

LIGHTHOUSE COMMUNITY PUBLIC SCHOOLS

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED JUNE 30, 2021

OPERATING:

**LIGHTHOUSE COMMUNITY CHARTER SCHOOL - 0413 LIGHTHOUSE
COMMUNITY CHARTER HIGH SCHOOL - 0700 LODESTAR: A LIGHTHOUSE
COMMUNITY PUBLIC SCHOOL - 1783**



WEALTH ADVISORY | OUTSOURCING
AUDIT, TAX, AND CONSULTING

CLAconnect.com

**LIGHTHOUSE COMMUNITY PUBLIC SCHOOLS
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2021**

INDEPENDENT AUDITORS' REPORT	1
FINANCIAL STATEMENTS	
STATEMENT OF FINANCIAL POSITION	3
STATEMENT OF ACTIVITIES	4
STATEMENT OF CASH FLOWS	5
STATEMENT OF FUNCTIONAL EXPENSES	6
NOTES TO FINANCIAL STATEMENTS	7
SUPPLEMENTARY INFORMATION	
LOCAL EDUCATION AGENCY ORGANIZATION STRUCTURE	15
SCHEDULE OF INSTRUCTIONAL TIME	16
RECONCILIATION OF ANNUAL FINANCIAL REPORT WITH AUDITED FINANCIAL STATEMENTS	17
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	18
NOTES TO SUPPLEMENTARY INFORMATION	19
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 <i>GOVERNMENT AUDITING STANDARDS</i>	20
INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE	22
INDEPENDENT AUDITORS' REPORT ON STATE COMPLIANCE	24
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	26
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS	28



INDEPENDENT AUDITORS' REPORT

Board of Directors
Lighthouse Community Public Schools
Oakland, California

Report on the Financial Statements

We have audited the accompanying financial statements of Lighthouse Community Public Schools (the School), a California nonprofit public benefit corporation, which comprise the statement of financial position as of June 30, 2021, 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 the School as of June 30, 2021, 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 the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); the LCCS, LCCHS, Lodestar, CMO and Eliminations columns in the statements of financial position, activities, and cash flows; and the supplementary schedules as listed in the supplementary information section are presented for purposes of additional analysis and are not a required part of the 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 January 12, 2022 on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness on the School's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Glendora, California
January 12, 2022

LIGHTHOUSE COMMUNITY PUBLIC SCHOOLS
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2021

ASSETS	<u>LCCS</u>	<u>LCCHS</u>	<u>Lodestar</u>	<u>CMO</u>	<u>Eliminations</u>	<u>Total</u>
CURRENT ASSETS						
Cash and Cash Equivalents	\$ 143,602	\$ 253,254	\$ 241,831	\$ 1,605,730	\$ -	\$ 2,244,417
Accounts Receivable - Federal and State	2,470,983	1,744,601	3,251,106	-	-	7,466,690
Accounts Receivable - Other	(3,555)	6,776	2,534	276,639	-	282,394
Intracompany Receivable	18,142	909,189	-	1,175,738	(2,103,069)	-
Prepaid Expenses and Other Assets	52,260	30,860	111,337	53,580	-	248,037
Total Current Assets	<u>2,681,432</u>	<u>2,944,680</u>	<u>3,606,808</u>	<u>3,111,687</u>	<u>(2,103,069)</u>	<u>10,241,538</u>
LONG-TERM ASSETS						
Property, Plant, and Equipment, Net	182,433	160,265	81,371	4,708,503	-	5,132,572
Other Long-Term Assets	-	-	68,400	4,683	-	73,083
Total Long-Term Assets	<u>182,433</u>	<u>160,265</u>	<u>149,771</u>	<u>4,713,186</u>	<u>-</u>	<u>5,205,655</u>
Total Assets	<u>\$ 2,863,865</u>	<u>\$ 3,104,945</u>	<u>\$ 3,756,579</u>	<u>\$ 7,824,873</u>	<u>\$ (2,103,069)</u>	<u>\$ 15,447,193</u>
LIABILITIES AND NET ASSETS						
CURRENT LIABILITIES						
Accounts Payable and Accrued Liabilities	\$ 280,349	\$ 188,146	\$ 379,181	\$ 262,616	\$ -	\$ 1,110,292
Deferred Revenue	177,437	146,064	221,794	-	-	545,295
Current Portion of Notes Payable	-	-	-	2,473,600	-	2,473,600
Intracompany Payable	1,251,204	-	539,977	311,888	(2,103,069)	-
Total Current Liabilities	<u>1,708,990</u>	<u>334,210</u>	<u>1,140,952</u>	<u>3,048,104</u>	<u>(2,103,069)</u>	<u>4,129,187</u>
NET ASSETS						
Without Donor Restrictions	1,061,118	2,770,415	2,408,627	4,635,970	-	10,876,130
With Donor Restrictions	93,757	320	207,000	140,799	-	441,876
Total Net Assets	<u>1,154,875</u>	<u>2,770,735</u>	<u>2,615,627</u>	<u>4,776,769</u>	<u>-</u>	<u>11,318,006</u>
Total Liabilities and Net Assets	<u>\$ 2,863,865</u>	<u>\$ 3,104,945</u>	<u>\$ 3,756,579</u>	<u>\$ 7,824,873</u>	<u>\$ (2,103,069)</u>	<u>\$ 15,447,193</u>

See accompanying Notes to Financial Statements.

**LIGHTHOUSE COMMUNITY PUBLIC SCHOOLS
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2021**

	LCCS	LCCHS	Lodestar	CMO	Eliminations	Total
REVENUES WITHOUT DONOR RESTRICTIONS						
State Revenue:						
State Aid	\$ 3,677,767	\$ 2,634,249	\$ 4,585,433	\$ -	\$ -	\$ 10,897,449
Other State Revenue	977,470	517,049	1,371,598	-	-	2,866,117
Federal Revenue:						
Grants and Entitlements	1,422,148	1,123,644	1,762,255	-	-	4,308,047
Local Revenue:						
In-Lieu Property Tax Revenue	1,359,838	795,164	1,691,615	-	-	3,846,617
Contributions	110,046	-	221,478	1,350,130	-	1,681,654
Investment Income	-	-	-	75	-	75
Other Revenue	153,232	275,191	171,552	2,056,621	(1,917,995)	738,601
Net Assets Released from Restrictions	5,703	-	-	226,862	-	232,565
Total Revenues Without Donor Restrictions	<u>7,706,204</u>	<u>5,345,297</u>	<u>9,803,931</u>	<u>3,633,688</u>	<u>(1,917,995)</u>	<u>24,571,125</u>
EXPENSES						
Program Services	7,378,885	4,988,027	8,813,537	2,040,729	(1,917,995)	21,303,183
Management and General	31,999	21,116	36,570	1,149,502	-	1,239,187
Fundraising	-	-	-	220,040	-	220,040
Total Expenses	<u>7,410,884</u>	<u>5,009,143</u>	<u>8,850,107</u>	<u>3,410,271</u>	<u>(1,917,995)</u>	<u>22,762,410</u>
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	295,320	336,154	953,824	223,417	-	1,808,715
NET ASSETS WITH DONOR RESTRICTIONS						
Contributions	-	-	167,000	128,000	-	295,000
Net Assets Released from Restrictions	(5,703)	-	-	(226,862)	-	(232,565)
CHANGE IN NET ASSETS WITH DONOR RESTRICTIONS	<u>(5,703)</u>	<u>-</u>	<u>167,000</u>	<u>(98,862)</u>	<u>-</u>	<u>62,435</u>
CHANGE IN TOTAL NET ASSETS	289,617	336,154	1,120,824	124,555	-	1,871,150
Net Assets - Beginning of Year	<u>865,258</u>	<u>2,434,581</u>	<u>1,494,803</u>	<u>4,652,214</u>	<u>-</u>	<u>9,446,856</u>
NET ASSETS - END OF YEAR	<u>\$ 1,154,875</u>	<u>\$ 2,770,735</u>	<u>\$ 2,615,627</u>	<u>\$ 4,776,769</u>	<u>\$ -</u>	<u>\$ 11,318,006</u>

See accompanying Notes to Financial Statements.

**LIGHTHOUSE COMMUNITY PUBLIC SCHOOLS
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2021**

	<u>LCCS</u>	<u>LCCHS</u>	<u>Lodestar</u>	<u>CMO</u>	<u>Eliminations</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES						
Change in Net Assets	\$ 289,617	\$ 336,154	\$ 1,120,824	\$ 124,555	\$ -	\$ 1,871,150
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:						
Depreciation	56,981	44,185	37,003	520,480	-	658,649
Change in Operating Assets:						
Accounts Receivable - Federal and State	(1,351,481)	(781,653)	(2,046,859)	-	-	(4,179,993)
Accounts Receivable - Other	17,730	(2,189)	3,372	(269,118)	-	(250,205)
Intracompany Receivable	-	86,833	-	(882,539)	795,706	-
Prepaid Expenses and Other Assets	79,722	47,710	14,008	(20,448)	-	120,992
Change in Operating Liabilities:						
Accounts Payable and Accrued Liabilities	78,402	95,850	176,713	(39,385)	-	311,580
Deferred Revenue	177,437	146,064	177,219	-	-	500,720
Intracompany Payable	734,075	-	148,464	(86,833)	(795,706)	-
Net Cash Provided (Used) by Operating Activities	82,483	(27,046)	(369,256)	(653,288)	-	(967,107)
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchases of Property, Plant, and Equipment	(45,200)	-	(31,429)	(499,999)	-	(576,628)
Net Cash Used by Investing Activities	(45,200)	-	(31,429)	(499,999)	-	(576,628)
NET CHANGE IN CASH AND CASH EQUIVALENTS	37,283	(27,046)	(400,685)	(1,153,287)	-	(1,543,735)
Cash and Cash Equivalents - Beginning of Year	106,319	280,300	642,516	2,759,017	-	3,788,152
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 143,602</u>	<u>\$ 253,254</u>	<u>\$ 241,831</u>	<u>\$ 1,605,730</u>	<u>\$ -</u>	<u>\$ 2,244,417</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION						
Cash Paid for Interest	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,500</u>	<u>\$ -</u>	<u>\$ 1,500</u>

See accompanying Notes to Financial Statements.

**LIGHTHOUSE COMMUNITY PUBLIC SCHOOLS
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2021**

	Program Services	Management and General	Fundraising	Eliminations	Total Expenses
Salaries and Wages	\$ 10,756,847	\$ 485,913	\$ 151,435	\$ -	\$ 11,394,195
Pension Expense	857,198	38,868	12,113	-	908,179
Other Employee Benefits	1,451,728	62,902	19,603	-	1,534,233
Payroll Taxes	160,692	4,300	1,340	-	166,332
Legal Expenses	9,810	35,204	-	-	45,014
Accounting Expenses	-	98,140	-	-	98,140
Instructional Materials	1,412,498	8,434	-	-	1,420,932
Other Fees for Services	4,063,229	163,911	-	(1,917,995)	2,309,145
Advertising and Promotion Expenses	-	32,103	-	-	32,103
Office Expenses	427,234	9,256	-	-	436,490
Information Technology Expenses	221,418	22,643	-	-	244,061
Occupancy Expenses	2,526,618	64,585	-	-	2,591,203
Travel Expenses	31	16	-	-	47
Interest Expense	-	1,500	-	-	1,500
Depreciation Expense	658,649	-	-	-	658,649
Insurance Expense	-	101,364	-	-	101,364
Other Expenses	675,226	110,048	35,549	-	820,823
Subtotal	<u>23,221,178</u>	<u>1,239,187</u>	<u>220,040</u>	<u>(1,917,995)</u>	<u>22,762,410</u>
Eliminations	<u>(1,917,995)</u>	<u>-</u>	<u>-</u>	<u>1,917,995</u>	<u>-</u>
Total	<u><u>\$ 21,303,183</u></u>	<u><u>\$ 1,239,187</u></u>	<u><u>\$ 220,040</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 22,762,410</u></u>

See accompanying Notes to Financial Statements.

LIGHTHOUSE COMMUNITY PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Lighthouse Community Public Schools (the School) is a California nonprofit public benefit corporation. The School was approved by the state of California Department of Education on February 5, 2001. The School commenced operations as Lighthouse Community Charter Public Schools during the 2002-2003 fiscal year and changed its name to Lighthouse Community Public Schools in the 2016-2017 fiscal year. Currently, the School serves approximately 1,400 students in Kindergarten through Grade 12.

The School is comprised of the following sites:

- Lighthouse Community Charter School (LCCS)
- Lighthouse Community Charter High School (LCCHS)
- Lodestar: A Lighthouse Community Public School (Lodestar)

The mission of the School is to prepare a diverse, K-12 student population for college and a career of their choice by equipping each student with the skills, knowledge, and habits of mind to become a self-motivated, competent, lifelong learner.

The School is funded principally through state of California public education monies received through the California Department of Education and the Oakland Unified School District.

Basis of Presentation

The accompanying 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.

Basis of Accounting

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

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect 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 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.

LIGHTHOUSE COMMUNITY PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

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. The governing board has designated, from net assets without donor restrictions, net assets for an operating reserve.

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.

Contributions restricted by donors are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Accounts Receivable

Accounts receivable primarily represent amounts due from federal and state governments as of June 30, 2021. Management believes that all receivables are fully collectible; therefore, no provisions for uncollectible accounts were recorded.

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 useful lives range varies from 3 to 35 years.

**LIGHTHOUSE COMMUNITY PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Accumulated unpaid employee vacation benefits are recognized as a liability of the School. The entire compensated absences liability is reported on the statement of financial position. Eleven-month employees are allocated seven days per year for compensated absences, and 12-month employees are allocated eight days. Employees can carry over up to three accrued days into the following year.

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 unrestricted net assets if the restriction expires in the reporting period in which the revenue is recognized. All other restricted revenues are reported as increases in temporarily restricted net assets.

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 (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 statement of financial position. As of June 30, 2021, the School has conditional grants of \$6,058,669 of which \$545,295 is recognized as Deferred Revenue in the statement of financial position.

**LIGHTHOUSE COMMUNITY PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributed Assets and Services

Contributions of donated noncash assets are recorded at fair value in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased, if not provided by donation, are recorded at fair values in the period received.

Income Taxes

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

Allocations Among Charter Schools

For the year ended June 30, 2021, the School has chosen to identify each charter school separately within the basic financial statements. In cases where specific-identification of each charter's activities was not possible between LCCS and LCCHS, items were allocated based on ADA at 64% and 36% for each site, respectively. In cases where specific identification of each charter's activities was not possible between LCCS, LCCHS, and Lodestar, items were allocated based on ADA at 37%, 21%, and 42%, respectively.

Evaluation of Subsequent Events

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

NOTE 2 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 were comprised of the following as of June 30, 2021:

Cash and Cash Equivalents	\$ 2,244,417
Accounts Receivable - Federal and State	7,466,690
Accounts Receivable - Other	282,394
Less: Net Assets With Donor Restrictions	<u>(441,876)</u>
Financial Assets Available for General Expenditure	<u><u>\$ 9,551,625</u></u>

The School also has a \$500,000 line of credit that can be drawn upon for short-term cash flow needs.

LIGHTHOUSE COMMUNITY PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2 LIQUIDITY AND AVAILABILITY (CONTINUED)

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

NOTE 4 PROPERTY, PLANT, AND EQUIPMENT

Property, plant, and equipment in the accompanying financial statements is presented net of accumulated depreciation. The School capitalizes all expenditures for land, buildings, and equipment in excess of \$5,000. Depreciation expense for the year ended June 30, 2021 was \$658,649.

Property, plant, and equipment as of June 30, 2021 are as follows:

Buildings	\$ 5,640,787
Construction in Progress	76,630
Furniture, Fixtures, and Equipment	779,365
Less: Accumulated Depreciation	<u>(1,364,210)</u>
Total Property, Plant, and Equipment	<u><u>\$ 5,132,572</u></u>

NOTE 5 LINE OF CREDIT

The School has an unsecured revolving line of credit with First Republic Bank for \$500,000 with a variable interest rate with a floor of 3.75%. There was no outstanding balance as of June 30, 2021.

NOTE 6 EMPLOYEE RETIREMENT

The School has a 403(b) defined contribution plan for those employees who meet the eligibility criteria set forth in the plan. The School matches employee contributions based upon criteria set forth in the plan up to 8% of compensation. Contributions to the plan for the year ended June 30, 2021 totaled \$908,179.

**LIGHTHOUSE COMMUNITY PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 7 OPERATING LEASES

The School has various leases for current facilities, the last lease agreement expires in August 2029. The total lease expense for the year ended June 30, 2021 was \$1,804,005.

The lease for the Lodestar site includes a purchase option that can be exercised commencing on date the project is completed and ready to be occupied and ending December 31, 2023. The purchase price will be the sum of (a) the total costs incurred for the acquisition and development of the property less (b) the sum of (i) the total rent paid to the lessor less (1) total debt service paid by the lessor, (2) unreimbursed expenses of the lessor that would otherwise qualify as additional rent, (3) unreimbursed amounts expenses by the lessor on replacing capital components of the property and (4) \$15,000 per year the lease is in effect; plus (ii) any amounts of rent that pay down the principal amount of a loan encumbering the property, (iii) any contributions to the project from the School, and (iv) the option consideration.

Future minimum lease payments are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2022	\$ 1,866,501
2023	1,956,802
2024	1,907,432
2025	2,017,650
2026	2,149,815
Thereafter	5,533,313
Total	<u><u>\$ 15,431,513</u></u>

NOTE 8 NET ASSETS

As of June 30, 2021, the School's net assets consisted of the following:

Net Assets With Donor Restrictions

Purpose Restrictions:

Marin Community Foundation	\$ 40,000
Comprehensive Support and Improvement Grant	320
MTSS (SUMS)	38,757
Beaver Foundation	32,799
Kenneth Rainnin Foundation	55,000
Educate 78	167,000
Silicon Schools Fund	108,000
Total Net Assets With Donor Restrictions	<u><u>\$ 441,876</u></u>

LIGHTHOUSE COMMUNITY PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 8 NET ASSETS (CONTINUED)

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:

Release of Restrictions	
Subject to Specific Purpose	\$ 232,565
Total Release of Restrictions	<u>\$ 232,565</u>

NOTE 9 NOTES PAYABLE

On April 21, 2020 the School received a loan from CRF Small Business Loan Company, LLC in the amount of \$2,473,600 to fund payroll, rent, utilities, and interest on mortgages and existing debt through the Paycheck Protection Program (the PPP Loan). The original loan agreement was written prior to the PPP Flexibility Act of 2020 (June 5) and was due over 24 months deferred for six months. Subsequent to this, the law changed the loan deferral terms retroactively. The PPP Flexibility Act and subsequent regulations supersede the loan agreement. The PPP Loan bears interest at a fixed rate of 1.0% per annum, with the first six months of interest deferred, has a term of two years, and is unsecured and guaranteed by the U.S. Small Business Administration. Payment of principal and interest is deferred until the date on which the amount of forgiveness is remitted to the lender or, if the organization fails to apply for forgiveness within 10 months after the covered period, then payment of principal and interest shall begin on that date. These amounts may be forgiven subject to compliance and approval based on the timing and use of these funds in accordance with the program. To the extent that all or part of the PPP Loan is not forgiven, the School will be required to pay interest on the PPP Loan at a rate of 1.0% per annum and commencing in August 2021 principal and interest payments will be required through the maturity date in April 2022.

NOTE 10 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 include salaries and wages, pension expense, other employee benefits, and payroll taxes which are allocated on the basis of estimates of time and effort.

NOTE 11 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.

LIGHTHOUSE COMMUNITY PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 11 CONTINGENCIES, RISKS AND UNCERTAINTIES (CONTINUED)

During the fiscal year, the World Health Organization declared the spread of Coronavirus Disease (COVID-19) a worldwide pandemic. Subsequent to year-end, the COVID-19 pandemic continues to have significant effects on global markets, supply chains, businesses, and communities. Specific to the School, COVID-19 may impact various parts of its 2021 operations and financial results, including, but not limited to, loss of revenues, additional bad debts, costs for increased use of technology, or potential shortages of personnel. Management believes the School is taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as these events are still developing.

NOTE 12 SUBSEQUENT EVENTS

In August 2021, the School received a notification that its \$2,476,600 PPP Loan and the related accrued interest was forgiven by the SBA. The SBA may review funding eligibility and usage of funds in compliance with the program based on dollar thresholds and other factors. The amount of liability, if any, from potential noncompliance cannot be determined with certainty, however, management is of the opinion that any review will not have a material adverse impact on the School's financial position.

SUPPLEMENTARY INFORMATION

**LIGHTHOUSE COMMUNITY PUBLIC SCHOOLS
LOCAL EDUCATION AGENCY ORGANIZATION STRUCTURE
YEAR ENDED JUNE 30, 2021**

Lighthouse Community Public Schools (the School) is a nonprofit public benefit corporation and operates three charter schools approved by the Oakland Unified School District, established in 2001, 2005, and 2016:

The charter school number for Lighthouse Community Charter School is 413.

The charter school number for Lighthouse Community Charter High School is 700.

The charter school number for Lodestar: A Lighthouse Community Charter Public School is 1783.

The Board of Directors and the Administrators as of the year ended June 30, 2021 were as follows:

BOARD OF DIRECTORS

Member	Office	Term Expires (Term)
Kimi Kean	Board Chair	2023 (3 Years)
Brandon Wall	Vice Chair	2021 (3 Years)
Mark Milner	Treasurer	2023 (3 Years)
Eduardo Figueroa	Secretary	2021 (1 Year)
Wayne Delker	Member	2022 (3 Years)
Sara Solar	Member	2022 (3 Years)
Brian Rogers	Member	2022 (3 Years)
Melissa Barnes-Dholakia	Member	2021 (3 Years)
Alicia Moore	Member	2023 (3 Years)
Soo Zee Park	Member	2021 (1 Year)
Ben Ochstein	Member	2024 (3 Years)
Kenya Williams	Member	2023 (3 Years)

ADMINISTRATORS

Rich Harrison	Chief Executive Officer
Shannon Wheatley	Chief Academic Officer
Brandon Paige	Director of Finance

See accompanying Independent Auditors' Report and Notes to Supplementary Information.

**LIGHTHOUSE COMMUNITY PUBLIC SCHOOLS
SCHEDULE OF INSTRUCTIONAL TIME
YEAR ENDED JUNE 30, 2021**

	Traditional Calendar Days	Status
LCCS:		
Kindergarten	177	In Compliance
Grade 1	177	In Compliance
Grade 2	177	In Compliance
Grade 3	177	In Compliance
Grade 4	177	In Compliance
Grade 5	177	In Compliance
Grade 6	177	In Compliance
Grade 7	177	In Compliance
Grade 8	177	In Compliance
LCCHS:		
Grade 9	177	In Compliance
Grade 10	177	In Compliance
Grade 11	177	In Compliance
Grade 12	177	In Compliance
Lodestar:		
Kindergarten	177	In Compliance
Grade 1	177	In Compliance
Grade 2	177	In Compliance
Grade 3	177	In Compliance
Grade 4	177	In Compliance
Grade 5	177	In Compliance
Grade 6	177	In Compliance
Grade 7	177	In Compliance
Grade 8	177	In Compliance
Grade 9	177	In Compliance

See accompanying Independent Auditors' Report and Notes to Supplementary Information.

**LIGHTHOUSE COMMUNITY PUBLIC SCHOOLS
RECONCILIATION OF ANNUAL FINANCIAL REPORT WITH
AUDITED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

There were no differences between the net assets reported on the June 30, 2021 Annual Financial Report and the audited net assets.

See accompanying Independent Auditors' Report and Notes to Supplementary Information.

**LIGHTHOUSE COMMUNITY PUBLIC SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2021**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Assistance Listing Number	Pass-Through Entity Identifying Number	LCCS	LCCHS	Lodestar	Total Federal Expenditures
U.S. Department of Education						
Pass-Through Program from California Department of Education:						
Every Child Succeeds Act:						
Title I, Part A, Basic Grants - Low-Income and Neglected	84.010	14329	\$ 184,298	\$ 84,729	\$ 176,164	\$ 445,191
School Improvement (CSI) Funding for LEAs	84.010	15438	-	58,057	-	58,057
Title II, Part A, Teacher Quality	84.367	14341	21,932	11,452	24,828	58,212
Title III, Limited English Proficient Student Program	84.365	14346	(1,788)	-	26,770	24,982
Title IV, Student Support and Academic Enrichment Grant	84.424	15396	13,935	10,000	10,000	33,935
Title IV, Part B, 21st Century Community Learning Centers (CCLC) - High School ASSETS	84.287	14941	-	170,380	-	170,380
Special Education: IDEA Cluster	84.027	13379	62,973	35,960	76,194	175,127
Coronavirus Aid, Relief, and Economic Security Act (CARES Act):						
COVID-19 Governor's Emergency Education Relief (GEER) Fund	84.425C	15517	24,381	15,640	28,521	68,542
COVID-19 Elementary and Secondary School Emergency Relief (ESSER) Fund	84.425D	15536	155,726	69,681	68,216	293,623
COVID-19 Elementary and Secondary School Emergency Relief II (ESSER II) Fund	84.425D	15547	393,898	288,344	602,549	1,284,791
COVID-19 Elementary and Secondary School Emergency Relief III (ESSER III) Fund	84.425D	15559	-	15,388	105,001	120,389
Total CARES Act			<u>574,005</u>	<u>389,053</u>	<u>804,287</u>	<u>1,767,345</u>
Total U.S. Department of Education			855,355	759,631	1,118,243	2,733,229
U.S. Department of Agriculture						
Pass-Through Program from California Department of Education:						
Child Nutrition Cluster:						
Breakfast Program Severe Need	10.553	13526	35,926	21,555	45,164	102,645
National School Lunch Program	10.555	13396	87,647	52,333	109,650	249,630
Total Child Nutrition Cluster			<u>123,573</u>	<u>73,888</u>	<u>154,814</u>	<u>352,275</u>
Total U.S. Department of Agriculture			123,573	73,888	154,814	352,275
U.S. Department of the Treasury						
Pass-Through Program from California Department of Education:						
COVID-19 Coronavirus Relief Fund	21.019	25516	443,220	290,125	489,198	1,222,543
Total U.S. Department of the Treasury			<u>443,220</u>	<u>290,125</u>	<u>489,198</u>	<u>1,222,543</u>
Total Federal Expenditures			<u>\$ 1,422,148</u>	<u>\$ 1,123,644</u>	<u>\$ 1,762,255</u>	<u>\$ 4,308,047</u>

See accompanying Independent Auditors' Report and Notes to Supplementary Information.

**LIGHTHOUSE COMMUNITY PUBLIC SCHOOLS
NOTES TO SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2021**

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 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.

NOTE 3 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 government for the year ended June 30, 2021. The information in this Schedule is presented on the accrual basis of accounting 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). Such expenditures are recognized following the cost principles contained in the Uniform Guidance for all awards with the exception of Assistance Listing 21.019, which follows criteria determined by the Department of the Treasury for allowability of costs. Under these principles, certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. 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.

NOTE 4 INDIRECT COST RATE

The School has elected to use a rate other than the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.



**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
Lighthouse Community Public Schools
Oakland, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Lighthouse Community Public Schools (the School), a nonprofit California public benefit corporation, which comprise the statement of financial position as of June 30, 2021, 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 January 12, 2022.

Internal Control Over Financial Reporting

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


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

Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

CliftonLarsonAllen LLP

Glendora, California
January 12, 2022



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

Board of Directors
Lighthouse Community Public Schools
Oakland, California

Report on Compliance for Each Major Federal Program

We have audited the compliance of Lighthouse Community Public Schools (the School) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021. The School's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the School's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the School's compliance.

Opinion on Each Major Federal Program

In our opinion, the School complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

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

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

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

Purpose of this Report

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
January 12, 2022



INDEPENDENT AUDITORS' REPORT ON STATE COMPLIANCE

Board of Directors
Lighthouse Community Public Schools
Oakland, California

We have audited Lighthouse Community Public Schools' (the School) compliance with the types of compliance requirements described in the *2020-2021 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, 2021. The School'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 School'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 *2020-2021 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 School'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 School's compliance.

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>
Local Education Agencies:	
Attendance and Distance Learning	Yes
Instructional Time	Yes
School Districts, County Offices of Education, and Charter Schools:	
California Clean Energy Jobs Act	Yes
Proper Expenditure of Education Protection Account Funds	Yes

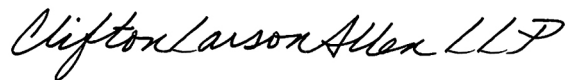
<u>Description</u>	<u>Procedures Performed</u>
Unduplicated Local Control Funding Formula Pupil Counts	Yes
Charter Schools:	
Independent Study-Course Based	Not Applicable
Attendance	Yes
Mode of Instruction	Yes
Nonclassroom-based Instructional / Independent study	Not Applicable
Determination of Funding for Nonclassroom-based Instruction	Not Applicable
Charter School Facility Grant Program	Yes

Opinion on State Compliance

In our opinion, the School complied with the laws and regulations of the state programs referred to above in all material respects for the year ended June 30, 2021.

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 *2020-2021 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
January 12, 2022

**LIGHTHOUSE COMMUNITY PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2021**

Section I – Summary of Auditors’ Results

Financial Statements

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

Federal Awards

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

Identification of Major Federal Programs

Assistance Listing Number(s)	Name of Federal Program or Cluster
21.019	Coronavirus Relief Fund
84.425C	Governor’s Emergency Education Relief (GEER) Fund
84.425D	Elementary and Secondary School Emergency Relief (ESSER) Fund
84.425D	Elementary and Secondary School Emergency Relief II (ESSER II) Fund
84.425D	Elementary and Secondary School Emergency Relief III (ESSER III) Fund

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

Auditee qualified as low-risk auditee? _____ yes x no

**LIGHTHOUSE COMMUNITY PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

Section I – Summary of Auditors’ Results (Continued)

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

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

Section II – Financial Statement Findings

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

Section III – Findings and Questioned Costs – Major Federal Programs

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

Section IV – Findings and Questioned Costs – State Compliance

Our audit did not disclose any matters required to be reported under *2020-2021 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*.

**LIGHTHOUSE COMMUNITY PUBLIC SCHOOLS
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2021**

There were no findings and questioned costs related to the basic financial statements, federal awards, or state awards for the prior year.

Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor. CLA is an independent member of Nexia International, a leading, global network of independent accounting and consulting firms. See [nexia.com/member-firm-disclaimer](https://www.nexia.com/member-firm-disclaimer) for details. **CliftonLarsonAllen LLP**

