL INFORMATION FOR**  
**THE YEAR ENDED JUNE 30, 2022)**

**OPERATING:**

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



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(WITH COMPARATIVE TOTALS FOR JUNE 30, 2022)**

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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, 2023, 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, 2023, and the changes in their net assets and their 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; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the 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 2022 consolidated financial statements, and expressed an unmodified opinion on those statements in our report dated December 12, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2022 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 6, 2023 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 6, 2023

**CALIBER PUBLIC SCHOOLS**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 2023**  
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2022)

	2023	2022
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 12,348,661	\$ 13,110,937
Accounts Receivable - Federal and State	5,289,058	8,124,639
Accounts Receivable - Other	153,366	92,728
Pledges Receivable	195,672	367,179
Prepaid Expenses and Other Assets	214,349	259,033
Total Current Assets	18,201,106	21,954,516
<b>LONG-TERM ASSETS</b>		
Deposits	6,000	-
Right-Of-Use Assets - Operating	584,531	327,384
Property, Plant, and Equipment, Net	42,187,286	41,415,939
Total Long-Term Assets	42,777,817	41,743,323
Total Assets	\$ 60,978,923	\$ 63,697,839
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable and Accrued Liabilities	\$ 1,827,654	\$ 5,858,587
Deferred Revenue	4,277,650	2,779,293
Lease Liabilities - Operating, Current Portion	148,400	53,792
Long-Term Debt, Current Portion	605,074	290,952
Total Current Liabilities	6,858,778	8,982,624
<b>LONG-TERM LIABILITIES</b>		
Lease Liabilities - Operating	465,809	283,108
Long-Term Debt	25,788,715	26,407,346
Total Long-Term Liabilities	26,254,524	26,690,454
Total Liabilities	33,113,302	35,673,078
<b>NET ASSETS</b>		
Without Donor Restriction	13,462,186	14,289,348
With Donor Restriction	14,403,435	13,735,413
Total Net Assets	27,865,621	28,024,761
Total Liabilities and Net Assets	\$ 60,978,923	\$ 63,697,839

See accompanying Notes to Financial Statements.

**CALIBER PUBLIC SCHOOLS**  
**CONSOLIDATED STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2023**  
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2022)

	2023	2022
<b>REVENUES, WITHOUT DONOR RESTRICTION</b>		
State Revenue:		
State Aid	\$ 14,689,275	\$ 13,004,877
Other State Revenue	6,753,018	3,038,015
Federal Revenue:		
Grants and Entitlements	3,786,833	4,970,064
Local Revenue:		
In-Lieu Property Tax Revenue	5,434,662	4,321,679
Investment Income	64,852	41,459
Contributions	781,857	1,017,267
Other Revenue	599,084	497,566
PPP Loan Forgiveness	-	2,499,300
Amounts Released from Restrictions	189,088	131,136
Total Revenues, Without Donor Restriction	32,298,669	29,521,363
<b>EXPENSES</b>		
Program Services	29,638,858	24,151,396
Management and General	3,444,725	3,702,387
Fundraising and Development	42,248	16,848
Total Expenses	33,125,831	27,870,631
<b>CHANGE IN NET ASSETS, WITHOUT DONOR RESTRICTION</b>	(827,162)	1,650,732
<b>REVENUES, WITH DONOR RESTRICTION</b>		
Other State Revenue	857,110	9,281,476
Federal Revenue	-	1,272,414
Contributions	-	200,000
Amounts Released from Restrictions	(189,088)	(131,136)
<b>CHANGE IN NET ASSETS WITH DONOR RESTRICTION</b>	668,022	10,622,754
<b>CHANGE IN NET ASSETS</b>	(159,140)	12,273,486
Net Assets - Beginning of Year	28,024,761	15,751,275
<b>NET ASSETS - END OF YEAR</b>	\$ 27,865,621	\$ 28,024,761

See accompanying Notes to Financial Statements.

**CALIBER PUBLIC SCHOOLS**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**YEAR ENDED JUNE 30, 2023**  
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2022)

	2023	2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ (159,140)	\$ 12,273,486
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	1,222,676	419,350
Forgiveness of Notes Payable	-	(2,499,300)
Amortization of Loan Costs	11,165	11,166
Loss on Disposal - Leasehold Improvements	68,899	-
(Increase) Decrease in Assets:		
Accounts Receivable - Federal and State	2,835,581	1,287,948
Accounts Receivable - Other	(133,563)	630,445
Pledges Receivable	165,507	36,686
Prepaid Expenses and Other Assets	44,684	(66,655)
ROU Lease Asset - Operating	191,946	491,416
Increase (Decrease) in Liabilities:		
Accounts Payable and Accrued Liabilities	(4,030,933)	1,730,154
Deferred Revenue	1,498,357	2,387,390
Lease Liabilities - Operating	(98,859)	(403,439)
Net Cash Provided by Operating Activities	1,616,320	16,298,647
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of Property, Plant, and Equipment	(2,062,922)	(20,223,838)
Net Cash Used by Investing Activities	(2,062,922)	(20,223,838)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from Debt	-	12,101,939
Repayments of Debt	(315,674)	(257,673)
Net Cash Provided (Used) by Financing Activities	(315,674)	11,844,266
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	(762,276)	7,919,075
Cash and Cash Equivalents - Beginning of Year	13,110,937	5,191,862
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ 12,348,661	\$ 13,110,937
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</b>		
Cash Paid for Interest	\$ 491,728	\$ 503,920
Forgiveness of Notes Payable	\$ -	\$ 2,499,300

See accompanying Notes to Financial Statements.



**CALIBER PUBLIC SCHOOLS**  
**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JUNE 30, 2023**  
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2022)

	Program Services	Management and General	Fundraising and Development	2023 Total	2022 Total
Salaries and Wages	\$ 15,724,545	\$ 1,746,598	\$ -	\$ 17,471,143	\$ 15,203,805
Pension Expense	278,507	36,037	-	314,544	399,292
Other Employee Benefits	1,509,646	163,761	-	1,673,407	1,563,908
Payroll Taxes	1,183,680	120,962	-	1,304,642	1,136,967
Management Fees	205,590	2,599	-	208,189	168,099
Legal Expenses	57,034	140,759	-	197,793	496,500
Accounting Expenses	893	75,750	-	76,643	34,761
Instructional Materials	902,135	18,402	6,754	927,291	1,033,592
Other Fees for Services	5,130,331	514,580	17,354	5,662,265	4,053,453
Office Expenses	641,879	66,619	3,633	712,131	523,771
Information Technology	-	919	-	919	920
Occupancy Expenses	508,048	80,068	-	588,116	560,101
Travel Expenses	102,929	52,605	36	155,570	119,291
Interest Expense	500,449	2,442	2	502,893	515,086
Depreciation and Amortization Expense	1,222,676	-	-	1,222,676	419,350
Insurance Expense	90,536	32,489	-	123,025	185,713
Other Expenses	1,579,980	390,135	14,469	1,984,584	1,456,022
	<u>\$ 29,638,858</u>	<u>\$ 3,444,725</u>	<u>\$ 42,248</u>	<u>\$ 33,125,831</u>	<u>\$ 27,870,631</u>
Total Expenses by Function					

See accompanying Notes to Financial Statements.

**CALIBER PUBLIC SCHOOLS  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2023**

**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. The expenses that are allocated include salaries and wages, pension expense, other employee benefits, payroll taxes, travel, 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.

**CALIBER PUBLIC SCHOOLS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**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.

**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, 2023. 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, 2023**

**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, 2023, the School has conditional grants of \$5,256,911 of which \$4,277,650 is recognized as deferred revenue in the consolidated statement of financial position.

**Other Revenue**

Other revenue consist primarily of a business services agreement with another charter school. The services provided include financial tracking and analysis, accounting, accounts payable and receivable, payroll, reporting, audit and other operational and instructional consulting activities. The performance obligation is received as services are provided and recognized ratably over the course of the academic year.

**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 and be paid out for unused vacation. Accordingly, there were no accumulated compensated absence benefits at June 30, 2023.

**CALIBER PUBLIC SCHOOLS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Income Taxes**

The School is a nonprofit entity exempt from the payment of income taxes under Internal Revenue Code Section (IRC) 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.

**Leases**

The School leases certain facilities and equipment. 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. As most of leases do not provide an implicit rate, the School uses its incremental borrowing rate or a risk-free rate based on the information available at commencement date in determining the present value of lease payments. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. 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 School has elected not to separate nonlease components from lease components and instead accounts for each separate lease component and the nonlease component as a single lease component.

In evaluating contracts to determine if they qualify as a lease, the School considers factors such as if the School has obtained substantially all of the rights to the underlying asset through exclusivity, if the School can direct the use of the asset by making decisions about how and for what purpose the asset will be used and if the lessor has substantive substitution rights. This evaluation may require significant judgment.

**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, 2022, from which the summarized information was derived.

**CALIBER PUBLIC SCHOOLS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Allocations between Charter Schools and CMO**

For the year ended June 30, 2023, 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 6, 2023, the date these consolidated financial statements were available to be issued.

**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, 2023:

Cash and Cash Equivalents	\$ 12,348,661
Accounts Receivable - Federal and State	5,289,058
Accounts Receivable - Other	153,366
Pledges Receivable	195,672
Less: Net Assets With Donor Restriction	<u>(14,403,435)</u>
Financial Assets Available for General Expenditure	<u>\$ 3,583,322</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.

**CALIBER PUBLIC SCHOOLS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**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 7%. At June 30, 2023, the School had pledges receivable expected to be received in the following periods:

In One Year or Less	\$ 210,400
Between One and Five Years	-
Total Gross Pledges Receivable	210,400
Less: Discount and Allowance on Pledges Receivable	(14,728)
Net Pledges Receivable	\$ 195,672

**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 \$1,222,676 for the year ended June 30, 2023. Depreciation expense by location for the year ended June 30, 2023 were as follows:

Caliber: Beta Academy	\$ 817,105
Caliber: ChangeMakers Academy	8,174
VVE	397,397
Total Depreciation Expense	\$ 1,222,676

The components of property, plant, and equipment as of June 30, 2023 are as follows:

Building and Improvements	\$ 44,377,546
Less: Accumulated Depreciation	(2,190,260)
Total Property, Plant, and Equipment	\$ 42,187,286

**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, 2023 and was extended until November 29, 2023.

**NOTE 7 EMPLOYEE RETIREMENT**

**Defined Contribution Plan**

The School offers an IRC 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, 2023 was \$314,544.

**CALIBER PUBLIC SCHOOLS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**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 12% of certain state revenues of the School.

Caliber: Beta Academy paid a Service Fee of \$1,233,795 for the year ended June 30, 2023.

Caliber: ChangeMakers Academy paid a Service Fee of \$1,181,078 for the year ended June 30, 2023.

**NOTE 9 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 - June 30,								
	2016	2017	2018	2019	2020	2021	2022	2023	Total
<b>REVENUE</b>									
Parcel Tax Revenue	\$ 44,221	\$ 106,966	\$ 107,743	\$ 162,239	\$ 225,430	\$ 253,721	\$ 239,607	\$ 258,842	\$ 1,398,769
<b>EXPENSES</b>									
Provide Classroom Computer 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	122,996	470,648
Classified Salaries	-	-	-	123,708	136,083	8,287	-	93,789	361,867
Employee Benefits	-	-	-	20,719	17,897	33,306	16,685	26,201	114,808
Payroll Taxes	-	-	-	-	-	-	11,714	15,856	27,570
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	258,842	1,012,314
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	258,842	1,398,769
Net Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



**CALIBER PUBLIC SCHOOLS  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 10 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.

**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, 2023, the total outstanding debt was as follows:

Prop 51 Loan	\$ 13,401,546
Equitable Facilities Fund - CEBRE	13,289,991
Total Debt, Gross	<u>26,691,537</u>
Unamortized Debt Issuance Costs	(297,748)
Total	<u><u>\$ 26,393,789</u></u>

Future minimum payments on debt are as follows:

<u>Year Ending June 30,</u>	
2024	\$ 605,074
2025	649,976
2026	668,181
2027	686,941
2028	706,273
Thereafter	<u>23,375,092</u>
Total	<u><u>\$ 26,691,537</u></u>

**NOTE 11 LEASES**

The School leases equipment as well as certain operating facilities for various terms under long-term, noncancelable operating lease agreements. The leases expire at various dates through 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, 2023, the School was in compliance with all ratios and covenants.

**CALIBER PUBLIC SCHOOLS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 11 LEASES (CONTINUED)**

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

Lease Cost:	
Operating Lease Cost	\$ 161,741
Other Information:	
Operating Cash Flows from Operating Leases	\$ 162,081
Weighted-Average Remaining Lease Term - Operating Leases	3.8 Years
Weighted-Average Discount Rate - Operating Leases	3.04%

A maturity analysis of annual undiscounted cash flows for lease liabilities as of June 30, 2023, is as follows:

Year Ending June 30,	Amount
2024	\$ 164,879
2025	167,786
2026	170,812
2027	143,204
2028	6,830
Thereafter	-
Total Future Payments	<u>653,511</u>
Interest Included	<u>(39,302)</u>
Total Lease Liabilities	<u><u>\$ 614,209</u></u>

**NOTE 12 NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions are restricted for the following purposes or periods as of June 30, 2023:

Subject to Specific Purpose:	
Other State Revenue	\$ 13,047,033
Federal Revenue	1,156,402
Subject to the Passage of Time:	
Contributions	<u>200,000</u>
Total Net Assets With Donor Restriction	<u><u>\$ 14,403,435</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, 2023:

Release of Restriction:	
Satisfying Purpose Restriction	\$ 189,088
Total Releases	<u><u>\$ 189,088</u></u>

**CALIBER PUBLIC SCHOOLS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 13 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.

In the normal course of business, the School is subject to legal claims. After consultation with the School's legal counsel, management of the School is of the opinion that liabilities, if any, arising from such claims would not have a material effect on the School's financial position.

**SUPPLEMENTARY INFORMATION**

**CALIBER PUBLIC SCHOOLS**  
**LOCAL EDUCATION AGENCY ORGANIZATION STRUCTURE**  
**YEAR ENDED JUNE 30, 2023**  
**(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, 2027.

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, 2027.

**CALIBER PUBLIC SCHOOLS  
 LOCAL EDUCATION AGENCY ORGANIZATION STRUCTURE (CONTINUED)  
 YEAR ENDED JUNE 30, 2023  
 (SEE INDEPENDENT AUDITORS' REPORT)  
 UNAUDITED**

The Board of Directors and the Administrators as of the year ended June 30, 2023 were as follows:

**BOARD OF DIRECTORS**

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

**ADMINISTRATORS**

Terence Johnson	CEO
Rachael Weingarten	Chief Schools Officer
Markus Mullarkey	President

**CALIBER PUBLIC SCHOOLS  
SCHEDULE OF INSTRUCTIONAL TIME  
YEAR ENDED JUNE 30, 2023  
(SEE INDEPENDENT AUDITORS' REPORT)**

	Instructional Minutes		Traditional Instructional Days	Status
	Requirement	Actual		
Caliber: Beta Academy				
TK	36,000	53,170	178	In compliance
Kindergarten	36,000	60,935	178	In compliance
Grade 1	50,400	57,375	178	In compliance
Grade 2	50,400	57,130	178	In compliance
Grade 3	50,400	58,265	178	In compliance
Grade 4	54,000	59,000	178	In compliance
Grade 5	54,000	66,667	178	In compliance
Grade 6	54,000	66,667	178	In compliance
Grade 7	54,000	66,667	178	In compliance
Grade 8	54,000	66,667	178	In compliance
Caliber: ChangeMakers Academy				
TK	36,000	60,625	178	In compliance
Kindergarten	36,000	62,560	178	In compliance
Grade 1	50,400	55,840	178	In compliance
Grade 2	50,400	55,840	178	In compliance
Grade 3	50,400	55,840	178	In compliance
Grade 4	54,000	57,220	178	In compliance
Grade 5	54,000	64,998	178	In compliance
Grade 6	54,000	64,998	178	In compliance
Grade 7	54,000	64,998	178	In compliance
Grade 8	54,000	64,998	178	In compliance

See accompanying Notes to Supplementary Information.

**CALIBER PUBLIC SCHOOLS**  
**SCHEDULE OF AVERAGE DAILY ATTENDANCE (ADA)**  
**YEAR ENDED JUNE 30, 2023**  
(SEE INDEPENDENT AUDITORS' REPORT)

	Second Period Report		Annual Report	
	Classroom		Classroom	
	Based		Based	
	Total	Total	Total	Total
Caliber: Beta Academy				
K-Grade 3	385.96	385.96	383.72	383.72
Grades 4-6	286.67	286.67	284.89	284.89
Grades 7-8	147.91	147.91	146.57	146.57
ADA Totals	820.54	820.54	815.18	815.18
Caliber: ChangeMakers Academy				
TK-Grade 3	375.74	375.74	376.23	376.23
Grades 4-6	269.94	269.94	267.79	267.79
Grades 7-8	153.39	153.39	152.94	152.94
ADA Totals	799.07	799.07	796.96	796.96
ADA Totals	1,619.61	1,619.61	1,612.14	1,612.14

See accompanying Notes to Supplementary Information.



**CALIBER PUBLIC SCHOOLS  
RECONCILIATION OF ANNUAL FINANCE REPORT WITH  
AUDITED FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023  
(SEE INDEPENDENT AUDITORS' REPORT)**

	Caliber: Beta Academy	ChangeMakers Academy
June 30, 2023 Annual Financial Report Fund Balances (Net Assets)	\$ 18,884,531	\$ 2,559,737
Adjustments and Reclassifications:		
Increase (Decrease) of Fund Balance (Net Assets):		
Accounts Receivable	(3,327)	-
Accounts Payable and Accrued Liabilities	(156,448)	(172,984)
Deferred Revenue	156,448	172,984
Net Adjustments and Reclassifications	<u>(3,327)</u>	<u>-</u>
June 30, 2023 Audited Financial Statement Fund Balances (Net Assets)	<u>\$ 18,881,204</u>	<u>\$ 2,559,737</u>

See accompanying Notes to Supplementary Information.

**CALIBER PUBLIC SCHOOLS**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2023**  
**(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
<b>U.S. Department of Education</b>					
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	\$ 335,209	\$ 239,393	\$ 574,602
Title II, Part A, Teacher Quality	84.367	14341	35,690	31,430	67,120
Title III, English Learner Student Program	84.365	14346	31,927	22,216	54,143
Special Education Cluster:					
IDEA Basic Local Assistance Entitlement, Part B, Section 611	84.027	13379	<u>130,071</u>	<u>122,290</u>	<u>252,361</u>
Total Special Education Cluster			130,071	122,290	252,361
Coronavirus Aid, Relief, and Economic Security Act (CARES Act) COVID-19:					
Elementary and Secondary School Emergency Relief II (ESSER II) Fund	84.425D	15547	74	44	118
Elementary and Secondary School Emergency Relief III (ESSER III) Fund	84.425U	15559	1,148,541	287,918	1,436,459
Elementary and Secondary School Emergency Relief III (ESSER III) Fund: Learning Loss	84.425U	10155	241,666	253,632	495,298
Total CARES Act - COVID-19			<u>1,390,281</u>	<u>541,594</u>	<u>1,931,875</u>
Total U.S Department of Education			1,923,178	956,923	2,880,101
<b>U.S. Department of Agriculture</b>					
Pass-Through Program From					
California Department of Education:					
National School Lunch Program	10.555	13396	<u>296,829</u>	<u>259,863</u>	<u>556,692</u>
Subtotal Child Nutrition Cluster			296,829	259,863	556,692
Child and Adult Care Food Program	10.558	13666	<u>68,849</u>	<u>56,485</u>	<u>125,334</u>
Total U.S Department of Agriculture			365,678	316,348	682,026
<b>Federal Communications Commission</b>					
Pass-Through Program From California					
Department of Education:					
Emergency Connectivity Funds	32.009	n/a	<u>70,716</u>	<u>153,990</u>	<u>224,706</u>
Total Federal Communications Commission			70,716	153,990	224,706
Total Federal Expenditures			2,359,572	1,427,261	3,786,833
Total Federal Revenue			<u>\$ 2,359,572</u>	<u>\$ 1,427,261</u>	<u>\$ 3,786,833</u>

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, 2023**  
**(SEE INDEPENDENT AUDITORS' REPORT)**

	Caliber:					Eliminations	2023 Consolidated	2022 Consolidated
	Caliber: Beta Academy	ChangeMakers Academy	CMO	CEBRE	VVE			
<b>ASSETS</b>								
<b>CURRENT ASSETS</b>								
Cash and Cash Equivalents	\$ 56,953	\$ 6,807,342	\$ 5,026,698	\$ 51,226	\$ 406,442	\$ -	\$ 12,348,661	\$ 13,110,937
Accounts Receivable - Federal and State	3,119,024	2,160,753	9,281	-	-	-	5,289,058	8,124,639
Accounts Receivable - Other	51	-	153,315	-	273,497	(273,497)	153,366	92,728
Pledges Receivable	-	-	195,672	-	-	-	195,672	367,179
Intercompany Receivables	5,428,566	-	-	-	17,570	(5,446,136)	-	-
Prepaid Expenses and Other Assets	46,919	136,701	123,777	-	-	(93,048)	214,349	259,033
Total Current Assets	<u>8,651,513</u>	<u>9,104,796</u>	<u>5,508,743</u>	<u>51,226</u>	<u>697,509</u>	<u>(5,812,681)</u>	<u>18,201,106</u>	<u>21,954,516</u>
<b>LONG-TERM ASSETS</b>								
Deposits	-	-	6,000	-	-	-	6,000	-
Right-of-Use Assets - Operating	178,559	20,562,164	269,539	-	-	(20,425,731)	584,531	327,384
Property, Plant, and Equipment, Net	27,530,575	85,491	-	-	14,571,220	-	42,187,286	41,415,939
Total Long-Term Assets	<u>27,709,134</u>	<u>20,647,655</u>	<u>275,539</u>	<u>-</u>	<u>14,571,220</u>	<u>(20,425,731)</u>	<u>42,777,817</u>	<u>41,743,323</u>
Total Assets	<u>\$ 36,360,647</u>	<u>\$ 29,752,451</u>	<u>\$ 5,784,282</u>	<u>\$ 51,226</u>	<u>\$ 15,268,729</u>	<u>\$ (26,238,412)</u>	<u>\$ 60,978,923</u>	<u>\$ 63,697,839</u>
<b>LIABILITIES AND NET ASSETS</b>								
<b>CURRENT LIABILITIES</b>								
Accounts Payable and Accrued Liabilities	\$ 842,833	\$ 804,420	\$ 175,016	\$ -	\$ 5,385	\$ -	\$ 1,827,654	\$ 5,858,587
Intercompany Payables	-	4,315,379	1,113,187	17,570	-	(5,446,136)	-	-
Deferred Revenue	3,047,373	1,230,277	-	-	93,048	(93,048)	4,277,650	2,779,293
Lease Liabilities - Operating, Current Portion	50,406	436,737	59,480	-	-	(398,223)	148,400	53,792
Long-Term Debt, Current Portion	302,568	-	-	-	302,506	-	605,074	290,952
Total Current Liabilities	<u>4,243,180</u>	<u>6,786,813</u>	<u>1,347,683</u>	<u>17,570</u>	<u>400,939</u>	<u>(5,937,407)</u>	<u>6,858,778</u>	<u>8,982,624</u>
<b>LONG-TERM LIABILITIES</b>								
Lease Liabilities - Operating	137,285	20,405,901	223,628	-	-	(20,301,005)	465,809	283,108
Long-Term Debt	13,098,978	-	-	-	12,689,737	-	25,788,715	26,407,346
Total Long-Term Liabilities	<u>13,236,263</u>	<u>20,405,901</u>	<u>223,628</u>	<u>-</u>	<u>12,689,737</u>	<u>(20,301,005)</u>	<u>26,254,524</u>	<u>26,690,454</u>
Total Liabilities	<u>17,479,443</u>	<u>27,192,714</u>	<u>1,571,311</u>	<u>17,570</u>	<u>13,090,676</u>	<u>(26,238,412)</u>	<u>33,113,302</u>	<u>35,673,078</u>
<b>NET ASSETS</b>								
Without Donor Restriction	4,723,091	2,514,415	4,012,971	33,656	2,178,053	-	13,462,186	14,289,348
With Donor Restriction	14,158,113	45,322	200,000	-	-	-	14,403,435	13,735,413
Total Net Assets	<u>18,881,204</u>	<u>2,559,737</u>	<u>4,212,971</u>	<u>33,656</u>	<u>2,178,053</u>	<u>-</u>	<u>27,865,621</u>	<u>28,024,761</u>
Total Liabilities and Net Assets	<u>\$ 36,360,647</u>	<u>\$ 29,752,451</u>	<u>\$ 5,784,282</u>	<u>\$ 51,226</u>	<u>\$ 15,268,729</u>	<u>\$ (26,238,412)</u>	<u>\$ 60,978,923</u>	<u>\$ 63,697,839</u>

See accompanying Notes to Supplementary Information.

**CALIBER PUBLIC SCHOOLS**  
**CONSOLIDATING SCHEDULE OF ACTIVITIES BY LOCATION**  
**YEAR ENDED JUNE 30, 2023**  
(SEE INDEPENDENT AUDITORS' REPORT)

	Caliber: Beta Academy	Caliber: ChangeMakers Academy	CMO	CEBRE	VVE	Eliminations	2023 Consolidated	2022 Consolidated
<b>REVENUES, WITHOUT DONOR RESTRICTION</b>								
State Revenue:								
State Aid	\$ 7,303,269	\$ 7,386,006	\$ -	\$ -	\$ -	\$ -	\$ 14,689,275	\$ 13,004,877
Other State Revenue	2,855,065	3,897,953	-	-	-	-	6,753,018	3,038,015
Federal Revenue:								
Grants and Entitlements	2,359,572	1,427,261	-	-	-	-	3,786,833	4,970,064
Local Revenue:								
In-Lieu Property Tax Revenue	2,978,355	2,456,307	-	-	-	-	5,434,662	4,321,679
Investment Income	(68,899)	110,884	22,316	69	482	-	64,852	41,459
Contributions	37,353	13,022	731,482	-	-	-	781,857	1,017,267
Other Revenue	323,281	26,639	2,664,037	-	1,189,502	(3,604,375)	599,084	497,566
PPP Loan Forgiveness	-	-	-	-	-	-	-	2,499,300
Amounts Released from Restrictions	184,911	4,177	-	-	-	-	189,088	131,136
Total Revenues Without Donor Restriction	<u>15,972,907</u>	<u>15,322,249</u>	<u>3,417,835</u>	<u>69</u>	<u>1,189,984</u>	<u>(3,604,375)</u>	<u>32,298,669</u>	<u>29,521,363</u>
<b>EXPENSES</b>								
Program Services	15,974,622	15,263,478	797,129	-	1,208,004	(3,604,375)	29,638,858	24,151,396
Management and General	52,624	20,708	3,359,739	11,654	-	-	3,444,725	3,702,387
Fundraising	17,051	3,718	21,479	-	-	-	42,248	16,848
Total Expenses	<u>16,044,297</u>	<u>15,287,904</u>	<u>4,178,347</u>	<u>11,654</u>	<u>1,208,004</u>	<u>(3,604,375)</u>	<u>33,125,831</u>	<u>27,870,631</u>
<b>CHANGE IN NET ASSETS, WITHOUT DONOR RESTRICTION</b>	(71,390)	34,345	(760,512)	(11,585)	(18,020)	-	(827,162)	1,650,732
<b>REVENUES, WITH DONOR RESTRICTION</b>								
Other State Revenue	857,110	-	-	-	-	-	857,110	9,281,476
Federal Revenue	-	-	-	-	-	-	-	1,272,414
Contributions	-	-	-	-	-	-	-	200,000
Amounts Released from Restrictions	(184,911)	(4,177)	-	-	-	-	(189,088)	(131,136)
<b>CHANGE IN NET ASSETS, WITH DONOR RESTRICTION</b>	<u>672,199</u>	<u>(4,177)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>668,022</u>	<u>10,622,754</u>
<b>CHANGE IN NET ASSETS</b>	600,809	30,168	(760,512)	(11,585)	(18,020)	-	(159,140)	12,273,486
Net Assets - Beginning of Year	18,280,395	2,529,569	4,973,483	45,241	2,196,073	-	28,024,761	15,751,275
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 18,881,204</u>	<u>\$ 2,559,737</u>	<u>\$ 4,212,971</u>	<u>\$ 33,656</u>	<u>\$ 2,178,053</u>	<u>\$ -</u>	<u>\$ 27,865,621</u>	<u>\$ 28,024,761</u>

See accompanying Notes to Supplementary Information.

**CALIBER PUBLIC SCHOOLS**  
**CONSOLIDATING SCHEDULE OF CASH FLOWS BY LOCATION**  
**YEAR ENDED JUNE 30, 2023**  
**(SEE INDEPENDENT AUDITORS' REPORT)**

	Caliber:					Eliminations	2023 Consolidated	2022 Consolidated
	Caliber: Beta Academy	ChangeMakers Academy	CMO	CEBRE	VVE			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>								
Change in Net Assets	\$ 600,809	\$ 30,168	\$ (760,512)	\$ (11,585)	\$ (18,020)	\$ -	\$ (159,140)	\$ 12,273,486
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:								
Depreciation	817,105	8,174	-	-	397,397	-	1,222,676	419,350
Forgiveness of Notes Payable	-	-	-	-	-	-	-	(2,499,300)
Amortization of Loan Costs	-	-	-	-	11,165	-	11,165	11,166
Loss on Disposal - Leasehold Improvements	68,899	-	-	-	-	-	68,899	-
(Increase) Decrease in Assets:								
Accounts Receivable - Federal and State	1,631,602	1,213,260	(9,281)	-	-	-	2,835,581	1,287,948
Accounts Receivable - Other	(51)	-	(60,587)	-	(72,925)	-	(133,563)	630,445
Pledges Receivable	-	-	165,507	-	-	-	165,507	36,686
Intercompany Receivables	2,070,505	-	-	-	-	(2,070,505)	-	-
Prepaid Expenses and Other Assets	148,469	9,788	(113,573)	-	-	-	44,684	(66,655)
ROU Lease Asset - Operating	(178,559)	312,660	57,845	-	-	-	191,946	491,416
Increase (Decrease) in Liabilities:								
Accounts Payable and Accrued Liabilities	(4,198,888)	263,208	(93,847)	-	(1,406)	-	(4,030,933)	1,730,154
Intercompany Liabilities	-	(1,426,545)	(643,960)	-	-	2,070,505	-	-
Deferred Revenue	952,540	545,817	-	-	-	-	1,498,357	2,387,390
Lease Liabilities - Operating	187,691	(232,758)	(53,792)	-	-	-	(98,859)	(403,439)
Net Cash Provided (Used) by Operating Activities	2,100,122	723,772	(1,512,200)	(11,585)	316,211	-	1,616,320	16,298,647
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>								
Purchases of Property, Plant, and Equipment	(2,062,922)	-	-	-	-	-	(2,062,922)	(20,223,838)
Net Cash Used by Investing Activities	(2,062,922)	-	-	-	-	-	(2,062,922)	(20,223,838)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>								
Proceeds from Debt	-	-	-	-	-	-	-	12,101,939
Repayments of Debt	-	-	-	-	(315,674)	-	(315,674)	(257,673)
Net Cash Provided (Used) by Financing Activities	-	-	-	-	(315,674)	-	(315,674)	11,844,266
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	37,200	723,772	(1,512,200)	(11,585)	537	-	(762,276)	7,919,075
Cash and Cash Equivalents - Beginning of Year	19,753	6,083,570	6,538,898	62,811	405,905	-	13,110,937	5,191,862
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 56,953</u>	<u>\$ 6,807,342</u>	<u>\$ 5,026,698</u>	<u>\$ 51,226</u>	<u>\$ 406,442</u>	<u>\$ -</u>	<u>\$ 12,348,661</u>	<u>\$ 13,110,937</u>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</b>								
Cash Paid for Interest	\$ 266	\$ 2,856	\$ 2,444	\$ -	\$ 486,162	\$ -	\$ 491,728	\$ 503,920
Forgiveness of Note Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,499,300

See accompanying Notes to Supplementary Information.

**CALIBER PUBLIC SCHOOLS  
CONSOLIDATING SCHEDULE OF FUNCTIONAL EXPENSES BY ENTITY  
YEAR ENDED JUNE 30, 2023  
(SEE INDEPENDENT AUDITORS' REPORT)**

	Program Services			Management and General			Fundraising			2023 Total	2022 Total
	Schools and CMO	CEBRE & VVE	Total	Schools and CMO	CEBRE & VVE	Total	Schools and CMO	CEBRE & VVE	Total		
Salaries and Wages	\$ 15,724,545	\$ -	\$ 15,724,545	\$ 1,746,598	\$ -	\$ 1,746,598	\$ -	\$ -	\$ -	\$ 17,471,143	\$ 15,203,805
Pension Expense	278,507	-	278,507	36,037	-	36,037	-	-	-	314,544	399,292
Other Employee Benefits	1,509,646	-	1,509,646	163,761	-	163,761	-	-	-	1,673,407	1,563,908
Payroll Taxes	1,183,680	-	1,183,680	120,962	-	120,962	-	-	-	1,304,642	1,136,967
Management Fees	201,516	4,074	205,590	2,399	200	2,599	-	-	-	208,189	168,099
Legal Expenses	57,034	-	57,034	140,759	-	140,759	-	-	-	197,793	496,500
Accounting Expenses	-	893	893	71,130	4,620	75,750	-	-	-	76,643	34,761
Instructional Materials	902,135	-	902,135	18,402	-	18,402	6,754	-	6,754	927,291	1,033,592
Other Fees for Services	4,977,486	152,845	5,130,331	514,580	-	514,580	17,354	-	17,354	5,662,265	4,053,453
Office Expenses	641,879	-	641,879	66,619	-	66,619	3,633	-	3,633	712,131	523,771
Information Technology	-	-	-	-	919	919	-	-	-	919	920
Occupancy Expenses	1,561,604	135,946	1,697,550	80,068	-	80,068	-	-	-	1,777,618	1,749,603
Travel Expenses	102,929	-	102,929	52,605	-	52,605	36	-	36	155,570	119,291
Interest Expense	3,122	497,327	500,449	2,442	-	2,442	2	-	2	502,893	515,086
Depreciation Expense	825,279	397,397	1,222,676	-	-	-	-	-	-	1,222,676	419,350
Insurance Expense	71,073	19,463	90,536	26,574	5,915	32,489	-	-	-	123,025	185,713
Other Expenses	3,994,794	59	3,994,853	390,135	-	390,135	14,469	-	14,469	4,399,457	3,188,678
Total Before Eliminations	32,035,229	1,208,004	33,243,233	3,433,071	11,654	3,444,725	42,248	-	42,248	36,730,206	30,792,789
Eliminations	(3,604,375)	-	(3,604,375)	-	-	-	-	-	-	(3,604,375)	(2,922,158)
Total Expenses by Function	<u>\$ 28,430,854</u>	<u>\$ 1,208,004</u>	<u>\$ 29,638,858</u>	<u>\$ 3,433,071</u>	<u>\$ 11,654</u>	<u>\$ 3,444,725</u>	<u>\$ 42,248</u>	<u>\$ -</u>	<u>\$ 42,248</u>	<u>\$ 33,125,831</u>	<u>\$ 27,870,631</u>

See accompanying Notes to Supplementary Information.

**CALIBER PUBLIC SCHOOLS**  
**NOTES TO SUPPLEMENTARY INFORMATION**  
**JUNE 30, 2023**

**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, 2023. 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% 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, 2023, 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 6, 2023.

***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 entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that 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 6, 2023



**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, 2023. 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, 2023.

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

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (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 6, 2023



## INDEPENDENT AUDITORS' REPORT ON STATE COMPLIANCE AND REPORT ON INTERNAL CONTROL OVER 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 applicable to the School described in the *2022-2023 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, 2023. The School's applicable State compliance requirements are identified in the table below.

In our opinion, the School complied, in all material respects, with the compliance requirements referred to above that are applicable to the School for the year ended June 30, 2023.

#### **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 *2022-2023 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Our responsibilities under those standards and *2022-2023 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the 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 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 *2022-2023 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the 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 *2022-2023 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the 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 *2022-2023 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* 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.

**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 <sup>1</sup>
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 <sup>2</sup>
Immunizations	Not Applicable <sup>3</sup>
Educator Effectiveness	Yes
Expanded Learning Opportunities Grant (ELO-G)	Yes
Career Technical Education Incentive Grant (CTEIG)	Not Applicable <sup>4</sup>
Transitional Kindergarten	Yes
Charter Schools:	
Attendance	Yes
Mode of Instruction	Yes
Nonclassroom-Based Instruction/Independent Study	Not Applicable <sup>5</sup>
Determination of Funding for Nonclassroom-Based Instruction	Not Applicable <sup>6</sup>
Annual Instructional Minutes – Classroom Based	Yes
Charter School Facility Grant Program	Yes

Not Applicable<sup>1</sup>: The School did not have any expenditures for California Clean Energy Jobs Act in the year under audit or a completed project between 12 and 15 months prior to any month in the audit year.

Not Applicable<sup>2</sup>: The School did not report ADA pursuant to Education Code section 51749.5.

Not Applicable<sup>3</sup>: The School did not have any charter school subject to audit of immunizations as listed in the California Department of Public Health (CDPH) website as listed in the *2022-2023 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*.

Not Applicable<sup>4</sup>: The School did not receive a CTEIG allocation for the audit year.

Not Applicable<sup>5</sup>: The School did not report ADA to the CDE as generated through nonclassroom-based instruction (independent study).

Not Applicable<sup>6</sup>: The School did not report more than 20% of its ADA as generated through nonclassroom-based instruction (independent study).

### **Other Matters**

The results of our audit procedures disclosed instances of noncompliance, which are required to be reported in accordance with *2022-2023 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* and which are described in the accompanying schedule of findings and questioned costs as item 2023-001 and 2023-002. Our opinion on each state program is not modified with respect to this matter.

*Government Auditing Standards* requires the auditor to perform limited procedures on the School's response to the noncompliance findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The School's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

### **Report on Internal Control over Compliance**

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

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the *2022-2023 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Accordingly, this report is not suitable for any other purpose.



**CliftonLarsonAllen LLP**

Glendora, California  
December 6, 2023



**CALIBER PUBLIC SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2023**

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***Section I – Summary of Auditors’ Results***

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***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)**

84.425D, 84.425U

**Name of Federal Program or Cluster**

Elementary and Secondary School Emergency Relief III (ESSER III) Fund, (ESSER III) Fund: Learning Loss

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, 2023**

**Section IV – Findings and Questioned Costs – State Compliance Findings (Continued)**

**2023-001      After/Before School Education and Safety (ASES) Program (Continued)      40000**

**Effect:** The School is not in compliance with Education code sections 8483(a)(1)(B) and the requirements of the 2022-2023 *Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*.

**Cause:** The after school program policy did not include documentation of the reasons for early releases because the School mistakenly believed this requirement was waived in 2022-23.

**Questioned costs:** None, this is not a condition of funded amounts.

**Repeat Finding:** This is not a repeat finding.

**Recommendation:** It is recommended that the School’s procedures are updated to include documentation of a pupil’s early release from the program is in line its early release policy.

**Corrective Action Plan:** The School will proactively and independently review all ASES requirements from the CDE each year. The School will confirm any changes with its ASES partner(s) and monitor their compliance with the requirements (including early release requirements) on a periodic basis throughout the year.

**2023-002      Unduplicated Local Control Funding Formula Pupil Counts      40000**

**Caliber ChangeMakers Academy #1779**

**Criteria:** Education code section 42238.02(b)(2) requires a charter school to submit its enrolled free and reduced-price meal eligibility, foster youth and English learner pupil-level records for enrolled pupils using the California Longitudinal Pupil Achievement Data System (CALPADS). The CALPADS 1.17 and 1.18 reports should accurately report the number of students eligible for free and reduced price meals and those identified as “English Learners”.

**Condition:** During our testing we compared students’ family income per Free and Reduced Price Meal (FRPM) eligibility applications to the Income Eligibility Scales for 2022-23, and found that Caliber ChangeMakers Academy inaccurately reported two students as eligible for free or reduced price meals.

**Effect:** The School is not in compliance with Education code section 42238.02(b)(2). The error identified above was extrapolated to the population of free and reduced eligible pupils and the 1.17 and 1.18 reports contained errors as follows:

Charter School Audit Adjustments to CALPADS Data - Caliber Public Schools for June 30, 2023

School Name	CDS Code	Original		Updated		Net Change		LCFF Entitlement		
		Enrollment Count	Unduplicated Pupil Count	Enrollment Count	Unduplicated Pupil Count	Enrollment Count	Unduplicated Pupil Count	Original Entitlement	Revised Entitlement	Adjustment
Caliber: ChangeMakers Academy										
Charter School	48 70581 0134262	913	664	913	651	---	-13	\$ 1,956,987	\$ 1,923,246	\$ (33,741)

**CALIBER PUBLIC SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2023**

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***Section IV – Findings and Questioned Costs – State Compliance Findings (Continued)***

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**2023-002    Unduplicated Local Control Funding Formula Pupil Counts (Continued)                      40000**

**Cause:** There was a clerical error in entering the income information for one student's record. The other student's record was incorrectly reported due to a data discrepancy in the direct certification process.

**Questioned Costs:** The error identified in the condition was extrapolated to the population of free and reduced eligible pupils and resulted in revised entitlement with a decrease of \$33,741 on supplemental grant funding which is used in the calculation of the LCFF entitlement.

**Repeat Finding:** This is not a repeat finding.

**Recommendation:** It is recommended the School update its processes to ensure review of classifications capture these discrepancies in the future.

**Corrective Action Plan:** The School will update its FRL form collection and direct certification processes to include additional data quality control steps and validation checks between its software systems.

**CALIBER PUBLIC SCHOOLS  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
YEAR ENDED JUNE 30, 2023**

**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**

**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.

**Status:** N/A – Caliber Beta Academy did not report ADA to the CDE as generated through nonclassroom-based instruction (independent study) during 2022-23 and therefore, this section is not applicable in the current year.



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