

**PARTNERS IN OAKLAND EDUCATION
DBA: VINCENT ACADEMY**

CHARTER NUMBER: 1271

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED JUNE 30, 2019



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**PARTNERS IN OAKLAND EDUCATION
DBA" VINCENT ACADEMY
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INDEPENDENT AUDITORS' REPORT

Board of Directors
Partners in Oakland Education
dba: Vincent Academy
Oakland, California

Report on the Financial Statements

We have audited the accompanying financial statements of Partners in Oakland Education dba: Vincent Academy (the Academy), a California nonprofit public benefit corporation, which comprise the statement of financial position as of June 30, 2019, and the related statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to on page 1 present fairly, in all material respects, the financial position of Partners in Oakland Education dba: Vincent Academy as of June 30, 2019, 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.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on Partners in Oakland Education dba: Vincent Academy's financial statements as a whole. The accompanying supplementary schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated December 14, 2019 on our consideration of Partners in Oakland Education dba: Vincent Academy'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 on Partners in Oakland Education dba: Vincent Academy's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Partners in Oakland Education dba: Vincent Academy's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Glendora, California
December 14, 2019

**PARTNERS IN OAKLAND EDUCATION
DBA: VINCENT ACADEMY
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2019**

ASSETS

CURRENT ASSETS

Cash and Cash Equivalents	\$ 356,756
Accounts Receivable	503,124
Prepaid Expenses and Other Assets	<u>66,663</u>
Total Current Assets	926,543

Total Assets	<u><u>\$ 926,543</u></u>
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LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts Payable and Accrued Liabilities	\$ 76,422
Total Current Liabilities	<u>76,422</u>

NET ASSETS

Without Donor Restriction	<u>850,121</u>
Total Net Assets	<u>850,121</u>

Total Liabilities and Net Assets	<u><u>\$ 926,543</u></u>
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See accompanying Notes to Financial Statements.

**PARTNERS IN OAKLAND EDUCATION
DBA: VINCENT ACADEMY
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2019**

REVENUES, WITHOUT DONOR RESTRICTION

State Revenue:	
State Apportionment	\$ 1,685,966
Other State Revenue	748,293
Federal Revenue:	
Grants and Entitlements	347,612
Local Revenue:	
In-Lieu Property Tax Revenue	579,050
Contributions	462,970
Other Revenue	120,562
Total Revenues	<u>3,944,453</u>

EXPENSES

Program Services	3,376,899
Management and General	406,045
Total Expenses	<u>3,782,944</u>

CHANGE IN NET ASSETS

161,509

Net Assets Without Donor Restriction, Beginning of Year

688,612

NET ASSETS WITHOUT DONOR RESTRICTION, END OF YEAR

\$ 850,121

See accompanying Notes to Financial Statements.

**PARTNERS IN OAKLAND EDUCATION
DBA: VINCENT ACADEMY
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2019**

CASH FLOWS FROM OPERATING ACTIVITIES

Change in Net Assets	\$ 161,509
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:	
Change in Operating Assets:	
Accounts Receivable	(32,680)
Prepaid Expenses and Other Assets	8,453
Change in Operating Liabilities:	
Accounts Payable and Accrued Liabilities	<u>(79,474)</u>
Net Cash Provided by Operating Activities	57,808
NET CHANGE IN CASH AND CASH EQUIVALENTS	57,808
Cash and Cash Equivalents, Beginning of Year	<u>298,948</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u><u>\$ 356,756</u></u>

See accompanying Notes to Financial Statements.

**PARTNERS IN OAKLAND EDUCATION
DBA: VINCENT ACADEMY
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2019**

	<u>Program Services</u>	<u>Management and General</u>	<u>Total Expenses</u>
Salaries and Wages	\$ 1,789,539	\$ 96,749	\$ 1,886,288
Pension Expense	177,485	-	177,485
Other Employee Benefits	203,247	29,930	233,177
Payroll Taxes	66,180	7,317	73,497
Legal Expenses	-	1,431	1,431
Accounting Expenses	-	36,100	36,100
Instructional Materials	100,448	-	100,448
Other Fees for Services	246,757	130,743	377,500
Advertising and Promotion Expenses	-	32,894	32,894
Office Expenses	-	15,618	15,618
Information Technology Expenses	25,328	-	25,328
Occupancy Expenses	433,399	-	433,399
Travel Expenses	16,690	2,354	19,044
Insurance Expense	-	30,779	30,779
Other Expenses	317,826	22,130	339,956
	<u> </u>	<u> </u>	<u> </u>
Total	<u><u>\$ 3,376,899</u></u>	<u><u>\$ 406,045</u></u>	<u><u>\$ 3,782,944</u></u>

See accompanying Notes to Financial Statements.

**PARTNERS IN OAKLAND EDUCATION
DBA: VINCENT ACADEMY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

NOTE 1 ORGANIZATION AND MISSION

Partners in Oakland Education dba: Vincent Academy (the Academy) is a nonprofit public benefit corporation. The Academy was granted a five-year charter under the sponsorship of the Oakland Unified School District and was re-approved by the state of California on April 13, 2016.

The Academy commenced during the 2011 – 2012 school year and currently serves approximately 261 students in Kindergarten through Grade 6.

The mission of the Academy is to provide excellent education, grounded in scholarship, compassion, and resilience. The Academy was founded on the belief that academic success is attainable for all students in the context of family support and community involvement. The Academy combines a rigorous academic program, augmented by a rich offering of the arts, with a strong system of education and support services for parents, in partnership with other community organizations. The Academy's program promotes the intellectual, social, and emotional growth of our students, helping them to develop deep respect for, and clear sense of responsibility to themselves, their families, their cultures, and their communities. While striving for academic excellence, the Academy places equal value on character development and self-esteem of its students. The Academy's robust curriculum prepares its students to be 21st century learners, and seeks to inspire and prepare them to participate actively as members and leaders of a democratic society.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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. 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.

**PARTNERS IN OAKLAND EDUCATION
DBA: VINCENT ACADEMY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounting Method – Basis of Accounting

The financial statements were prepared in accordance with accounting principles generally accepted in the United States of America as applicable to nonprofit organizations. Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported on the financial statements. The Academy uses the accrual basis of accounting under which revenues are recognized when they are earned and expenditures are recognized in the accounting period in which the liability is incurred.

Accounts Receivable

Accounts receivable primarily represent amounts due from federal and state governments as of June 30, 2019. Management believes that all receivables are fully collectible, therefore no provisions for uncollectible accounts were recorded.

Cash and Cash Equivalents

Cash is from time to time variously composed of cash on deposit and cash equivalents, which are liquid investments with original maturities of three months or less. As of June 30, 2019, the Academy had no cash equivalents.

Fixed Assets

Fixed assets are recorded at cost and depreciated under the straight-line method over their estimated useful lives of 5 to 10 years. Repair and maintenance costs, which do not extend the useful lives of the asset, are charged to expense. The cost of assets, sold or retired, and related amounts of accumulated depreciation are eliminated from the accounts in the year of disposal, and any resulting gain or loss is included in the earnings. Management has elected to capitalize and depreciate all assets costing \$5,000 or more; all other assets are charged to expense in the year incurred.

Revenue Sources and Recognition

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

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

The Academy recognizes federal revenue to the extent that eligible expenditures have been incurred. Revenue that is restricted is recorded as an increase in net assets with donor restriction. If the restriction expires in the reporting period in which the revenue is recognized it is recorded as a increase in net assets without donor restriction. All other restricted revenues are reported as increases in net assets without donor restriction.

**PARTNERS IN OAKLAND EDUCATION
DBA: VINCENT ACADEMY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

NOTE 2 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 promises to give 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 are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met.

Income Taxes

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

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

Uses of Estimates

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

Change in Accounting Principle

On August 18, 2016, FASB issued Accounting Standards Update (ASU) 2016-14, Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. The Academy has implemented ASU 2016-14 and has adjusted the presentation in these financial statements accordingly.

**PARTNERS IN OAKLAND EDUCATION
DBA: VINCENT ACADEMY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

NOTE 3 LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure are those without donor or other restrictions limiting their use within one year of the statement of financial position date. Financial assets available for general expenditures comprise cash and cash equivalents and grants receivable for the total amount of \$859,880.

As part of our liquidity management plan, we invest cash in excess of daily requirements in short term investments, CDs, and money market funds.

NOTE 4 CASH

Cash balances held in banks are insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC). The Academy maintains its cash in bank deposit accounts that at times may exceed federally insured limits. The Academy has not experienced any losses in such accounts.

NOTE 5 EMPLOYEE RETIREMENT SYSTEMS

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

Plan Description and Funding Policy – STRS

Plan Description

The Academy contributes to STRS, a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by STRS. The plan provides retirement, disability, and survivor benefits to beneficiaries. Benefit provisions are established by state statutes, as legislatively amended, with the State Teachers' Retirement Law. According to the most recently available actuarial valuation for the year ended June 30, 2018, total STRS plan net assets are \$225 billion, the total actuarial present value of accumulated plan benefits is \$374 billion, contributions from all employers totaled \$4.9 billion, and the plan is 64% funded. The Academy did not contribute more than 5% of the total contributions to the plan. Copies of the STRS annual financial reports may be obtained from STRS, 7667 Folsom, CA.

Funding Policy

Active plan members hired before January 1, 2013 are required to contribute 10.25% of their salary and those hired after are required to contribute 9.205% of their salary. The Academy is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by the STRS Teachers' Retirement Board. Under the 2014 funding plan, employer contributions on compensation creditable to the program will increase every year for the next seven years, up to 19.10% in 2020-21. The required employer contribution rate for year ended June 30, 2019 was 16.28% of annual payroll. The contribution requirements of the plan members are established and may be amended by state statute. The Academy's contributions to STRS for the fiscal year ending June 30, 2019 was \$175,774 and equals 100% of the required contributions for the year.

**PARTNERS IN OAKLAND EDUCATION
DBA: VINCENT ACADEMY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

NOTE 6 OPERATING LEASES

The Academy leases its facilities under a lease arrangement for more than one year. Lease expense for the year ended June 30, 2019 was \$331,205.

Future minimum lease payments are as follows:

<u>Year Ending June 30,</u>	
2020	\$ 333,264
2021	335,364
2022	337,476
Total	<u>\$ 1,006,104</u>

NOTE 7 COMMITMENTS AND CONTINGENCIES

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

NOTE 8 FUNCTIONALIZED EXPENSES

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function(s). Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated based on time and effort include salaries and wages, pension expense, other employee benefits and payroll taxes.

NOTE 9 SUBSEQUENT EVENTS

The Academy's management has evaluated events or transactions that may occur for potential recognition or disclosure in the financial statements from the balance sheet date through December 14, 2019, which is the date the financial statements were available to be issued. Management has determined that there were no events or transactions that would have a material impact on the current year financial statements.

SUPPLEMENTARY INFORMATION

**PARTNERS IN OAKLAND EDUCATION
DBA: VINCENT ACADEMY
LOCAL EDUCATION AGENCY ORGANIZATION STRUCTURE
YEAR ENDED JUNE 30, 2019**

Partners in Oakland Education dba: Vincent Academy [Charter #1271] is a Kindergarten through Grade 5 Charter School, and was granted its second charter by the Oakland Unified School District on April 13, 2016, pursuant to the terms of the Charter School Act of 1992, as amended.

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

BOARD OF DIRECTORS

<u>Member</u>	<u>Office</u>	<u>Term Expires (2 year term)</u>
Jean Driscoll	Board President	August 2020
Krystal Bowen	Secretary	July 2021
Cathy Greenwold	Vice President	April 2021
Maisha Wilson	Treasurer	August 2020
Debra Farb	Ombudsperson	January 2020

ADMINISTRATOR

Rosette Costello	Executive Director
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**PARTNERS IN OAKLAND EDUCATION
DBA: VINCENT ACADEMY
SCHEDULE OF INSTRUCTIONAL TIME
YEAR ENDED JUNE 30, 2019**

	Instructional Minutes		Traditional Calendar	Status
	Requirement	Actual	Days	
Kindergarten	36,000	60,670	176	In compliance
Grade 1	50,400	54,650	176	In compliance
Grade 2	50,400	54,650	176	In compliance
Grade 3	50,400	54,650	176	In compliance
Grade 4	54,000	54,650	176	In compliance
Grade 5	54,000	54,650	176	In compliance

See accompanying Auditors' Report and the Notes to Supplementary Information

**PARTNERS IN OAKLAND EDUCATION
DBA: VINCENT ACADEMY
SCHEDULE OF AVERAGE DAILY ATTENDANCE
YEAR ENDED JUNE 30, 2019**

	Second Period Report		Annual Report	
	Classroom Based	Total	Classroom Based	Total
Grades TK/K-3	172.50	172.50	169.18	169.18
Grades 4-5	45.21	45.21	44.74	44.74
ADA Totals	217.71	217.71	213.92	213.92

**PARTNERS IN OAKLAND EDUCATION
DBA: VINCENT ACADEMY
RECONCILIATION OF ANNUAL FINANCIAL REPORT WITH
AUDITED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019**

There were no differences between the Annual Financial Report and the Audited Financial Statements.

**PARTNERS IN OAKLAND EDUCATION
DBA: VINCENT ACADEMY
NOTES TO SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2019**

PURPOSE OF SCHEDULES

NOTE 1 SCHEDULE OF INSTRUCTIONAL TIME

This schedule presents information on the amount of instructional time offered by the Academy and whether the Academy 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 Academy. 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 financial statements.



**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
Partners in Oakland Education
dba: Vincent Academy
Oakland, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Partners in Oakland Education dba: Vincent Academy (the Academy), a nonprofit California public benefit corporation, which comprise the statement of financial position as of June 30, 2019, and the related statements of activities, cash flows, and functional expenses for the year then ended, the related notes to the financial statements, and have issued our report thereon dated December 14, 2019.

Internal Control Over Financial Reporting

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

Board of Directors
Partners in Oakland Education
dba: Vincent Academy

Compliance and Other Matters

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

Purpose of this Report

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



CliftonLarsonAllen LLP

Glendora, California
December 14, 2019



INDEPENDENT AUDITORS' REPORT ON STATE COMPLIANCE

Board of Directors
Partners in Oakland Education
dba: Vincent Academy
Oakland, California

We have audited Partners in Oakland Education dba: Vincent Academy's (the Academy) compliance with the types of compliance requirements described in the *2018-2019 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, 2019. The Academy's state compliance requirements are identified in the table below.

Management's Responsibility

Management is responsible for the compliance with the state laws and regulations as identified below.

Auditors' Responsibility

Our responsibility is to express an opinion on the Academy's compliance based on our audit of the types of compliance requirements referred to below. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *2018-2019 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, published by the Education Audit Appeals Panel. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the specific areas listed below has occurred. An audit includes examining, on a test basis, evidence about the Academy's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion on state compliance. Our audit does not provide a legal determination of the Academy's compliance.

Compliance Requirements Tested

In connection with the audit referred to above, we selected and tested transactions and records to determine the Academy'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
Before/After School Education and Safety Program	Yes
Proper Expenditure of Education Protection Account Funds	Yes

<u>Description</u>	<u>Procedures Performed</u>
Unduplicated Local Control Funding Formula Pupil Counts	Yes
Local Control and Accountability Plan	Yes
Independent Study – Course Based	Not applicable
Charter Schools:	
Attendance	Yes
Mode of Instruction	Yes
Nonclassroom-Based Instructional/Independent Study	Not applicable
Determination of Funding for Nonclassroom-Based Instruction	Not applicable
Annual Instructional Minutes – Classroom Based	Yes
Charter School Facility Grant Program	Yes

Opinion on State Compliance

In our opinion, the Academy complied with the laws and regulations of the state programs referred to above in all material respects for the year ended June 30, 2019.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the *2018-19 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 2019-001. Our opinion on compliance is not modified with respect to these matters.

The Academy's Response to Findings

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

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 *2018-2019 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 14, 2019

**PARTNERS IN OAKLAND EDUCATION
DBA: VINCENT ACADEMY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2019**

2019-001	<u>After School Education and Safety Program (ASES): Documentation Requirements</u>	40000
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Corrective Action Plan: Management has implemented procedures to ensure After School Education and Safety Program requirements will be met.

**PARTNERS IN OAKLAND EDUCATION
DBA: VINCENT ACADEMY
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2019**

2018-001 **After School Education and Safety Program (ASES)** **40000**

Condition: During a review of attendance records, it was noted that attendance numbers reported to the California Department of Education (CDE) did not agree to attendance rosters for the After School program.

Recommendation: It is recommended that procedures following ASES policies requiring specific sign-in and sign-out procedures be implemented, and that review be implemented to ensure that semi-annual reports submitted correspond to supporting ASES attendance records.

Status: Implemented.

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