

Garza/Gonzalez & Associates

CERTIFIED PUBLIC ACCOUNTANTS

STUDENT ALTERNATIVES PROGRAM, INC.

San Antonio, Texas

CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORTS

Year Ended August 31, 2022

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STUDENT ALTERNATIVES PROGRAM, INC.
San Antonio, Texas

CONSOLIDATED FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORTS

Year Ended August 31, 2022

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San Antonio, Texas

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San Antonio, Texas

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INTRODUCTORY SECTION

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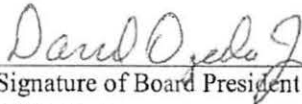
STUDENT ALTERNATIVES PROGRAM, INC.
San Antonio, Texas

EIN – 74-2598053

CERTIFICATE OF BOARD

CHARTER DISTRICT NAME	COUNTY DISTRICT NUMBER
Triumph Public High Schools – Laredo	240801
Triumph Public High Schools – Rio Grande Valley	108804
Triumph Public High Schools – El Paso	071803
Triumph Public High Schools – Lubbock	152803

We, the undersigned, certify that the attached Consolidated Financial Statements of Student Alternatives Program, Inc., the charter holder, was reviewed and ☒ approved ☐ disapproved for the year ended August 31, 2022 at a meeting of the Board of Directors of Student Alternatives Program, Inc. on the 14th day of January, 2023.


Signature of Board President

David Ojeda, Jr.


Signature of Board Secretary

Alfonso Solis

If the Board of Directors disapproved of the auditor's report, the reason(s) for disapproving it is/are (attach list as necessary):

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FINANCIAL SECTION

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Garza/Gonzalez & Associates

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Student Alternatives Program, Inc.
San Antonio, Texas

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of the Student Alternatives Program, Inc. (the Organization) and affiliates, which comprise the consolidated statement of financial position as of August 31, 2022, and the related consolidated statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of August 31, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (GAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the 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 audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the 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 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 Organization's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

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Auditor's Responsibilities 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 auditor's 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 GAS 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 GAS, 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 Organization'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 Organization'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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The other supplemental information, as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. 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*, is also presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. This 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.

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Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 6, 2023 on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 Organization'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 Organization's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Garza/Gonzalez & Associates". The signature is written in a cursive, flowing style.

January 6, 2023

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STUDENT ALTERNATIVES PROGRAM, INC.
San Antonio, Texas

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

August 31, 2022

	Student Alternatives Program, Inc.	Affiliated Charter Schools	Eliminations	Consolidated Total
ASSETS				
Current Assets				
Cash and Cash Equivalents	\$ 1,065,276	\$ 9,844,461	\$ -	\$ 10,909,737
Grants Receivable	-	3,689,508	-	3,689,508
Other Receivables	-	720	-	720
Deferred Expenses	3,721	-	-	3,721
Due from Related Entity	-	70,041	(70,041)	-
Total Current Assets	<u>1,068,997</u>	<u>13,604,730</u>	<u>(70,041)</u>	<u>14,603,686</u>
Property and Equipment, Net	<u>5,021,496</u>	<u>2,405,838</u>	<u>-</u>	<u>7,427,334</u>
Total Assets	<u><u>\$ 6,090,493</u></u>	<u><u>\$ 16,010,568</u></u>	<u><u>\$ (70,041)</u></u>	<u><u>\$ 22,031,020</u></u>
LIABILITIES AND NET ASSETS				
Current Liabilities				
Accounts Payable	\$ 26,643	\$ 399,791	\$ -	\$ 426,434
Payroll Deductions and Withholdings	4,293	(2,154)	-	2,139
Accrued Wages	-	371,557	-	371,557
Due to State	-	-	-	-
Other Liabilities - Current	-	13,343	-	13,343
Accrued Expenses	-	4,051	-	4,051
Deferred Revenue	-	-	-	-
Due to Related Entity	70,041	-	(70,041)	-
Current Portion of Long-Term Debt	124,578	-	-	124,578
Total Current Liabilities	<u>225,555</u>	<u>786,588</u>	<u>(70,041)</u>	<u>942,102</u>
Non-Current Liabilities				
Long-Term Debt, Less Current Portion	<u>1,001,794</u>	<u>-</u>	<u>-</u>	<u>1,001,794</u>
Total Non-Current Liabilities	<u>1,001,794</u>	<u>-</u>	<u>-</u>	<u>1,001,794</u>
Total Liabilities	<u>1,227,349</u>	<u>786,588</u>	<u>(70,041)</u>	<u>1,943,896</u>
Net Assets				
Without Donor Restrictions				
Available for Operations	<u>4,863,144</u>	<u>3,365</u>	<u>-</u>	<u>4,866,509</u>
Total Without Donor Restrictions	<u>4,863,144</u>	<u>3,365</u>	<u>-</u>	<u>4,866,509</u>
With Donor Restrictions				
Specific Purpose Funds	<u>-</u>	<u>15,220,615</u>	<u>-</u>	<u>15,220,615</u>
Total With Donor Restrictions	<u>-</u>	<u>15,220,615</u>	<u>-</u>	<u>15,220,615</u>
Total Net Assets	<u>4,863,144</u>	<u>15,223,980</u>	<u>-</u>	<u>20,087,124</u>
Total Liabilities and Net Assets	<u><u>\$ 6,090,493</u></u>	<u><u>\$ 16,010,568</u></u>	<u><u>\$ (70,041)</u></u>	<u><u>\$ 22,031,020</u></u>

The accompanying notes to consolidated financial statements
form an integral part of this statement.

STUDENT ALTERNATIVES PROGRAM, INC.
San Antonio, Texas

CONSOLIDATED STATEMENT OF ACTIVITIES

Year Ended August 31, 2022

	Student Alternatives Program, Inc.	Affiliated Charter Schools			Consolidated Total
	Without Donor Restrictions	Without Donor Restrictions	With Donor Restrictions	Eliminations	
REVENUES AND OTHER SUPPORT					
Support					
Contributions	\$ -	\$ -	\$ -	\$ -	\$ -
State Program Revenues	-	-	10,673,860	-	10,673,860
Federal Program Revenues	-	-	4,554,624	-	4,554,624
Fees and Other Revenue					
Other Revenues from Local Sources	673,410	79,180	-	(660,037)	92,553
Net Assets Released from Restrictions	-	14,883,671	(14,883,671)	-	-
Total Revenue and Other Support	673,410	14,962,851	344,813	(660,037)	15,321,037
EXPENSES					
Program Services					
Public Charter Schools	-	10,339,131	-	-	10,339,131
Support Services					
Administrative and General	746,793	4,620,355	-	(660,037)	4,707,111
Total Expenses	746,793	14,959,486	-	(660,037)	15,046,242
Change in Net Assets	(73,383)	3,365	344,813	-	274,795
Net Assets, Beginning of Year (Restated)	4,936,527	-	14,875,802	-	19,812,329
Net Assets, End of Year	\$ 4,863,144	\$ 3,365	\$ 15,220,615	\$ -	\$ 20,087,124

The accompanying notes to consolidated financial statements
form an integral part of this statement.

STUDENT ALTERNATIVES PROGRAM, INC.
San Antonio, Texas

CONSOLIDATED STATEMENT OF CASH FLOWS

Year Ended August 31, 2022

	Student Alternatives Program, Inc.	Affiliated Charter Schools	Eliminations	Consolidated Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Foundation School Program Payments	\$ -	\$ 8,664,342	\$ -	\$ 8,664,342
Grant Payments	-	4,568,309	-	4,568,309
Other Revenue Received	699,946	31,633	(660,037)	71,542
Payments to Vendors for Goods and Services Rendered	(295,129)	(4,690,425)	660,037	(4,325,517)
Payments to Personnel for Services Rendered	(207,331)	(9,655,239)	-	(9,862,570)
Net Cash Provided (Used) by Operating Activities	<u>197,486</u>	<u>(1,081,380)</u>	<u>-</u>	<u>(883,894)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchases of Fixed Assets	<u>(67,053)</u>	<u>(180,611)</u>	<u>-</u>	<u>(247,664)</u>
Net Cash Provided (Used) by Investing Activities	<u>(67,053)</u>	<u>(180,611)</u>	<u>-</u>	<u>(247,664)</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
Cash Payments made to Affiliated Charter Districts	-	(6,817)	-	(6,817)
Cash Received from Other Districts	-	1,742	-	1,742
Payments Received on Notes Receivable	-	1,622	-	1,622
Payment on Notes Payable	<u>(132,886)</u>	<u>-</u>	<u>-</u>	<u>(132,886)</u>
Net Cash Provided (Used) by Financing Activities	<u>(132,886)</u>	<u>(3,453)</u>	<u>-</u>	<u>(136,339)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>(2,453)</u>	<u>(1,265,444)</u>	<u>-</u>	<u>(1,267,897)</u>
Cash and Cash Equivalents, Beginning of Year	<u>1,067,729</u>	<u>11,111,527</u>	<u>-</u>	<u>12,179,256</u>
Cash and Cash Equivalents, End of Year	<u>\$ 1,065,276</u>	<u>\$ 9,846,083</u>	<u>\$ -</u>	<u>\$ 10,911,359</u>
RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES				
Change in Net Assets	\$ (73,383)	\$ 348,178	\$ -	\$ 274,795
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities				
Depreciation Expense	211,736	208,955	-	420,691
Forgiveness of PPP Loan	-	-	-	-
(Increase)/Decrease in Assets				
Grants Receivable	-	(1,999,219)	-	(1,999,219)
Other Receivables	26,536	189	-	26,725
Deferred Expenses	(1,400)	(6,960)	-	(8,360)
Due from Related Entity	-	(32,209)	-	(32,209)
Increase/(Decrease) in Liabilities				
Accounts Payable	26,643	275,743	-	302,386
Payroll Deductions and Withholdings	(24,855)	9,207	-	(15,648)
Accrued Wages	-	109,846	-	109,846
Deferred Revenue	-	(10,299)	-	(10,299)
Other Liabilities - Current	-	13,685	-	13,685
Accrued Expenses	-	1,504	-	1,504
Due to Related Entity	<u>32,209</u>	<u>-</u>	<u>-</u>	<u>32,209</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 197,486</u>	<u>\$ (1,081,380)</u>	<u>\$ -</u>	<u>\$ (883,894)</u>
Supplemental Disclosure				
Interest Paid	<u>\$ 101,788</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 101,788</u>

The accompanying notes to the consolidated financial statements
form an integral part of this statement.

STUDENT ALTERNATIVES PROGRAM, INC.

San Antonio, Texas

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

Year Ended August 31, 2022

	Student Alternatives Program, Inc.		
	Program Services	Administrative and General	Total
EXPENSES			
Bank Charges	\$ -	\$ 452	\$ 452
Contracted Services - Miscellaneous	-	-	-
Depreciation & Amortization	-	211,736	211,736
Insurance	-	26,331	26,331
Interest	-	101,788	101,788
Materials and Supplies	-	23,657	23,657
Payroll Taxes & Employee Benefits	-	33,485	33,485
Postage	-	245	245
Professional Services	-	46,302	46,302
Rent	-	-	-
Repairs & Maintenance	-	57,008	57,008
Salaries	-	147,667	147,667
Telephone	-	452	452
Travel	-	11,714	11,714
Utilities	-	14,298	14,298
Other Taxes	-	22,613	22,613
Miscellaneous	-	49,045	49,045
Total Expenses	<u>\$ -</u>	<u>\$ 746,793</u>	<u>\$ 746,793</u>

Charter Schools				
Program Services	Administrative and General	Total	Eliminations	Consolidated Total
\$ -	\$ -	\$ -	\$ -	\$ 452
94,322	605,407	699,729	(331,000)	368,729
166,741	42,214	208,955	-	420,691
-	266,384	266,384	-	292,715
-	-	-	-	101,788
1,136,788	213,886	1,350,674	-	1,374,331
1,387,545	425,335	1,812,880	-	1,846,365
-	-	-	-	245
595,673	403,151	998,824	-	1,045,126
82,731	454,878	537,609	(329,037)	208,572
-	-	-	-	57,008
6,359,470	1,601,943	7,961,413	-	8,109,080
-	-	-	-	452
206,361	106,091	312,452	-	324,166
-	404,799	404,799	-	419,097
-	-	-	-	22,613
309,500	96,267	405,767	-	454,812
<u>\$ 10,339,131</u>	<u>\$ 4,620,355</u>	<u>\$ 14,959,486</u>	<u>\$ (660,037)</u>	<u>\$ 15,046,242</u>

STUDENT ALTERNATIVES PROGRAM, INC.
San Antonio, Texas

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year Ended August 31, 2022

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Nature of Activities

Student Alternatives Program, Inc. (SAPI or the Organization) is a nonprofit organization incorporated in Texas dedicated to establishing alternative education programs for “at risk” students. The Organization contracts with various independent school districts in the State of Texas to provide education services to the “at risk” high school age students of the school districts.

The Organization (SAPI) is a private nonprofit community-based organization exempt from taxation under 26 U.S.C. Section 501(c)(3).

Effective April 3, 1996, the Organization became the sole owner of the common stock of Academic Buildings Corporation (ABC), a Texas corporation, that is not exempt from federal taxation. ABC has acquired buildings and equipment, which it leases to the Organization.

Effective December 13, 2016, SAPI became the sole member of the Community Development Buildings Corporation (CDBC). CDBC is a nonprofit organization exempt from taxation under Section 501(c)(2) of the Internal Revenue Code (IRC). CDBC was organized for the exclusive purpose of holding title to property, collecting income therefrom, and turning over the entire amount thereof, less expenses, to an organization which itself is exempt under Section 501(C)(3) of the IRC of 1986, or the corresponding provision of any future federal tax code.

B. Affiliated Organizations

Four charter districts that are branch operations of SAPI, were established in November 1998.

The charter schools provide an alternative high school diploma program to students who did not thrive in the normal high school settings or have returned for a charter school diploma after entering the work force. The charter schools operate under an open enrollment charter granted, for a ten-year period, by the Texas State Board of Education. The charter schools receive funding from the Texas Education Agency (“TEA”) through the Foundation School Program, which is based on each school’s average daily attendance. Since the charter schools receive funding from local, state, and federal government sources, they must comply with the requirements of the entities providing those funds.

C. Principles of Consolidation

Financial Accounting Standard Board (FASB) – Accounting Standards Codification (ASC) 958, *Not-for-Profit Entities*, Subtopic 810, *Consolidation*, requires a nonprofit organization to present consolidated financial statements when it has a controlling financial interest in either a for-profit or nonprofit entity.

Since SAPI is the sole owner of ABC’s common stock, ABC’s activities are consolidated in these financial statements.

STUDENT ALTERNATIVES PROGRAM, INC.
San Antonio, Texas

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year Ended August 31, 2022

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In accordance with FASB ASC 958-810-25-2, *Recognition*, sole corporate membership in a nonprofit organization, like ownership of a majority voting interest in a for-profit entity, shall be considered a controlling financial interest. Since SAPI is the sole member of CDBC; has the authority to approve or disapprove any of CDBC's transactions involving a sale, lease, or exchanges; and, also has the authority to dissolve CDBC and is entitled to receive its assets, CDBC's activities are also consolidated in these financial statements.

All material inter-organization transactions between SAPI, ABC, CDBC, and the affiliated charter schools have been eliminated in consolidation, as documented in Note XI.

D. Basis of Accounting and Presentation

The consolidated financial statements of the Organization have been prepared on the accrual basis of accounting applicable to not-for-profit organizations in accordance with accounting principles generally accepted in the United States of America. Under the accrual basis of accounting, income and expenses are recognized when earned or incurred. The accompanying consolidated financial statements and the related accounting system are organized and prepared in accordance with the Special Supplement to Financial Accounting and Reporting — Nonprofit Charter School Chart of Accounts, a module of the TEA's *Financial Accountability Resource Guide* (the "Resource Guide").

The Organization accounts and reports its activities in accordance with the Financial Accounting Standards Board – Accounting Standards Codification 958, *Not-for-Profit Entities*.

In accordance with the FASB–ASC, the organization distinguishes between contributions that increase net assets with donor restrictions, and net assets without donor restrictions. It also recognizes contributed services meeting certain criteria, at fair values.

The Organization's financial statements are comprised of a statement of financial position, statement of activities, statement of cash flows, and statement of functional expenses, as required by the FASB–ASC.

E. Net Asset Classification

Net assets, revenue, gains, and losses are classified based on the existence or absence of donor-imposed restrictions, as follows:

- ***Net Assets Without Donor Restrictions*** are not subject to donor-imposed restrictions even though their use may be limited in other respects such as by contract or board designation.
- ***Net Assets With Donor Restrictions*** are subject to donor-imposed restrictions. Restrictions may be temporary in nature, such as those that will be met with the passage of time or use for a purpose specified by the donor; or, may be perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Net assets are released from restrictions when the stipulated time has elapsed, or purpose has been fulfilled, or both. Contributions of long-lived assets and of assets restricted for acquisition of long-lived assets are released when those assets are placed in service.

STUDENT ALTERNATIVES PROGRAM, INC.
San Antonio, Texas

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year Ended August 31, 2022

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. 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 and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

G. Support and Expenses

Contributions received and unconditional promises to give are measured at their fair values and are reported as an increase in net assets. The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets, or if they are designated as support for future periods. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as support without donor restrictions.

The Organization reports gifts of goods and equipment as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as support with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Expenses are recorded when incurred in accordance with the accrual basis of accounting.

H. Charter Schools Revenue

Revenues from the State's available school fund are based on reported attendance. Contributions received are recognized as revenue in the period received and are reported as either restricted or unrestricted support.

- Contributions with donor-imposed restrictions are reported as restricted support, which increases net assets with donor restrictions.
- Contributions without donor-imposed restrictions are reported as unrestricted support, which increases net assets without donor restrictions.

Governmental grant contracts that are entered into by the Organization are recognized as revenue when services are rendered or when the expenses in connection with those services are incurred.

STUDENT ALTERNATIVES PROGRAM, INC.
San Antonio, Texas

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year Ended August 31, 2022

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Donated Services, Goods, and Facilities

Members of the Organization's board of directors volunteer their time to further the Organization's goals. These donated services are not reflected in the consolidated financial statements since the services do not require specialized skills under applicable guidelines issued by the Financial Accounting Standards Board.

Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Such donations are reported as unrestricted support unless the donor has restricted the donated assets to a specific purpose.

J. Property and Equipment

The Organization capitalizes all expenses for property and equipment. Purchased property and equipment are carried at cost. Donated property and equipment are carried at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method. In accordance with the Texas Education Agency-Resource Guide Supplement for the affiliated charter schools, all assets acquired with a value of \$5,000 or greater are capitalized and are valued at cost or estimated cost.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized but are charged to expense. Major improvements are capitalized and depreciated/amortized over the remaining useful lives of the related capital assets.

Property and equipment acquired with public funds received from state and federal sources generally constitute public property pursuant to Chapter 12 of the Texas Education Code.

The estimated useful lives of property and equipment are as follows:

Asset Classification	SAPI & ABC	CDBC	Charter Schools
Buildings and Improvements	30-40 years	25 years	22 years
Furniture and Equipment	7 years	7 years	7 years
Vehicles	7 years	-	7 years
Other Improvements	-	5 years	-

STUDENT ALTERNATIVES PROGRAM, INC.
San Antonio, Texas

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year Ended August 31, 2022

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Personal Leave

Regular, full-time salaried, exempt and non-exempt employees working 197 days or less during the school year can earn a maximum of 8 days of paid time off while employees working 207 or more days per school year can earn a maximum of 10 days. However, since the balance does not accumulate, a liability is not recorded in the consolidated financial statements.

L. Income Taxes

The Organization is a not-for-profit organization and is exempt from federal income taxes under Section 501(c)(3); and, 501(c)(2) for CDBC, of the IRC, except to the extent it has unrelated business income. No such provision has been made to the accompanying consolidated financial statements. The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits in progress. The Organization believes it is no longer subject to income tax examinations for years prior to 2019. There were penalties and interest in the amount of \$22,496 assessed to SAPI by the IRS that were paid during the year. As of August 31, 2022, there are no taxes or tax returns due to the IRS.

The subsidiary ABC, is a for-profit corporation subject to federal income tax and Texas franchise tax. ABC follows FASB ASC Topic 740, Income Taxes, in reporting deferred income taxes which requires that a company recognize deferred tax liabilities and assets for the expected future income tax consequences of events that have been recognized in the company's consolidated financial statements. Under this method, deferred tax assets and liabilities are determined based on temporary differences between the financial carrying amounts and the tax bases of assets and liabilities using enacted tax rates in effect in the years in which the temporary differences are expected to reverse. There were no deferred tax assets/liabilities recognized at August 31, 2022.

ABC's tax returns are subject to examination by the relevant tax authorities until expiration of the applicable statute of limitations, which is generally 3 years after the filing of the tax return. ABC determined that its tax position will more than likely be sustained upon examination by the Internal Revenue Service or other State taxing authorities. There were no penalties or interest related to income taxes recorded during the year ended August 31, 2022.

STUDENT ALTERNATIVES PROGRAM, INC.
San Antonio, Texas

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year Ended August 31, 2022

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. Cash and Cash Equivalents

For purposes of the consolidated statement of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

N. Fair Value Measurements and Disclosures

The requirements of *Fair Value Measurements and Disclosures* of the Accounting Standards Codification (“ASC”) apply to all financial instruments and all nonfinancial assets and nonfinancial liabilities that are being measured and reported on a fair value basis. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. *Fair Value Measurements and Disclosures* also establishes a fair value hierarchy that prioritizes the inputs used in valuation methodologies into the following three levels:

- Level 1 Inputs – Unadjusted quoted prices in active markets for identical assets or liabilities.
- Level 2 Inputs – Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, or other inputs that can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3 Inputs – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or other valuation techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation.

At August 31, 2022, the Organization’s investments in money market mutual funds were classified as Level 1.

The fair value of the Organization’s cash and cash equivalents, due from government agencies, payables, deferred expenses, and other receivables approximates the carrying amounts of such instruments due to their short-term maturity. The fair value of the debt approximates the carrying amount because the rate and terms currently available to the Organization approximate the rate and terms on the existing debt.

STUDENT ALTERNATIVES PROGRAM, INC.
San Antonio, Texas

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year Ended August 31, 2022

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

O. Liquidity and Availability

Financial assets available for general expenditures, that is, without donor or other restrictions limiting their use within one year of August 31, 2022, are as follows:

Cash and Cash Equivalents	\$ 10,909,737
Grants Receivable	3,689,508
Other Receivables	<u>720</u>
Financial Assets Available for General Expenditures	<u>\$ 14,599,965</u>

Per the Texas Education Agency, Foundation School Program revenues should be classified as revenue with donor restrictions. However, the funds do not have a time restriction, but must be used for education purposes in accordance with State law. As such, there are cash, cash equivalents and receivables that are due from the State and are available for use for educational purposes. The charter schools maintain excess cash in depository accounts; while, SAPI, Inc. maintains its funds in depository accounts, CDs, and money market funds.

II. CASH AND CASH EQUIVALENTS

Cash and cash equivalents at August 31, 2022 consist of the following:

Cash and Cash Equivalents

Cash in Bank	\$ 9,446,750
Cash Equivalents	
Certificates of Deposit	1,121,612
Money Market Mutual Funds	
PIMCO Class C	104,142
BBIF Money Fund Class III	<u>237,233</u>
Total from Consolidated Statement of Financial Position	<u>\$ 10,909,737</u>

Concentrations of Credit Risk – The Organization maintains cash in demand deposit accounts with federally insured banks. During the year, the balances in these accounts exceeded federally insured limits. The Organization also maintains two money market mutual fund accounts which are not insured or guaranteed by the FDIC or other government agency. Although the funds seek to preserve the value of the investment at \$1 per share, it is possible to lose money by investing in the fund. The Organization does not believe that it is exposed to any significant credit risk in connection with cash and cash equivalents or the extension of credit to its customers since it considers the financial institution to be of high credit quality and has not experienced any losses as a result of the concentration of credit risk.

STUDENT ALTERNATIVES PROGRAM, INC.
San Antonio, Texas

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year Ended August 31, 2022

III. PROPERTY AND EQUIPMENT

At August 31, 2022, property and equipment consists of the following:

	SAPI	Charter Schools	Total
Land	\$ 174,619	\$ 111,227	\$ 285,846
Buildings and Improvements	7,427,998	5,332,635	12,760,633
Furniture and Equipment	395,098	75,383	470,481
Vehicles	17,805	370,307	388,112
Construction in Progress	89,607	-	89,607
	8,105,127	5,889,552	13,994,679
Less: Accumulated Depreciation	(3,083,631)	(3,483,714)	(6,567,345)
Property and Equipment, Net	\$ 5,021,496	\$ 2,405,838	\$ 7,427,334

Depreciation expense totaled \$420,691 for the year ended August 31, 2022. Depreciation expense for SAPI and the Charter Schools was \$211,736 and \$208,955, respectively.

IV. NOTES PAYABLE

The Organization's (SAPI & CDBC) long-term debt at August 31, 2022 consists of the following:

Note payable to BBVA Compass Bank, original amount of \$660,000, dated November 12, 2008, due in monthly installments of \$4,590 including interest at 3.25%, secured by land and building through November 12, 2023.	\$ 67,461
Note payable to BBVA Compass Bank, originally dated November 4, 2010. This note was amended in fiscal year 2016 to a new amount of \$232,436, interest rate of 5.42%, monthly installments of \$2,522, a maturity date of November 4, 2025, and secured by land and building.	88,865
Note payable to Bank of America, original amount of \$203,050, dated July 24, 2007, due in monthly installments of \$1,895, including interest at 7.25% - 7.5%, secured by land and building through July 24, 2023.	10,728
Note payable to Bank of America, original amount of \$305,574, and dated December 15, 2016, due in monthly installments of \$1,804, including interest at 3.65%, a maturity date of December 15, 2026, secured by land and building	242,591
Note Payable to Ruben Salazar, original amount of \$765,000 dated June 12, 2018, due in monthly installments of \$6,889, including interest at 8.65%, secured by land and building, through October 1, 2038. The accrued interest of \$18,953, from the start of the loan date to August 31, 2018, was added to principal, which increased the original amount to \$783,953.	<u>716,727</u>
Total Long-Term Debt	\$ 1,126,372
Less: Current Portion	<u>(124,578)</u>
Long-Term Portion	<u>\$ 1,001,794</u>

STUDENT ALTERNATIVES PROGRAM, INC.
San Antonio, Texas

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year Ended August 31, 2022

IV. NOTES PAYABLE (Continued)

Future scheduled maturities of long-term debt are as follows:

Years Ending August 31,	Principal	Interest	Total
2023	\$ 124,578	\$ 76,134	\$ 200,712
2024	78,481	70,385	148,866
2025	68,525	66,058	134,583
2026	48,677	62,029	110,706
2027	218,100	54,578	272,678
Thereafter	588,011	328,190	916,201
Total Payments	\$ 1,126,372	\$ 657,374	\$ 1,783,746

VI. DEFINED BENEFIT PENSION & OPEB PLANS

Pension Plan

Plan Description

The Organization participates in a cost-sharing, multiple-employer defined benefit pension plan (Plan), administered by the Teacher Retirement System of Texas (TRS), with one exception: all risks and costs are not shared by the Organization, but are the liability of the State of Texas. TRS provides service retirement, disability retirement, and death benefits to plan members and beneficiaries. TRS operates under the authority of provisions contained primarily in Texas Government Code, Title 8, Public Retirement Systems, Subtitle C, Teacher Retirement System of Texas, which is subject to amendment by the Texas legislature. TRS' annual financial report and other required disclosure information are available by writing the Teacher Retirement System of Texas, 1000 Red River Street, Austin, Texas 78701, by calling 1-800-223-8778, or by downloading the report from the TRS website, www.trs.state.tx.us, under the TRS Publications heading.

Charter schools are legally separate entities from the State and each other. Assets contributed by one charter school or independent school district (ISD) may be used for the benefit of an employee of another charter school or ISD. The risk of participating in multi-employer pension plans is different from single-employer plans. If a participating charter school or ISD stops contributing to the Plan, the unfunded obligations of the Plan gets passed along to the remaining charter schools and ISDs. There is not a withdrawal penalty for leaving the TRS system; and, there is no collective-bargaining agreement.

STUDENT ALTERNATIVES PROGRAM, INC.
San Antonio, Texas

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year Ended August 31, 2022

VI. DEFINED BENEFIT PENSION & OPEB PLANS (Continued)

Legal Name of Plan	Texas Retirement System of Texas
Plan's Employer Identification Number	N/A
Total Pension Liability	\$243,553,045,455
Plan Fiduciary Net Position	\$184,185,617,196
Net Position as Percentage of Total Pension Liability	75.62%
Expiration Date of Collective-Bargaining Agreement	N/A
Funding Improvement Plan or Rehabilitation Plan – Implemented or Pending	N/A

Information obtained from the TRS 2022 CAFR

Funding Policy

Contribution requirements are not actuarially determined, but are established and amended by the Texas legislature, pursuant to Article 16, section 67 of the Texas Constitution, which requires the Texas legislature to establish a member contribution rate of not less than 6% of the member's annual compensation and a state contribution rate of not less than 6% and not more than 10% of the aggregate annual compensation paid to TRS members during the fiscal year. Texas Government Code section 821.006 prohibits benefit improvements, if as a result of the particular action, the time required to amortize TRS' unfunded actuarial liabilities would be increased to a period that exceeds 31 years, or, if the amortization period already exceeds 31 years, the period would be increased by such action.

Under provisions in state law, plan members and the state are each required to contribute 8.0% and 7.75%, respectively, of the plan member's annual covered salary; and, in certain instances, the Organization is required to make all or a portion of the member's contribution and on the portion of the employees' salaries that exceed the statutory minimum. The following table shows contribution rates by type of contributor:

	Contribution Rates	
	2021	2022
Member	7.7%	8.0%
Non-Employer Contributing Entity (State)	7.5%	7.75%
Employers	7.5%	7.75%

For the year ended August 31, 2022, the Organization contributed \$203,617, the required contributions for the year, on behalf of its employees to TRS, which included \$125,178 for Non-OASDI members. The State also contributes to TRS on behalf of charter school employees; however, these contributions are not recognized in the Organization's financial statements under FASB accounting. The Organization's contributions to the Plan did not represent more than 5% of the total contributions to the Plan. There have been no changes that would affect the comparison of employer contributions from year to year.

STUDENT ALTERNATIVES PROGRAM, INC.
San Antonio, Texas

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year Ended August 31, 2022

VI. DEFINED BENEFIT PENSION & OPEB PLANS (Continued)

OPEB Plan

Plan Description

The Organization participates in the Texas Public School Retired Employees Group Insurance Program (TRS-Care). It is a multiple-employer, cost-sharing defined Other Post-Employment Benefit (OPEB) plan. TRS-Care is administered through a trust by the Teacher Retirement System of Texas (TRS) Board of Trustees. It is established and administered in accordance with the Texas Insurance Code, Chapter 1575. TRS' annual financial report and other required disclosure information are available by writing the Teacher Retirement System of Texas, 1000 Red River Street, Austin, Texas 78701, by calling 1-800-223-8778, or by downloading the report from the TRS website, www.trs.state.tx.us, under the TRS Publications heading.

Benefits Provided

TRS-Care provides a basic health insurance coverage (TRS-Care 1), at no cost to all retirees from public schools, charter schools, regional education service centers, and other educational districts who are members of the TRS pension plan. Optional dependent coverage is available for an additional fee.

Eligible retirees and their dependents not enrolled in Medicare may pay premiums to participate in one of two optional insurance plans with more comprehensive benefits (TRS-Care 2 and TRS-Care 3).

Eligible retirees and dependents enrolled in Medicare may elect to participate in one of two Medicare Health plans for an additional fee. To qualify for TRS-Care coverage, a retiree must have at least 10 years of service credit in the TRS pension system. The Board of Trustees is granted the authority to establish basic and optional group insurance coverage for participants as well as to amend benefit terms as needed under Chapter 1575.052. There are no automatic post-employment benefit changes; including automatic COLAs.

Funding Policy

Contribution rates for the TRS-Care plan are established in state statute by the Texas legislature, and there is no continuing obligation to provide benefits beyond each fiscal year. The TRS-Care plan is currently funded on a pay-as-you-go basis and is subject to change based on available funding. Funding for TRS-Care is provided by retiree premium contributions and contributions from the state, active employees, school districts, and charter schools, based upon member's annual compensation. The TRS Board of Trustees does not have the authority to set or amend contribution rates.

STUDENT ALTERNATIVES PROGRAM, INC.
San Antonio, Texas

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year Ended August 31, 2022

VI. DEFINED BENEFIT PENSION & OPEB PLANS (Continued)

Texas Insurance Code, section 1575.202 establishes the state's contribution rate which is 1.25% of the aggregate annual compensation paid to members during the fiscal year. Section 1575.203 establishes the active member's rate which is 0.65% of the member's annual compensation. Section 1575.204 establishes an employer contribution rate of not less than 0.25% and not more than 0.75% of the annual compensation of each active member. The actual employer contribution rate is prescribed by the Texas Legislature in the General Appropriations Act. The following table shows contribution rates to the TRS-Care plan by type of contributor:

	Contribution Rates	
	2021	2022
Member	0.65%	0.65%
Non-Employer Contributing Entity (State)	1.25%	1.25%
Employers	0.75%	0.75%
Federal/Private Funding remitted by Employers	1.25%	1.25%

For the year ended August 31, 2022, the Organization contributed \$55,228, the required contributions for the year, on behalf of its employees to TRS. The State also contributes to TRS on behalf of charter school employees; however, these contributions are not recognized in the Organization's financial statements under FASB accounting.

VII. HEALTH CARE COVERAGE

During the year ended August 31, 2022, employees of the Charter Schools were covered by TRS ActiveCare, a statewide health coverage program for public education employees established by the 77th Texas Legislature. The Organization contributed \$939 per employee, per month to the Plan, while the state made no contributions to the Plan. Employees, at their option, authorize payroll withholdings to pay premiums for dependents. All premiums were paid to licensed insurers.

STUDENT ALTERNATIVES PROGRAM, INC.
San Antonio, Texas

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year Ended August 31, 2022

VIII. NET ASSETS RELEASED FROM RESTRICTIONS

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by the occurrence of other events specified by donors during the year ended August 31, 2022. Net assets released from restrictions relating to net assets with donor restrictions for the year ending August 31, 2022 is as follows:

	2022
Foundation School Program	\$ 10,015,067
Other State Programs	263,980
Federal Programs	4,554,624
Total	<u>\$ 14,833,671</u>

IX. FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and other activities benefited.

X. RELATED PARTY TRANSACTIONS

The Organization has adopted a policy which addresses transactions between board members of the government body and all related charter schools as well as transactions between affiliated charter schools. A copy of the policy is available for review at SAPI's corporate offices in San Antonio, Texas.

The charter schools reimbursed SAPI, ABC, and CDBC for certain costs in accordance with its cost allocation plan for its use of buildings and for corporate activities related to Charter operations. Total payments during the current year were \$159,597 from El Paso; \$119,849 from Laredo; \$330,752 from Rio Grande Valley; and, \$49,839 from Lubbock. These payments, which total \$660,037 and constitute related party transactions, have been eliminated from revenues and expenses in the consolidated statement of activities. Rental payments between SAPI and ABC totaling \$36,179 have been eliminated. As of August 31, 2022, \$70,041 was due to the charter schools from SAPI. These amounts constitute related party transactions and have also been eliminated from the consolidated statement of financial position.

In 2018, CDBC (borrower) executed a promissory note with ABC (lender) in the amount of \$35,000, for a term of twenty years; and, at an interest rate of one percent per annum. The first payment was due September 1, 2019 and the final payment is due September 1, 2038. As of August 31, 2022, the balance outstanding is \$30,182, which has been eliminated from the consolidating financial statements.

STUDENT ALTERNATIVES PROGRAM, INC.
San Antonio, Texas

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year Ended August 31, 2022

XI. CONTINGENCIES

Liabilities for loss contingencies arising from claims, assessments, litigation, fines and penalties, and other sources are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated.

Grants

The Organization receives funds through state and federal programs that are governed by various statutes and regulations. State program funding is based primarily on student attendance data submitted to TEA and is subject to audit and adjustment. Expenses charged to federal programs are subject to audit and adjustment by the grantor agency. The programs administered by the Organization have complex compliance requirements, and should state or federal auditors discover areas of noncompliance, funds may be subject to refund if so, determined by TEA or other grantor agencies. Management is of the opinion that no material liability will result from such audits.

XII. NET ASSETS - RESTATEMENT

Beginning net assets for SAPI, Inc. was restated as follows:

	SAPI	ABC	CDBC	Total
Net Assets, August 31, 2021, As Reported	\$ 4,101,563	\$ 656,061	\$ 71,865	\$ 4,829,489
Correct Payroll Liability Balances	42,293	(24,862)	-	17,431
Capitalize Expenses to Construction in Progress	89,607	-	-	89,607
Net Assets, September 1, 2021, As Restated	<u>\$ 4,233,463</u>	<u>\$ 631,199</u>	<u>\$ 71,865</u>	<u>\$ 4,936,527</u>

XIII. REGULATED INDUSTRY

The majority of the Organization's activities and revenues are as a result of contracts with TEA and its operations are concentrated in the education field. As such, the Organization operates in a heavily regulated environment. The operations of the Organization are subject to administrative directives, rules, and regulations of federal, state, and local regulatory agencies, including, but not limited to, TEA. Such administrative directives, rules, and regulations are subject to change by an act of Congress, an act of the state legislature, or an administrative change mandated by TEA. Funding may be changed or decreased as a result of the above legislative or administrative changes.

XIV. SUBSEQUENT EVENTS

The Organization has evaluated any potential material subsequent events through January 6, 2023, the date of the audit report, and has determined that there have been no other events that have occurred that would require disclosure in, or adjustments to, the consolidated financial statements.

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OTHER SUPPLEMENTAL INFORMATION

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Consolidating Statements – Corporations

STUDENT ALTERNATIVES PROGRAM, INC.
San Antonio, Texas

CONSOLIDATING STATEMENT OF FINANCIAL POSITION - CORPORATIONS

August 31, 2022

	Student Alternatives Program, Inc.	Academic Buildings Corp.	Community Development Buildings Corp.	Eliminations	Consolidated Total
ASSETS					
Current Assets					
Cash and Cash Equivalents	\$ 871,954	\$ 97,847	\$ 95,475	\$ -	\$ 1,065,276
Cash - Restricted	-	-	-	-	-
Grants Receivable	-	-	-	-	-
Note Receivable	-	30,182	-	(30,182)	-
Deferred Expenses	1,821	1,900	-	-	3,721
Due from Related Entity	-	-	-	-	-
Total Current Assets	873,775	129,929	95,475	(30,182)	1,068,997
Property and Equipment, Net	3,361,651	899,999	759,846	-	5,021,496
Total Assets	<u>\$ 4,235,426</u>	<u>\$ 1,029,928</u>	<u>\$ 855,321</u>	<u>\$ (30,182)</u>	<u>\$ 6,090,493</u>
LIABILITIES AND NET ASSETS					
Current Liabilities					
Accounts Payable	\$ 7,350	\$ 15,815	\$ 3,478	\$ -	\$ 26,643
Payroll Deductions and Withholdings	3,989	304	-	-	4,293
Accrued Wages	-	-	-	-	-
Due to State	-	-	-	-	-
Other Liabilities - Current	-	-	-	-	-
Accrued Expenses	-	-	-	-	-
Due to Related Entity	70,041	-	-	-	70,041
Current Portion of Long-Term Debt	53,339	49,732	23,145	(1,638)	124,578
Total Current Liabilities	134,719	65,851	26,623	(1,638)	225,555
Non-Current Liabilities					
Long-Term Debt, Less Current Portion	14,122	292,452	723,764	(28,544)	1,001,794
Total Non-Current Liabilities	14,122	292,452	723,764	(28,544)	1,001,794
Total Liabilities	148,841	358,303	750,387	(30,182)	1,227,349
Net Assets					
Without Donor Restrictions					
Available for Operations	4,086,585	671,625	104,934	-	4,863,144
Total Without Donor Restrictions	4,086,585	671,625	104,934	-	4,863,144
With Donor Restrictions					
Specific Purpose Funds	-	-	-	-	-
Total With Donor Restrictions	-	-	-	-	-
Total Net Assets	4,086,585	671,625	104,934	-	4,863,144
Total Liabilities and Net Assets	<u>\$ 4,235,426</u>	<u>\$ 1,029,928</u>	<u>\$ 855,321</u>	<u>\$ (30,182)</u>	<u>\$ 6,090,493</u>

STUDENT ALTERNATIVES PROGRAM, INC.
San Antonio, Texas

CONSOLIDATING STATEMENT OF ACTIVITIES - CORPORATIONS

Year Ended August 31, 2022

	Student Alternatives Program, Inc.	Academic Buildings Corp.	Community Development Buildings Corp.		Consolidated Total
	Without Donor Restrictions	Without Donor Restrictions	Without Donor Restrictions	Eliminations	
REVENUES AND OTHER SUPPORT					
Support					
Contributions	\$ -	\$ -	\$ -	\$ -	\$ -
Program Revenue	-	-	-	-	-
State Program Revenues	-	-	-	-	-
Federal Program Revenues	-	-	-	-	-
Fees and Other Revenue					
Other Revenues from Local Sources	322,361	207,197	180,031	(36,179)	673,410
Net Assets Released from Restrictions	-	-	-	-	-
Total Revenue and Other Support	322,361	207,197	180,031	(36,179)	673,410
EXPENSES					
Program Services					
General School Operations	-	-	-	-	-
Public Charter Schools	-	-	-	-	-
Support Services					
Administrative and General	469,239	166,771	146,962	(36,179)	746,793
Total Expenses	469,239	166,771	146,962	(36,179)	746,793
Change in Net Assets	(146,878)	40,426	33,069	-	(73,383)
Net Assets, Beginning of Year (Restated)	4,233,463	631,199	71,865	-	4,936,527
Net Assets, End of Year	\$ 4,086,585	\$ 671,625	\$ 104,934	\$ -	\$ 4,863,144

STUDENT ALTERNATIVES PROGRAM, INC.
San Antonio, Texas

CONSOLIDATING STATEMENT OF CASH FLOWS - CORPORATIONS

Year Ended August 31, 2022

	Student Alternatives Program, Inc.	Academic Buildings Corp.	Community Development Buildings Corp.	Eliminations	Consolidated Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash Received from Contributions	\$ -	\$ -	\$ -	\$ -	\$ -
Foundation School Program Payments	-	-	-	-	-
Grant Payments	-	-	-	-	-
Program Revenues Received	-	-	-	-	-
Other Revenue Received	348,897	207,197	180,031	(36,179)	699,946
Payments to Vendors for Goods and Services Rendered	(131,886)	(94,923)	(104,499)	36,179	(295,129)
Payments to Personnel for Services Rendered	(173,772)	(33,559)	-	-	(207,331)
Net Cash Provided (Used) by Operating Activities	<u>43,239</u>	<u>78,715</u>	<u>75,532</u>	<u>-</u>	<u>197,486</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Payments on Behalf of Related Entity	-	-	-	-	-
Purchases of Fixed Assets	(30,953)	(20,600)	(15,500)	-	(67,053)
Net Cash Provided (Used) by Investing Activities	<u>(30,953)</u>	<u>(20,600)</u>	<u>(15,500)</u>	<u>-</u>	<u>(67,053)</u>
CASH FLOWS FROM FINANCING ACTIVITIES					
Payments Received on Notes Receivable	-	1,622	-	(1,622)	-
Payment on Notes Payable	(51,507)	(61,648)	(21,353)	1,622	(132,886)
Net Cash Provided (Used) by Financing Activities	<u>(51,507)</u>	<u>(60,026)</u>	<u>(21,353)</u>	<u>-</u>	<u>(132,886)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>(39,221)</u>	<u>(1,911)</u>	<u>38,679</u>	<u>-</u>	<u>(2,453)</u>
Cash and Cash Equivalents, Beginning of Year	<u>911,175</u>	<u>99,758</u>	<u>56,796</u>	<u>-</u>	<u>1,067,729</u>
Cash and Cash Equivalents, End of Year	<u>\$ 871,954</u>	<u>\$ 97,847</u>	<u>\$ 95,475</u>	<u>\$ -</u>	<u>\$ 1,065,276</u>
RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Change in Net Assets	\$ (146,878)	\$ 40,426	\$ 33,069	\$ -	\$ (73,383)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities					
Depreciation Expense	137,662	35,089	38,985	-	211,736
(Increase)/Decrease in Assets					
Grants Receivable	-	-	-	-	-
Other Receivables	26,536	-	-	-	26,536
Deferred Expenses	-	(1,400)	-	-	(1,400)
Due from Related Entity	-	-	-	-	-
Increase/(Decrease) in Liabilities					
Accounts Payable	7,350	15,815	3,478	-	26,643
Payroll Deductions and Withholdings	(24,856)	1	-	-	(24,855)
Due to Related Entity	43,425	(11,216)	-	-	32,209
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 43,239</u>	<u>\$ 78,715</u>	<u>\$ 75,532</u>	<u>\$ -</u>	<u>\$ 197,486</u>
Supplemental Disclosure					
Interest Paid	<u>\$ 23,537</u>	<u>\$ 14,999</u>	<u>\$ 63,252</u>	<u>\$ -</u>	<u>\$ 101,788</u>
	\$ -	\$ -	\$ -		

Statements of Financial Position – Charter Schools

TRIUMPH PUBLIC HIGH SCHOOLS - LAREDO

Laredo, Texas

STATEMENT OF FINANCIAL POSITION

August 31, 2022

	Triumph Public High Schools - Laredo
ASSETS	
Current Assets	
Cash	\$ 2,005,519
Grants Receivable	570,714
Other Receivables	411
Due from Student Alternative Program, Inc.	70,041
Total Current Assets	<u>2,646,685</u>
Fixed Assets	
Land	97,720
Buildings and Improvements	4,381,850
Vehicles	151,580
Equipment	44,621
Accumulated Depreciation	<u>(2,993,991)</u>
Total Fixed Assets, Net	<u>1,681,780</u>
Total Assets	<u><u>\$ 4,328,465</u></u>
LIABILITIES AND NET ASSETS	
Current Liabilities	
Accounts Payable	\$ 90,952
Payroll Deductions and Withholdings	4,601
Accrued Wages	93,729
Other Liabilities - Current	1,361
Due to Other Districts	<u>12,035</u>
Total Current Liabilities	<u>202,678</u>
Total Liabilities	<u>202,678</u>
Net Assets	
Without Donor Restrictions	
Available for Operations	<u>3,365</u>
Total Without Donor Restrictions	<u>3,365</u>
With Donor Restrictions	
Specific Purpose Funds	<u>4,122,422</u>
Total With Donor Restrictions	<u>4,122,422</u>
Total Liabilities and Net Assets	<u><u>\$ 4,328,465</u></u>

TRIUMPH PUBLIC HIGH SCHOOLS - RIO GRANDE VALLEY
McAllen, Texas

STATEMENT OF FINANCIAL POSITION

August 31, 2022

	Triumph Public High Schools - Rio Grande Valley
ASSETS	
Current Assets	
Cash	\$ 3,023,510
Grants Receivables	1,605,155
Other Receivables	(1,640)
Due from Student Alternative Program, Inc.	-
Due from Other Charters	6,960
Total Current Assets	<u>4,633,985</u>
Fixed Assets	
Buildings and Improvements	685,313
Vehicles	139,981
Equipment	5,250
Accumulated Depreciation	(275,832)
Total Fixed Assets, Net	<u>554,712</u>
Total Assets	<u><u>\$ 5,188,697</u></u>
LIABILITIES AND NET ASSETS	
Current Liabilities	
Accounts Payable	\$ 171,723
Payroll Deductions and Withholdings	(12,940)
Accrued Wages	143,965
Other Liabilities - Current	7,919
Accrued Expenses	1,674
Total Current Liabilities	<u>312,341</u>
Total Liabilities	<u>312,341</u>
Net Assets	
Without Donor Restrictions	
Available for Operations	-
Total Without Donor Restrictions	<u>-</u>
With Donor Restrictions	
Specific Purpose Funds	4,876,356
Total With Donor Restrictions	<u>4,876,356</u>
Total Liabilities and Net Assets	<u><u>\$ 5,188,697</u></u>

TRIUMPH PUBLIC HIGH SCHOOLS - EL PASO

El Paso, Texas

STATEMENT OF FINANCIAL POSITION

August 31, 2022

	Triumph Public High Schools - El Paso
ASSETS	
Current Assets	
Cash	\$ 2,633,980
Grants Receivables	961,802
Other Receivables	995
Due from Other Districts	3,045
Total Current Assets	<u>3,599,822</u>
Fixed Assets	
Land	13,507
Buildings and Improvements	240,545
Vehicles	61,831
Equipment	14,562
Accumulated Depreciation	(180,579)
Total Fixed Assets, Net	<u>149,866</u>
Total Assets	<u><u>\$ 3,749,688</u></u>
LIABILITIES AND NET ASSETS	
Current Liabilities	
Accounts Payable	\$ 61,450
Payroll Deductions and Withholdings	811
Accrued Wages	91,970
Other Liabilities - Current	1,147
Accrued Expenses	2,275
Total Current Liabilities	<u>157,653</u>
Total Liabilities	<u>157,653</u>
Net Assets	
Without Donor Restrictions	
Available for Operations	-
Total Without Donor Restrictions	<u>-</u>
With Donor Restrictions	
Specific Purpose Funds	3,592,035
Total With Donor Restrictions	<u>3,592,035</u>
Total Liabilities and Net Assets	<u><u>\$ 3,749,688</u></u>

TRIUMPH PUBLIC HIGH SCHOOLS - LUBBOCK
Lubbock, Texas

STATEMENT OF FINANCIAL POSITION

August 31, 2022

	Triumph Public High Schools - Lubbock
ASSETS	
Current Assets	
Cash	\$ 2,181,452
Grants Receivables	551,837
Other Receivables	954
Due from Other Districts	2,030
Due from Student Alternative Program, Inc.	-
Total Current Assets	<u>2,736,273</u>
Fixed Assets	
Buildings and Improvements	24,927
Vehicles	16,915
Equipment	10,950
Accumulated Depreciation	(33,312)
Total Fixed Assets, Net	<u>19,480</u>
Total Assets	<u><u>\$ 2,755,753</u></u>
LIABILITIES AND NET ASSETS	
Current Liabilities	
Accounts Payable	\$ 75,666
Payroll Deductions and Withholdings	5,374
Accrued Wages	41,893
Other Liabilities - Current	2,916
Accrued Expenses	102
Deferred Revenue	-
Total Current Liabilities	<u>125,951</u>
Total Liabilities	<u>125,951</u>
Net Assets	
Without Donor Restriction	
Available for Operations	-
Total Without Donor Restriction	<u>-</u>
With Donor Restriction	
Specific Purpose Funds	2,629,802
Total With Donor Restriction	<u>2,629,802</u>
Total Liabilities and Net Assets	<u><u>\$ 2,755,753</u></u>

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Statements of Activities – Charter Schools

TRIUMPH PUBLIC HIGH SCHOOLS - LAREDO
Laredo, Texas

STATEMENT OF ACTIVITIES

Year Ended August 31, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES AND OTHER SUPPORT			
Local Support			
5740 Other Revenues from Local Sources	\$ 79,030	\$ -	\$ 79,030
5760 Revenues from Intermediate Sources	-	-	-
State Program Revenues			
5810 Foundation School Program Act Revenues	-	1,887,357	1,887,357
5820 State Program Revenues Distributed by Texas Education Agency	-	83,125	83,125
Total State Program Revenues and Local Support	79,030	1,970,482	2,049,512
Federal Program Revenue			
5920 Teacher Incentive Fund - Project Rise	-	95,428	95,428
5920 ESEA, Title I Part A - Improving Basic Programs	-	271,544	271,544
5920 IDEA, Part B - Formula	-	105,407	105,407
5920 ESEA, Title II, Part A: TPTR	-	9,303	9,303
5920 Title III, Part A - ELALE	-	5,563	5,563
5920 Elementary and Secondary School Emergency Relief (ESSER) Fund	-	16,568	16,568
5920 TCLAS - ESSER III	-	28,258	28,258
5920 Coronavirus Response and Relief Supplemental Appropriations ESSER II	-	264,192	264,192
5920 American Rescue Plan ESSER III	-	247,256	247,256
5920 Title IV, Part A - SSAE	-	32,055	32,055
5920 ELC - Reopening Schools	-	9,180	9,180
5920 IDEA, Part B - Formula: American Rescue Plan	-	4,569	4,569
Total Federal Program Revenues	-	1,089,323	1,089,323
Net Assets Released from Restrictions			
Restrictions Satisfied by Payments	3,752,872	(3,752,872)	-
Total Revenue and Other Support	3,831,902	(693,067)	3,138,835
EXPENSES			
Program Services			
11 Instruction	1,880,384	-	1,880,384
12 Instructional Resources and Media Services	-	-	-
13 Curriculum Development and Instructional Staff Development	102,781	-	102,781
21 Instructional Leadership	-	-	-
23 School Leadership	732,882	-	732,882
Support Services			
31 Guidance, Counseling and Evaluation Services	147,003	-	147,003
32 Social Work Services	62,164	-	62,164
33 Health Services	295	-	295
34 Student (Pupil) Transportation	2,985	-	2,985
35 Food Services	5,863	-	5,863
36 Cocurricular/Extracurricular Activities	-	-	-
41 General Administration	308,871	-	308,871
51 Plant Maintenance and Operations	483,026	-	483,026
52 Security and Monitoring Services	43,217	-	43,217
53 Data Processing Services	55,009	-	55,009
61 Community Services	-	-	-
81 Fund Raising	4,057	-	4,057
Total Expenses	3,828,537	-	3,828,537
Change in Net Assets	3,365	(693,067)	(689,702)
Net Assets, Beginning of Year	-	4,815,489	4,815,489
Net Assets, End of Year	\$ 3,365	\$ 4,122,422	\$ 4,125,787

TRIUMPH PUBLIC HIGH SCHOOLS - RIO GRANDE VALLEY
McAllen, Texas

STATEMENT OF ACTIVITIES

Year Ended August 31, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES AND OTHER SUPPORT			
Local Support			
5740 Other Revenues from Local Sources	\$ -	\$ -	\$ -
5760 Revenues from Intermediate Sources	-	-	-
State Program Revenues			
5810 Foundation School Program Act Revenues	-	4,938,167	4,938,167
5820 State Program Revenues Distributed by Texas Education Agency	-	76,684	76,684
Total State Program Revenues and Local Support	-	5,014,851	5,014,851
Federal Program Revenue			
5920 Teacher Incentive Fund - Project Rise	-	58,820	58,820
5920 ESEA, Title I Part A - Improving Basic Programs	-	269,187	269,187
5920 IDEA, Part B - Formula	-	129,093	129,093
5920 ESEA, Title II, Part A: TPTR	-	56,463	56,463
5920 TCLAS - ESSER III	-	70,480	70,480
5920 Coronavirus Response and Relief Supplemental Appropriations ESSER II	-	508,393	508,393
5920 American Rescue Plan ESSER III	-	830,388	830,388
5920 Title IV, Part A - SSAFE	-	4,610	4,610
5920 IDEA, Part B - Formula: American Rescue Plan	-	3,591	3,591
5920 Re-Start Flooding Grant	-	112,396	112,396
5930 ELC - Reopening Schools	-	18,976	18,976
Total Federal Program Revenues	-	2,062,397	2,062,397
Net Assets Released from Restrictions			
Restrictions Satisfied by Payments	6,294,998	(6,294,998)	-
Total Revenue and Other Support	6,294,998	782,250	7,077,248
EXPENSES			
Program Services			
11 Instruction	2,975,643	-	2,975,643
12 Instructional Resources and Media Services	-	-	-
13 Curriculum Development and Instructional Staff Development	249,962	-	249,962
21 Instructional Leadership	-	-	-
23 School Leadership	1,172,759	-	1,172,759
Support Services			
31 Guidance, Counseling and Evaluation Services	288,666	-	288,666
32 Social Work Services	106,135	-	106,135
33 Health Services	-	-	-
34 Student (Pupil) Transportation	3,928	-	3,928
35 Food Services	23,237	-	23,237
36 Cocurricular/Extracurricular Activities	-	-	-
41 General Administration	470,688	-	470,688
51 Plant Maintenance and Operations	927,952	-	927,952
52 Security and Monitoring Services	11,705	-	11,705
53 Data Processing Services	57,057	-	57,057
61 Community Services	153	-	153
81 Fund Raising	7,113	-	7,113
Total Expenses	6,294,998	-	6,294,998
Change in Net Assets	-	782,250	782,250
Net Assets, Beginning of Year	-	4,094,106	4,094,106
Net Assets, End of Year	\$ -	\$ 4,876,356	\$ 4,876,356

TRIUMPH PUBLIC HIGH SCHOOLS - EL PASO
El Paso, Texas

STATEMENT OF ACTIVITIES

Year Ended August 31, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES AND OTHER SUPPORT			
Local Support			
5740 Other Revenues from Local Sources	\$ 150	\$ -	\$ 150
5760 Revenues from Intermediate Sources	-	-	-
State Program Revenues			
5810 Foundation School Program Act Revenues	-	1,982,212	1,982,212
5820 State Program Revenues Distributed by Texas Education Agency	-	32,682	32,682
Total State Program Revenues and Local Support	150	2,014,894	2,015,044
Federal Program Revenue			
5920 ESEA, Title I Part A - Improving Basic Programs	-	227,753	227,753
5920 IDEA, Part B - Formula	-	32,660	32,660
5920 ESEA, Title II, Part A: TPTR	-	5,230	5,230
5920 Elementary and Secondary School Emergency Relief (ESSER) Fund	-	-	-
5920 TCLAS - ESSER III	-	18,488	18,488
5920 Coronavirus Response and Relief Supplemental Appropriations ESSER II	-	177,121	177,121
5920 American Rescue Plan ESSER III	-	363,643	363,643
5920 Title IV, Part A - SSAE	-	13,603	13,603
5920 IDEA, Part B - Formula: American Rescue Plan	-	713	713
5930 ELC - Reopening Schools	-	6,788	6,788
Total Federal Program Revenues	-	845,999	845,999
Net Assets Released from Restrictions			
Restrictions Satisfied by Payments	2,846,632	(2,846,632)	-
Total Revenue and Other Support	2,846,782	14,261	2,861,043
EXPENSES			
Program Services			
11 Instruction	1,336,001	-	1,336,001
12 Instructional Resources and Media Services	-	-	-
13 Curriculum Development and Instructional Staff Development	78,387	-	78,387
21 Instructional Leadership	-	-	-
23 School Leadership	409,720	-	409,720
Support Services			
31 Guidance, Counseling and Evaluation Services	153,413	-	153,413
32 Social Work Services	110,589	-	110,589
33 Health Services	555	-	555
34 Student (Pupil) Transportation	1,742	-	1,742
35 Food Services	3,510	-	3,510
36 Cocurricular/Extracurricular Activities	-	-	-
41 General Administration	213,775	-	213,775
51 Plant Maintenance and Operations	452,561	-	452,561
52 Security and Monitoring Services	44,062	-	44,062
53 Data Processing Services	36,884	-	36,884
61 Community Services	164	-	164.00
81 Fund Raising	5,419	-	5,419
Total Expenses	2,846,782	-	2,846,782
Change in Net Assets	-	14,261	14,261
Net Assets, Beginning of Year	-	3,577,774	3,577,774
Net Assets, End of Year	\$ -	\$ 3,592,035	\$ 3,592,035

TRIUMPH PUBLIC HIGH SCHOOLS - LUBBOCK
Lubbock, Texas

STATEMENT OF ACTIVITIES

Year Ended August 31, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES AND OTHER SUPPORT			
Local Support			
5740 Other Revenues from Local Sources	\$ -	\$ -	\$ -
5760 Revenues from Intermediate Sources	-	-	-
State Program Revenues			
5810 Foundation School Program Act Revenues	-	1,601,851	1,601,851
5820 State Program Revenues Distributed by Texas Education Agency	-	71,782	71,782
Total State Program Revenues and Local Support	-	1,673,633	1,673,633
Federal Program Revenue			
5920 ESEA, Title I Part A - Improving Basic Programs	-	116,225	116,225
5920 IDEA, Part B - Formula	-	30,832	30,832
5920 ESEA, Title II, Part A: TPTR	-	7,198	7,198
5920 Elementary and Secondary School Emergency Relief (ESSER) Fund	-	9,868	9,868
5920 TCLAS - ESSER III	-	12,091	12,091
5920 Coronavirus Response and Relief Supplemental Appropriations ESSER II	-	104,480	104,480
5920 American Rescue Plan ESSER III	-	250,644	250,644
5920 Title IV, Part A - SSAE	-	18,055	18,055
5920 IDEA, Part B - Formula: American Rescue Plan	-	68	68
5930 ELC - Reopening Schools	-	7,444	7,444
Total Federal Program Revenues	-	556,905	556,905
Net Assets Released from Restrictions			
Restrictions Satisfied by Payments	1,989,169	(1,989,169)	-
Total Revenue and Other Support	1,989,169	241,369	2,230,538
EXPENSES			
Program Services			
11 Instruction	1,001,231	-	1,001,231
12 Instructional Resources and Media Services	-	-	-
13 Curriculum Development and Instructional Staff Development	23,381	-	23,381
21 Instructional Leadership	-	-	-
23 School Leadership	376,000	-	376,000
Support Services			
31 Guidance, Counseling and Evaluation Services	74,050	-	74,050
32 Social Work Services	20,297	-	20,297
33 Health Services	-	-	-
34 Student (Pupil) Transportation	956	-	956
35 Food Services	6,892	-	6,892
36 Cocurricular/Extracurricular Activities	-	-	-
41 General Administration	172,023	-	172,023
51 Plant Maintenance and Operations	213,156	-	213,156
52 Security and Monitoring Services	1,926	-	1,926
53 Data Processing Services	29,551	-	29,551
61 Community Services	64,979	-	64,979
81 Fund Raising	4,727	-	4,727
Total Expenses	1,989,169	-	1,989,169
Change in Net Assets	-	241,369	241,369
Net Assets, Beginning of Year	-	2,388,433	2,388,433
Net Assets, End of Year	\$ -	\$ 2,629,802	\$ 2,629,802

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Statements of Cash Flows – Charter Schools

TRIUMPH PUBLIC HIGH SCHOOLS - LAREDO

Laredo, Texas

STATEMENT OF CASH FLOWS

Year Ended August 31, 2022

CASH FLOWS FROM OPERATING ACTIVITIES

Foundation School Program Payments	\$ 1,673,676
Grant Payments	1,101,358
Other Local Revenues	31,483
Payments to Vendors for Goods and Services Rendered	(1,067,370)
Payments to Charter School Personnel for Services Rendered	(2,541,598)
Net Cash (Used) by Operating Activities	<u>(802,451)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Purchases of Fixed Assets	<u>(70,020)</u>
Net Cash (Used) by Investing Activities	<u>(70,020)</u>

(Decrease) in Cash and Cash Equivalents	<u>(872,471)</u>
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Cash and Cash Equivalents, Beginning of Year	<u>2,877,990</u>
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Cash and Cash Equivalents, End of Year	<u><u>\$ 2,005,519</u></u>
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RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH
(USED) BY OPERATING ACTIVITIES

Change in Net Assets	\$ (689,702)
Adjustments to Reconcile Change in Net Assets to Net Cash (Used) by Operating Activities	
Depreciation Expense	143,838
(Increase)/Decrease in Assets	
Grant Receivable	(293,523)
Other Receivables	62
Due from Student Alternatives Programs, Inc.	(47,609)
Increase/(Decrease) in Liabilities	
Accounts Payable	36,411
Payroll Deductions and Withholdings	12,163
Accrued Wages	27,157
Deferred Revenue	(3,283)
Due to Other Districts	<u>12,035</u>

NET CASH (USED) BY OPERATING ACTIVITIES	<u><u>\$ (802,451)</u></u>
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TRIUMPH PUBLIC HIGH SCHOOLS - RIO GRANDE VALLEY
McAllen, Texas

STATEMENT OF CASH FLOWS

Year Ended August 31, 2022

CASH FLOWS FROM OPERATING ACTIVITIES

Foundation School Program Payments	\$ 4,033,844
Grant Payments	2,062,595
Other Local Revenues	-
Payments to Vendors for Goods and Services Rendered	(2,046,822)
Payments to Charter School Personnel for Services Rendered	(4,011,673)
Net Cash Provided by Operating Activities	<u>37,944</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of Fixed Assets	(66,918)
Net Cash (Used) by Investing Activities	<u>(66,918)</u>

(Decrease) in Cash and Cash Equivalents	<u>(28,974)</u>
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Cash and Cash Equivalents, Beginning of Year	<u>3,052,484</u>
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Cash and Cash Equivalents, End of Year	<u><u>\$ 3,023,510</u></u>
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RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH
PROVIDED BY OPERATING ACTIVITIES

Change in Net Assets	\$ 782,250
Adjustments to Reconcile Change in Net Assets to Net Cash	
Provided by Operating Activities	
Depreciation Expense	43,554
(Increase)/Decrease in Assets	
Grant Receivable	(981,007)
Other Receivables	49
Deferred Expenses	(6,960)
Increase/(Decrease) in Liabilities	
Accounts Payable	138,224
Payroll Deductions and Withholdings	(7,295)
Accrued Wages	67,491
Other Liabilities - Current	198
Accrued Expenses	<u>1,440</u>

NET CASH PROVIDED BY OPERATING ACTIVITIES	<u><u>\$ 37,944</u></u>
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TRIUMPH PUBLIC HIGH SCHOOLS - EL PASO

El Paso, Texas

STATEMENT OF CASH FLOWS

Year Ended August 31, 2022

CASH FLOWS FROM OPERATING ACTIVITIES

Foundation School Program Payments	\$ 1,520,804
Grant Payments	846,951
Other Local Revenues	150
Payments to Vendors for Goods and Services Rendered	(1,041,507)
Payments to Charter School Personnel for Services Rendered	(1,723,584)
Net Cash (Used) by Operating Activities	<u>(397,186)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of Fixed Assets	<u>(43,673)</u>
Net Cash (Used) by Investing Activities	<u>(43,673)</u>

CASH FLOWS FROM FINANCING ACTIVITIES

Cash Payments Made to Other Districts	<u>(6,817)</u>
Net Cash (Used) by Financing Activities	<u>(6,817)</u>

(Decrease) in Cash and Cash Equivalents	<u>(447,676)</u>
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Cash and Cash Equivalents, Beginning of Year	<u>3,081,656</u>
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Cash and Cash Equivalents, End of Year	<u>\$ 2,633,980</u>
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RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH

(USED) BY OPERATING ACTIVITIES

Change in Net Assets	\$ 14,261
Adjustments to Reconcile Change in Net Assets to Net Cash	
(Used) by Operating Activities	
Depreciation Expense	17,317
(Increase)/Decrease in Assets	
Grants Receivable	(490,007)
Other Receivables	44
Increase/(Decrease) in Liabilities	
Accounts Payable	41,014
Payroll Deductions and Withholdings	3,733
Accrued Wages	19,452
Deferred Revenue	(4,083)
Accrued Expenses	131

NET CASH (USED) BY OPERATING ACTIVITIES	<u>\$ (397,186)</u>
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TRIUMPH PUBLIC HIGH SCHOOLS - LUBBOCK

Lubbock, Texas

STATEMENT OF CASH FLOWS

Year Ended August 31, 2022

CASH FLOWS FROM OPERATING ACTIVITIES

Foundation School Program Payments	\$ 1,436,018
Grant Payments	557,405
Other Local Revenues	-
Payments to Vendors for Goods and Services Rendered	(534,726)
Payments to Charter School Personnel for Services Rendered	(1,378,384)
Net Cash Provided by Operating Activities	<u>80,313</u>

CASH FLOWS FROM FINANCING ACTIVITIES

Cash Received from Other Districts	<u>1,742</u>
Net Cash Provided by Financing Activities	<u>1,742</u>

Increase in Cash and Cash Equivalents	<u>82,055</u>
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Cash and Cash Equivalents, Beginning of Year	<u>2,099,397</u>
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Cash and Cash Equivalents, End of Year	<u><u>\$ 2,181,452</u></u>
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RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH
PROVIDED BY OPERATING ACTIVITIES

Change in Net Assets	\$ 241,369
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities	
Depreciation Expense	4,246
(Increase)/Decrease in Assets	
Grants Receivable	(234,682)
Other Receivables	34
Due fro Student Alternatives Program, Inc.	15,400
Increase/(Decrease) in Liabilities	
Accounts Payable	60,094
Payroll Deductions and Withholdings	606
Accrued Wages	(4,254)
Accrued Expenses	(67)
Deferred Revenue	(2,933)
Other Liabilities - Current	<u>500</u>

NET CASH PROVIDED BY OPERATING ACTIVITIES	<u><u>\$ 80,313</u></u>
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Schedules of Expenses by Object Code – Charter Schools

TRIUMPH PUBLIC HIGH SCHOOLS - LAREDO

Laredo, Texas

SCHEDULE OF EXPENSES BY OBJECT CODE

Years Ended August 31, 2022 and 2021

		Totals	
		2022	2021
EXPENSES			
6100	Payroll Costs	\$ 2,580,918	\$ 2,416,676
6200	Professional and Contracted Services	679,193	619,981
6300	Supplies and Materials	259,946	141,700
6400	Other Operating Costs	308,480	280,015
6500	Debt	-	-
Total Expenses		\$ 3,828,537	\$ 3,458,372

TRIUMPH PUBLIC HIGH SCHOOLS - RIO GRANDE VALLEY
McAllen, Texas

SCHEDULE OF EXPENSES BY OBJECT CODE

Years Ended August 31, 2022 and 2021

		Totals	
		2022	2021
EXPENSES			
6100	Payroll Costs	\$ 4,071,869	\$ 3,637,382
6200	Professional and Contracted Services	1,038,555	858,426
6300	Supplies and Materials	709,392	430,452
6400	Other Operating Costs	475,182	258,434
6500	Debt	-	-
Total Expenses		\$ 6,294,998	\$ 5,184,694

TRIUMPH PUBLIC HIGH SCHOOLS - EL PASO

El Paso, Texas

SCHEDULE OF EXPENSES BY OBJECT CODE

Years Ended August 31, 2022 and 2021

		Totals	
		2022	2021
EXPENSES			
6100	Payroll Costs	\$ 1,746,769	\$ 1,511,375
6200	Professional and Contracted Services	628,899	577,107
6300	Supplies and Materials	201,441	113,871
6400	Other Operating Costs	269,673	94,745
6500	Debt	-	-
Total Expenses		<u>\$ 2,846,782</u>	<u>\$ 2,297,098</u>

TRIUMPH PUBLIC HIGH SCHOOLS - LUBBOCK
Lubbock, Texas

SCHEDULE OF EXPENSES BY OBJECT CODE

Years Ended August 31, 2022 and 2021

		Totals	
		2022	2021
EXPENSES			
6100	Payroll Costs	\$ 1,374,736	\$ 1,384,025
6200	Professional and Contracted Services	294,313	294,459
6300	Supplies and Materials	179,895	111,029
6400	Other Operating Costs	140,225	79,224
6500	Debt	-	-
Total Expenses		<u>\$ 1,989,169</u>	<u>\$ 1,868,737</u>

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Schedules of Fixed Assets – Charter Schools

TRIUMPH PUBLIC HIGH SCHOOLS - LAREDO

Laredo, Texas

SCHEDULE OF FIXED ASSETS

Year Ended August 31, 2022

		Ownership Interest		
		Local	State	Federal
1510	Land and Improvements	\$ -	\$ 97,720	\$ -
1520	Building and Improvements	-	4,035,725	346,125
1531	Vehicles	-	122,664	28,916
1539	Furniture and Equipment	-	36,521	8,100
Total Property and Equipment		\$ -	\$ 4,292,630	\$ 383,141

TRIUMPH PUBLIC HIGH SCHOOLS - RIO GRANDE VALLEY
McAllen, Texas

SCHEDULE OF FIXED ASSETS

Year Ended August 31, 2022

		Ownership Interest		
		Local	State	Federal
1510	Land and Improvements	\$ -	\$ -	\$ -
1520	Building and Improvements	-	685,313	-
1531	Vehicles	-	139,981	-
1539	Furniture and Equipment	-	5,250	-
Total Property and Equipment		<u>\$ -</u>	<u>\$ 830,544</u>	<u>\$ -</u>

TRIUMPH PUBLIC HIGH SCHOOLS - EL PASO

El Paso, Texas

SCHEDULE OF FIXED ASSETS

Year Ended August 31, 2022

		Ownership Interest		
		Local	State	Federal
1510	Land and Improvements	\$ -	\$ 13,507	\$ -
1520	Building and Improvements	-	240,545	-
1531	Vehicles	-	61,831	-
1539	Furniture and Equipment	-	14,562	-
Total Property and Equipment		\$ -	\$ 330,445	\$ -

TRIUMPH PUBLIC HIGH SCHOOLS - LUBBOCK

Lubbock, Texas

SCHEDULE OF FIXED ASSETS

Year Ended August 31, 2022

		Ownership Interest		
		Local	State	Federal
1510	Land and Improvements	\$ -	\$ -	\$ -
1520	Building and Improvements	-	24,927	-
1531	Vehicles	-	16,915	-
1539	Furniture and Equipment	-	10,950	-
Total Property and Equipment		\$ -	\$ 52,792	\$ -

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Budgetary Comparison Schedules – Charter Schools

TRIUMPH PUBLIC HIGH SCHOOLS - LAREDO
Laredo, Texas

BUDGETARY COMPARISON SCHEDULE

Year Ended August 31, 2022

	Budgeted Amounts			Actual	Variance
	Original	Final		Amounts	from Final
					Budget
REVENUES AND OTHER SUPPORT					
Local Support					
5740 Other Revenues from Local Sources	\$ 221,000	\$ 521,000	1	\$ 79,030	\$ (441,970) 2
5760 Revenues from Intermediate Sources	-	-		-	-
State Program Revenues					
5810 Foundation School Program Act Revenues	2,658,003	1,835,724	3	1,887,357	51,633
5820 State Program Revenues Distributed by Texas Education Agency	42,359	80,866	4	83,125	2,259
Total State Program Revenues and Local Support	2,921,362	2,437,590		2,049,512	(388,078)
Federal Program Revenue					
5920 Teacher Incentive Fund - Project Rise	58,828	167,495	5	95,428	(72,067) 6
5920 ESEA, Title I Part A - Improving Basic Programs	286,981	333,611	7	271,544	(62,067) 8
5920 IDEA, Part B - Formula	104,824	105,407		105,407	-
5920 ESEA, Title II, Part A: TPTR	7,394	9,901	9	9,303	(598)
5920 Title III, Part A - ELALE	2,702	2,702		5,563	2,861 10
5920 Elementary and Secondary School Emergency Relief (ESSER) Fund	60,000	16,000	11	16,568	568
5920 TCLAS - ESSER III	-	109,980	12	28,258	(81,722) 13
5920 Coronavirus Response and Relief Supplemental Appropriations ESSER II	293,803	570,645	14	264,192	(306,453) 15
5920 American Rescue Plan ESSER III	312,289	475,454	16	247,256	(228,198) 17
5920 Title IV, Part A - SSAE	22,890	18,589	18	32,055	13,466 19
5920 ELC - Reopening Schools	-	9,180	20	9,180	-
5920 IDEA, Part B - Formula: American Rescue Plan	-	11,496	21	4,569	(6,927) 22
5920 COVID-19 Public Health Workforce	-	102,700	23	-	(102,700) 24
5920 School Safety and Security	6,000	-		-	-
Total Federal Program Revenues	1,155,711	1,933,160		1,089,323	(843,837)
Total Revenue and Other Support	4,077,073	4,370,750		3,138,835	(1,231,915)
EXPENSES					
Program Services					
11 Instruction	1,985,775	2,258,952	25	1,880,384	378,568 26
12 Instructional Resources and Media Services	-	-		-	-
13 Curriculum Development and Instructional Staff Development	100,881	100,881		102,781	(1,900)
21 Instructional Leadership	3,350	3,350		-	3,350 27
23 School Leadership	676,592	726,592		732,882	(6,290)
31 Guidance, Counseling and Evaluation Services	189,344	189,344		147,003	42,341 28
32 Social Work Services	74,218	59,218	29	62,164	(2,946)
33 Health Services	1,500	500	30	295	205 31
34 Student (Pupil) Transportation	6,000	1,500	32	2,985	(1,485) 33
35 Food Services	5,500	6,500	34	5,863	637
36 Cocurricular/Extracurricular Activities	-	-		-	-
41 General Administration	353,645	378,645		308,871	69,774 35
51 Plant Maintenance and Operations	603,044	523,044	36	483,026	40,018
52 Security and Monitoring Services	41,806	61,806	37	43,217	18,589 38
53 Data Processing Services	30,418	50,418	39	55,009	(4,591)
61 Community Services	5,000	-	40	-	-
81 Fund Raising	-	10,000	41	4,057	5,943 42
Total Expenses	4,077,073	4,370,750		3,828,537	542,213
Change in Net Assets	-	-		(689,702)	(689,702)
Net Assets, Beginning of Year	4,815,489	4,815,489		4,815,489	-
Net Assets, End of Year	\$ 4,815,489	\$ 4,815,489		\$ 4,125,787	\$ (689,702)

TRIUMPH PUBLIC HIGH SCHOOLS – LAREDO
Laredo, Texas

BUDGETARY COMPARISON SCHEDULE (Continued)

Year Ended August 31, 2022

Budget Variances Explanations

1. New business development department was projected to increase revenue.
2. Business development program did not materialize therefore we did not achieve projected incoming revenue.
3. Less revenue received due to very unpredictable enrollment/ADA due to our At-Risk student population. Low student attendance due to COVID19 pandemic affects; such as, social, emotional and mental health.
4. Original budget did not include extended grant availability carryover of State grant revenue and new grants were received within the school year.
5. Budget was increased late in the year due to extension of grant period and received budget from SSA late.
6. Projected expenditures did not materialize due to high staffing turnover ratio; therefore, drawdown was less than anticipated.
7. Entitlement was more than anticipated therefore budget increased. Original budget did not include roll over funds granted due to grant period extended.
8. Certain expenditures did not materialize due to high staffing turnover ratio; therefore, drawdown was less than anticipated.
9. Originally budgeted less than anticipated, additional funds granted within the year therefore budget increased.
10. Projected expenditures were exceeded; therefore, drawdown was more than anticipated.
11. Maximized remaining funds from prior year; therefore, reduced carryover amount.
12. New two-year grant received within the year.
13. Grant period is for two years; certain expenditures did not materialize; therefore, drawdown was less than budgeted. Will utilize remaining funds in the following year.
14. Increased budget due to projected expenses for CTE programs.
15. Projected expenditures did not materialize due to high staffing turnover ratio; therefore, drawdown was less than anticipated.
16. Increased budget due to projected increase in staffing needs.
17. Funds not utilized due to high staffing turnover ratio and inability to fill vacancies; therefore, drawdown was less than anticipated.
18. Originally budgeted more than anticipated due to grant extension, available funds reduced and therefore budget reduced.
19. Maximized remaining funds from prior year due to grant extension; therefore, drawdown was more than anticipated.
20. New grant received within the year.
21. New grant received within the year.
22. Projected expenditures did not materialize; therefore, drawdown was less than anticipated.
23. New two-year grant received within the year.
24. Two-year grant period, certain expenditures did not materialize as planning and implementation was conducted; therefore, drawdown was less than anticipated. Funds will be utilized in the following year.
25. Increased funding due to intended instructional materials to be purchased.
26. Reduced instructional expenditures due to reduction in student count.
27. Projected expenditures did not materialize due to lack of enrollment.
28. Projected expenditures did not materialize due to lack of usage of social/emotional contracts.
29. Reduced budget due to projected student need, social/emotional contracts.
30. Reduced budget due to projected student need, social/emotional contracts.

TRIUMPH PUBLIC HIGH SCHOOLS – LAREDO
Laredo, Texas

BUDGETARY COMPARISON SCHEDULE (Continued)

Year Ended August 31, 2022

- 31. Projected expenditures did not materialize due to other funds utilized for health services.
- 32. Reduced budget due to due to lack of enrollment.
- 33. Increased student transportation as needed throughout the year to include end of year activities.
- 34. Originally budget less than anticipated for Breakfast Program due to enrollment.
- 35. Expenditures kept conservative to help other programs.
- 36. Anticipated facility projects did not materialize; therefore, reduced budget.
- 37. Increased due to area of need in high priority.
- 38. Certain projects and contracts did not materialize.
- 39. Increased budget due to staffing need in IT department.
- 40. Parental involvement expenditures were expensed through other funds and utilized remote services.
- 41. Business development department not included in original budget.
- 42. Certain projected projects and expenditures did not materialize.

TRIUMPH PUBLIC HIGH SCHOOLS - RIO GRANDE VALLEY
McAllen, Texas

BUDGETARY COMPARISON SCHEDULE

Year Ended August 31, 2022

REVENUES AND OTHER SUPPORT	Budgeted Amounts		Actual Amounts	Variance from Final Budget
	Original	Final		
Local Support				
5740 Other Revenues from Local Sources	\$ 50,000	\$ 50,000	\$ -	\$ (50,000) 1
5760 Revenues from Intermediate Sources	-	-	-	-
State Program Revenues				
5810 Foundation School Program Act Revenues	5,129,262	4,800,338	4,938,167	137,829
5820 State Program Revenues Distributed by Texas Education Agency	64,099	72,765 2	76,684	3,919
Total State Program Revenues and Local Support	5,243,361	4,923,103	5,014,851	91,748
Federal Program Revenue				
5920 Teacher Incentive Fund - Project Rise	122,016	60,000 3	58,820	(1,180)
5920 ESEA, Title I Part A - Improving Basic Programs	299,075	313,815	269,187	(44,628) 4
5920 IDEA, Part B - Formula	121,593	89,439 5	129,093	39,654 6
5920 ESEA, Title II, Part A: TPTR	36,363	41,082 7	56,463	15,381 8
5920 Title III, Part A, English Language Acquisition	2,470	2,470	-	(2,470) 9
5920 Elementary and Secondary School Emergency Relief (ESSER) Fund	-	-	-	-
5920 TCLAS - ESSER III	-	38,480 10	70,480	32,000 11
5920 Coronavirus Response and Relief Supplemental Appropriations ESSER II	350,529	689,808 12	508,393	(181,415) 13
5920 American Rescue Plan ESSER III	491,690	614,309 14	830,388	216,079 15
5920 Title IV, Part A - SSAE	25,343	15,838 16	4,610	(11,228) 17
5920 IDEA, Part B - Formula: American Rescue Plan	-	3,814 18	3,591	(223)
5920 Re-Start Flooding Grant	213,259	97,362 19	112,396	15,034 20
5920 School Safety	2,524	- 21	-	- 22
5930 ELC - Reopening Schools	-	7,444 23	18,976	11,532 24
Total Federal Program Revenues	1,664,862	1,973,861	2,062,397	88,536
Total Revenue and Other Support	6,908,223	6,896,964	7,077,248	180,284
EXPENSES				
Program Services				
11 Instruction	3,533,971	3,533,971	2,975,643	558,328 25
12 Instructional Resources and Media Services	-	-	-	-
13 Curriculum Development and Instructional Staff Development	178,338	278,338 26	249,962	28,376 27
21 Instructional Leadership	7,973	- 28	-	-
23 School Leadership	959,211	1,059,211 29	1,172,759	(113,548) 30
31 Guidance, Counseling and Evaluation Services	325,971	325,971	288,666	37,305 31
32 Social Work Services	136,643	121,643 32	106,135	15,508 33
33 Health Services	-	-	-	-
34 Student (Pupil) Transportation	12,795	12,795	3,928	8,867 34
35 Food Services	26,390	36,390 35	23,237	13,153 36
36 Cocurricular/Extracurricular Activities	-	-	-	-
41 General Administration	690,782	590,782 37	470,688	120,094 38
51 Plant Maintenance and Operations	929,689	829,689 39	927,952	(98,263) 40
52 Security and Monitoring Services	43,494	37,209 41	11,705	25,504 42
53 Data Processing Services	61,622	61,622	57,057	4,565
61 Community Services	1,343	1,343	153	1,190 43
81 Fund Raising	-	8,000 44	7,113	887 45
Total Expenses	6,908,222	6,896,964	6,294,998	601,966
Change in Net Assets	1	-	782,250	782,250
Net Assets, Beginning of Year	4,094,106	4,094,106	4,094,106	-
Net Assets, End of Year	\$ 4,094,107	\$ 4,094,106	\$ 4,876,356	\$ 782,250

TRIUMPH PUBLIC HIGH SCHOOLS – RIO GRANDE VALLEY
McAllen, Texas

BUDGETARY COMPARISON SCHEDULE (Continued)

Year Ended August 31, 2022

Budget Variances Explanations

1. Business development program did not materialize therefore we did not achieve projected incoming revenue.
2. Original budget does not include extended grant availability carryover of State grant revenue and new grants were received within the school year.
3. Budget was reduced late in the year due to extension of grant period and available funds; received budget from SSA late.
4. Certain expenditures did not materialize due to high staffing turnover ratio; therefore, drawdown was less than anticipated.
5. Originally budgeted more than anticipated due to grant extension, available funds reduced and therefore budget reduced.
6. Projected expenditures exceeded due to need in contractual agreements; therefore, drawdown was more than anticipated.
7. Originally budgeted less than anticipated, additional funds granted within the year therefore increased budget.
8. Projected expenditures exceeded due to need in contractual agreements; therefore, drawdown was more than anticipated.
9. Certain projected expenditures did not materialize; utilized other funds to meet requirements.
10. New two-year grant received within the year.
11. Grant period is for two years; drawdown was more than budgeted. Will utilize remaining funds in the following year.
12. Increased budget due to projected expenses for CTE programs.
13. Projected expenditures did not materialize due to high staffing turnover ratio; therefore, drawdown was less than anticipated.
14. Increased budget due to projected increase in staffing needs and CTE programs.
15. Expenditures increased due to initiative of new CTE programs; therefore, drawdown was more than anticipated.
16. Originally budgeted more than anticipated due to grant extension, available funds reduced and therefore budget reduced.
17. Certain projected projects and contracts did not materialize; therefore, drawdown was less than anticipated.
18. New grant received within the year.
19. Final grant year; yet, maximized prior year funds; therefore, less funds were available for current year.
20. Expenditures increased; therefore, drawdown was more than anticipated.
21. Originally budgeted remaining funds due to grant extension.
22. Maximized remaining funds in prior year; therefore, no drawdown.
23. New grant received within the year.
24. Expenditures increased due to certain projected projects; therefore, drawdown was more than anticipated.
25. Reduced instructional expenditures due to reduction in student count.
26. Increased funding due to projected increase in staff development.
27. Certain projects did not materialize.
28. Originally projected expenditures; however, other funds were utilized.
29. Increased funding due to projected increase in expenditures.
30. Exceeded projected expenditures due to area of need.

TRIUMPH PUBLIC HIGH SCHOOLS – RIO GRANDE VALLEY
McAllen, Texas

BUDGETARY COMPARISON SCHEDULE (Continued)

Year Ended August 31, 2022

- 31. Projected expenditures did not materialize due to lack of usage of social/emotional contracts.
- 32. Reduced funding due to lack of enrollment.
- 33. Certain projects did not materialize.
- 34. Reduced expenditures due to reduction in student count.
- 35. Originally budget less than anticipated for breakfast program due to enrollment.
- 36. Reduced expenditures due to reduction in student count.
- 37. Originally budgeted more for projected expenditures; reduced budget to assist other programs.
- 38. Expenditures kept conservative to help other programs.
- 39. Anticipated facility projects did not materialize; therefore, reduced budget.
- 40. Exceeded projected expenditures due to area of need.
- 41. Originally budgeted for contracts and services, some contracts were reduced; therefore, reduced budget.
- 42. Certain projected expenditures did not materialize.
- 43. Parental involvement expenditures were expensed through other funds and utilized remote services.
- 44. Business development department not included in original budget.
- 45. Certain projected projects and expenditures did not materialize.

TRIUMPH PUBLIC HIGH SCHOOLS - EL PASO

El Paso, Texas

BUDGETARY COMPARISON SCHEDULE

Year Ended August 31, 2022

			Budgeted Amounts			Actual	Variance				
			Original	Final		Amounts	from Final				
							Budget				
REVENUES AND OTHER SUPPORT											
Local Support											
5740	Other Revenues from Local Sources	\$	180,312	\$	3,500	1	\$	150	\$	(3,350)	2
5760	Revenues from Intermediate Sources		-		-			-		-	
State Program Revenues											
5810	Foundation School Program Act Revenues		1,887,508		2,097,332	3		1,982,212		(115,120)	
5820	State Program Revenues Distributed by Texas Education Agency		41,872		29,670	4		32,682		3,012	5
Total State Program Revenues and Local Support			2,109,692	2,130,502			2,015,044		(115,458)		
Federal Program Revenue											
5920	ESEA, Title I Part A - Improving Basic Programs		266,292		274,867			227,753		(47,114)	6
5920	IDEA, Part B - Formula		32,065		33,100			32,660		(440)	
5920	ESEA, Title II, Part A: TPTR		7,204		10,094	7		5,230		(4,864)	8
5920	Elementary and Secondary School Emergency Relief (ESSER) Fund		-		-			-		-	
5920	TCLAS - ESSER III		-		139,650	9		18,488		(121,162)	10
5920	Coronavirus Response and Relief Supplemental Appropriations ESSER II		142,017		229,773	11		177,121		(52,652)	12
5920	American Rescue Plan ESSER III		321,725		378,545	13		363,643		(14,902)	
5920	Title III, Part A, English Language Acquisition		1,209		1,209			-		(1,209)	14
5920	Title IV, Part A - SSAE		10,000		10,596			13,603		3,007	15
5920	IDEA, Part B - Formula: American Rescue Plan		-		8,476	16		713		(7,763)	17
5920	ELC - Reopening Schools		-		6,788	18		6,788		-	
5920	School Safety and Security		17,721		-	19		-		-	
5920	SPED Compensatory - Fiscal Support - Extended		-		12,202	20		-		(12,202)	21
Total Federal Program Revenues			798,233	1,105,300			845,999		(259,301)		
Total Revenue and Other Support			2,907,925	3,235,802			2,861,043		(374,759)		
EXPENSES											
Program Services											
11	Instruction		1,501,126		1,713,034	22		1,336,001		377,033	23
12	Instructional Resources and Media Services		-		-			-		-	
13	Curriculum Development and Instructional Staff Development		79,744		79,744			78,387		1,357	
21	Instructional Leadership		800		-	24		-		-	
23	School Leadership		421,199		371,199	25		409,720		(38,521)	26
31	Guidance, Counseling and Evaluation Services		169,775		169,775			153,413		16,362	
32	Social Work Services		1,141		111,141	27		110,589		552	
33	Health Services		7,000		1,000	28		555		445	29
34	Student (Pupil) Transportation		1,000		1,000			1,742		(742)	30
35	Food Services		3,500		5,500	31		3,510		1,990	32
36	Cocurricular/Extracurricular Activities		-		-			-		-	
41	General Administration		285,456		276,456			213,775		62,681	33
51	Plant Maintenance and Operations		368,008		393,008			452,561		(59,553)	34
52	Security and Monitoring Services		41,503		41,503			44,062		(2,559)	
53	Data Processing Services		26,421		36,421	35		36,884		(463)	
61	Community Services		1,250		350	36		164		186	37
81	Fund Raising		-		6,000	38		5,419		581	
Total Expenses			2,907,923	3,206,131			2,846,782		359,349		
Change in Net Assets			2	29,671			14,261		(15,410)		
Net Assets, Beginning of Year			3,577,774	3,577,774			3,577,774		-		
Net Assets, End of Year			\$ 3,577,776	\$ 3,607,445			\$ 3,592,035		\$ (15,410)		

TRIUMPH PUBLIC HIGH SCHOOLS – EL PASO
El Paso, Texas

BUDGETARY COMPARISON SCHEDULE (Continued)

Year Ended August 31, 2022

Budget Variances Explanations

1. New business development department was projected to increase revenue and did not materialize; therefore, reduced budget.
2. Business development program did not materialize therefore we did not achieve projected incoming revenue.
3. Foundation revenue was originally understated. Made budget modification based on final PEIMS data.
4. Originally budgeted Safety grant extension funds available, yet maximized grant funds in prior year therefore, reduced budget; new grant received as well that was not initially anticipated.
5. Maximized remaining funds from prior year.
6. Projected expenditures did not materialize due to high staffing turnover ratio; therefore, drawdown was less than anticipated.
7. Originally budgeted less than anticipated, additional funds granted within the year therefore increased budget.
8. Original projected expenditures did not materialize; therefore, drawdown was less than anticipated.
9. New two-year grant received within the year.
10. Grant period is for two years; certain expenditures did not materialize; therefore, drawdown was less than budgeted. Will utilize remaining funds in the following year.
11. Increased budget due to projected increase in staffing needs and CTE programs.
12. Projected expenditures did not materialize due to high staffing turnover ratio; therefore, drawdown was less than anticipated.
13. Increased budget due to projected increase in staffing needs.
14. Certain projected expenditures did not materialize; utilized other funds to meet requirements; therefore, drawdown was less than anticipated.
15. Maximized remaining funds from prior year due to grant extension; therefore, drawdown was more than anticipated.
16. New grant received within the year.
17. Certain projected expenditures did not materialize; therefore, drawdown was less than anticipated.
18. New grant received within the year.
19. Originally budgeted remaining funds due to grant extension.
20. Originally did not factor in carryover revenue.
21. Maximized remaining funds in prior year; therefore, no drawdown.
22. Increased funding due to intended instructional materials to be purchased.
23. Reduced instructional expenditures due to reduction in student count.
24. Originally projected expenditures; other funds were utilized.
25. Originally overstated budget due to need; reduction in student count; therefore, reduced budget.
26. Anticipated projected expenditures increased.
27. Originally understated budget therefore increased due to social, mental health services need.
28. Reduced budget due to projected student need, social/emotional contracts.
29. Projected expenditures did not materialize due to other funds utilized for health services.
30. Increased student transportation as needed throughout the year to include end of year activities.
31. Originally budget less than anticipated for breakfast program due to enrollment.
32. Reduced expenditures due to reduction in student count.
33. Expenditures kept conservative to help other programs.
34. Exceeded projected expenditures due to area of need.
35. Increased budget due to staffing need in IT department.
36. Original budget overstated projected expenditure; therefore, reduced budget.
37. Parental involvement expenditures were expensed through other funds and utilized remote services.
38. Business development department not included in original budget.

TRIUMPH PUBLIC HIGH SCHOOLS - LUBBOCK
Lubbock, Texas

BUDGETARY COMPARISON SCHEDULE

Year Ended August 31, 2022

		Budgeted Amounts			Actual	Variance
		Original	Final		Amounts	from Final
						Budget
REVENUES AND OTHER SUPPORT						
Local Support						
5740	Other Revenues from Local Sources	\$ 37,684	\$ 2,684	1	\$ -	\$ (2,684)
5760	Revenues from Intermediate Sources	-	-		-	-
State Program Revenues						
5810	Foundation School Program Act Revenues	1,809,970	1,635,442		1,601,851	(33,591)
5820	State Program Revenues Distributed by Texas Education Agency	22,398	39,231	3	71,782	32,551
Total State Program Revenues and Local Support		1,870,052	1,677,357		1,673,633	(3,724)
Federal Program Revenue						
5920	ESEA, Title I Part A - Improving Basic Programs	114,917	143,735	5	116,225	(27,510)
5920	IDEA, Part B - Formula	53,171	59,744	7	30,832	(28,912)
5920	ESEA, Title II, Part A: TPTR	15,075	16,554		7,198	(9,356)
5920	Title III, Part A, English Language Acquisition	-	-		-	-
5920	Elementary and Secondary School Emergency Relief (ESSER) Fund	5,000	9,868	10	9,868	-
5920	TCLAS - ESSER III	-	109,441	11	12,091	(97,350)
5920	Coronavirus Response and Relief Supplemental Appropriations ESSER II	154,523	275,346	13	104,480	(170,866)
5920	American Rescue Plan ESSER III	170,061	196,696	15	250,644	53,948
5920	Title IV, Part A - SSAE	17,000	29,636	17	18,055	(11,581)
5920	IDEA, Part B - Formula: American Rescue Plan	-	9,218	19	68	(9,150)
5920	ELC - Reopening Schools	-	7,444	21	7,444	-
5920	School Safety and Security	24,600	-	22	-	-
5920	ERATE	-	30,000	23	-	(30,000)
Total Federal Program Revenues		554,347	887,682		556,905	(300,777)
Net Assets Released from Restrictions						
Restrictions Satisfied by Payments		-	-		-	-
Total Revenue and Other Support		2,424,399	2,565,039		2,230,538	(304,501)
EXPENSES						
Program Services						
11	Instruction	1,292,834	1,405,474		1,001,231	404,243
12	Instructional Resources and Media Services	-	-		-	-
13	Curriculum Development and Instructional Staff Development	51,443	31,443	26	23,381	8,062
21	Instructional Leadership	-	-		-	-
23	School Leadership	359,070	359,070		376,000	(16,930)
31	Guidance, Counseling and Evaluation Services	90,192	90,192		74,050	16,142
32	Social Work Services	38,340	38,340		20,297	18,043
33	Health Services	5,000	-	30	-	-
34	Student (Pupil) Transportation	1,500	1,500		956	544
35	Food Services	5,500	5,500		6,892	(1,392)
36	Cocurricular/Extracurricular Activities	-	-		-	-
41	General Administration	264,060	264,060		172,023	92,037
51	Plant Maintenance and Operations	271,435	271,435		213,156	58,279
52	Security and Monitoring Services	20,586	2,586	35	1,926	660
53	Data Processing Services	24,440	34,440	37	29,551	4,889
61	Community Services	-	55,000	39	64,979	(9,979)
81	Fund Raising	-	6,000	41	4,727	1,273
Total Expenses		2,424,400	2,565,040		1,989,169	575,871
Change in Net Assets		(1)	(1)		241,369	271,370
Net Assets, Beginning of Year		2,388,433	2,388,433		2,388,433	-
Net Assets, End of Year		\$ 2,388,432	\$ 2,388,432		\$ 2,629,802	\$ 271,370

TRIUMPH PUBLIC HIGH SCHOOLS – LUBBOCK
Lubbock, Texas

BUDGETARY COMPARISON SCHEDULE (Continued)

Year Ended August 31, 2022

Budget Variances Explanations

1. New business development department was projected to increase revenue and did not materialize; therefore, reduced budget.
2. Business development program did not materialize therefore we did not achieve projected incoming revenue.
3. Original budget did not include extended grant availability carryover of State grant revenue and new grants were received within the school year.
4. Maximized remaining funds from prior year.
5. Entitlement more than anticipated therefore budget increased. Original budget did not include roll over funds granted due to grant period extended.
6. Certain expenditures did not materialize due to high staffing turnover ratio; therefore, drawdown was less than anticipated.
7. Original budget did not include carryover; therefore, budget increased.
8. Certain expenditures did not materialize due to high staffing turnover ratio; therefore, drawdown was less than anticipated.
9. Original projected expenditures did not materialize; therefore, drawdown was less than anticipated.
10. Original budget did not include remaining funds from prior year; therefore, increased budget.
11. New two-year grant received within the year.
12. Grant period is for two years; certain expenditures did not materialize; therefore, drawdown was less than budgeted. Will utilize remaining funds in the following year.
13. Increased budget due to projected increase in staffing needs and CTE programs.
14. Projected expenditures did not materialize due to high staffing turnover ratio; therefore, drawdown was less than anticipated.
15. Increased budget due to projected increase in staffing needs.
16. Projected expenditures increased due to staffing, professional services for social and emotional needs; therefore, drawdown was more than anticipated.
17. Original budget did not include carryover; therefore, budget increased.
18. Certain projected projects and contracts did not materialize; therefore, drawdown was less than anticipated.
19. New grant received within the year.
20. Certain projected expenditures did not materialize; therefore, drawdown was less than anticipated.
21. New grant received within the year.
22. Originally budgeted remaining funds due to grant extension.
23. Applied for ERATE funding.
24. Certification for ERATE funding on hold; therefore, no release of funds.
25. Reduced instructional expenditures due to reduction in student count
26. Staff development provided through other funds. Allocations were reduced due to enrollment.
27. Certain projected expenditures did not materialize.
28. Projected expenditures did not materialize due to lack of usage of social/emotional contracts.
29. Certain projects did not materialize.
30. Reduced budget due to projected student need, social/emotional contracts; other funds utilized.
31. Reduced expenditures due to reduction in student count.
32. Projected expenditures increased due to need.
33. Expenditures kept conservative to help other programs.
34. Certain facility projects did not materialize.
35. Originally budgeted for contracts and services, some contracts were reduced; therefore, reduced budget.

TRIUMPH PUBLIC HIGH SCHOOLS – LUBBOCK
Lubbock, Texas

BUDGETARY COMPARISON SCHEDULE (Continued)

Year Ended August 31, 2022

- 36. Projected expenditures increased due to need.
- 37. Increased budget due to staffing need in IT department.
- 38. Certain projected expenditures did not materialize.
- 39. Increase in budget due to need in area.
- 40. Projected expenditures increased due to need.
- 41. Business development department not included in original budget.
- 42. Certain projected projects and expenditures did not materialize.

Schedule of Real Property Ownership Interest – Charter Schools

TRIUMPH PUBLIC HIGH SCHOOLS - LAREDO
Laredo, Texas

SCHEDULE OF REAL PROPERTY OWNERSHIP INTEREST

Year Ended August 31, 2022

Description	Property Address	Total Assessed Value	Ownership Interest - Local	Ownership Interest - State	Ownership Interest - Federal
Lots 1 Thru 12 Blk 881 Ed	1600 Clark Blvd, Laredo, TX 78043	\$ 2,246,040		\$ 2,246,040	
All Blk 5 Colonia Los Obispos V	4620 Sierra Vista & S Lucy, Laredo, TX 78046	2,314,097		2,079,826	
Moonlight, Block 6, Lot 7	2101 Puscas Ct, Laredo, TX 78046	61,164		61,164	

TRIUMPH PUBLIC HIGH SCHOOLS - RIO GRANDE VALLEY
McAllen, Texas

SCHEDULE OF REAL PROPERTY OWNERSHIP INTEREST

Year Ended August 31, 2022

Description	Property Address	Total Assessed Value	Ownership Interest - Local	Ownership Interest - State	Ownership Interest - Federal
None.					

TRIUMPH PUBLIC HIGH SCHOOLS - EL PASO
El Paso, Texas

SCHEDULE OF REAL PROPERTY OWNERSHIP INTEREST

Year Ended August 31, 2022

Description	Property Address	Total Assessed Value	Ownership Interest - Local	Ownership Interest - State	Ownership Interest - Federal
None.					

TRIUMPH PUBLIC HIGH SCHOOLS - LUBBOCK
Lubbock, Texas

SCHEDULE OF REAL PROPERTY OWNERSHIP INTEREST

Year Ended August 31, 2022

Description	Property Address	Total Assessed Value	Ownership Interest - Local	Ownership Interest - State	Ownership Interest - Federal
None.					

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Schedule of Related Party Transactions – Charter Schools

TRIUMPH PUBLIC HIGH SCHOOLS - LAREDO
Laredo, Texas

SCHEDULE OF RELATED PARTY TRANSACTIONS

Year Ended August 31, 2022

Related Party Name	Name of Relation to the Related Party	Relationship	Type of Transaction	Description of Terms and Conditions	Source of Funds Used	Payment Frequency	Total Paid During FY	Principal Balance Due
Academic Buildings Corporation	-	Charter Holder Related Entity	Facility Rental	Monthly payments of \$3,557	State	Monthly	\$ 41,416	\$ -
Student Alternatives Program, Inc.	-	Charter Holder	Facility Rental	Monthly payments of \$6,066	State	Monthly	69,175	-
Student Alternatives Program, Inc.	-	Charter Holder	Cost Reimbursement	Monthly reimbursement of salaries and other costs based on actual	State	Monthly	17,950	-

TRIUMPH PUBLIC HIGH SCHOOLS - RIO GRANDE VALLEY
McAllen, Texas

SCHEDULE OF RELATED PARTY TRANSACTIONS

Year Ended August 31, 2022

Related Party Name	Name of Relation to the Related Party	Relationship	Type of Transaction	Description of Terms and Conditions	Source of Funds Used	Payment Frequency	Total Paid During FY	Principal Balance Due
Academic Buildings Corporation	-	Charter Holder Related Entity	Facility Rental	Monthly payments of \$6,812	State	Monthly	\$ 81,740	\$ -
Student Alternatives Program, Inc.	-	Charter Holder	Facility Rental	Monthly payments of \$5,477	State	Monthly	65,729	-
Community Development Buildings Corporation	-	Charter Holder Related Entity	Facility Rental	Monthly payments of \$15,000	State	Monthly	180,000	-
Student Alternatives Program, Inc.	-	Charter Holder	Cost Reimbursement	Monthly reimbursement of salaries and other costs based on actual	State	Monthly	27,272	-

TRIUMPH PUBLIC HIGH SCHOOLS - EL PASO
El Paso, Texas

SCHEDULE OF RELATED PARTY TRANSACTIONS

Year Ended August 31, 2022

Related Party Name	Name of Relation to the Related Party	Relationship	Type of Transaction	Description of Terms and Conditions	Source of Funds Used	Payment Frequency	Total Paid During FY	Principal Balance Due
Academic Buildings Corporation	-	Charter Holder Related Entity	Facility Rental	Monthly payments of \$3,155	State	Monthly	\$ 37,855	\$ -
Student Alternatives Program, Inc.	-	Charter Holder	Facility Rental	Monthly payments of \$10,106	State	Monthly	121,268	-
Student Alternatives Program, Inc.	-	Charter Holder	Cost Reimbursement	Monthly reimbursement of salaries and other costs based on actual	State	Monthly	12,050	-

TRIUMPH PUBLIC HIGH SCHOOLS - LUBBOCK
Lubbock, Texas

SCHEDULE OF RELATED PARTY TRANSACTIONS

Year Ended August 31, 2022

Related Party Name	Name of Relation to the Related Party	Relationship	Type of Transaction	Description of Terms and Conditions	Source of Funds Used	Payment Frequency	Total Paid During FY	Principal Balance Due
Academic Buildings Corporation	-	Charter Holder Related Entity	Facility Rental	Monthly payments of \$1,933	State	Monthly	\$ 23,196	\$ -
Student Alternatives Program, Inc.	-	Charter Holder	Facility Rental	Monthly payments of \$1,623	State	Monthly	19,476	-
Student Alternatives Program, Inc.	-	Charter Holder	Cost Reimbursement	Monthly reimbursement of salaries and other costs based on actual	State	Monthly	10,782	-

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**Schedule of Related Party Compensation and Benefits – Charter
Schools**

TRIUMPH PUBLIC HIGH SCHOOLS - LAREDO
Laredo, Texas

SCHEDULE OF RELATED PARTY COMPENSATION AND BENEFITS

Year Ended August 31, 2022

Related Party Name	Name of Relation of the Related Party	Relationship	Compensation or Benefit	Payment Frequency	Description	Source of Funds Used	Total Paid During FY
None.							

TRIUMPH PUBLIC HIGH SCHOOLS - RIO GRANDE VALLEY
McAllen, Texas

SCHEDULE OF RELATED PARTY COMPENSATION AND BENEFITS

Year Ended August 31, 2022

Related Party Name	Name of Relation of the Related Party	Relationship	Compensation or Benefit	Payment Frequency	Description	Source of Funds Used	Total Paid During FY
None.							

TRIUMPH PUBLIC HIGH SCHOOLS - EL PASO
El Paso, Texas

SCHEDULE OF RELATED PARTY COMPENSATION AND BENEFITS

Year Ended August 31, 2022

Related Party Name	Name of Relation of the Related Party	Relationship	Compensation or Benefit	Payment Frequency	Description	Source of Funds Used	Total Paid During FY
None.							

TRIUMPH PUBLIC HIGH SCHOOLS - LUBBOCK
Lubbock, Texas

SCHEDULE OF RELATED PARTY COMPENSATION AND BENEFITS

Year Ended August 31, 2022

Related Party Name	Name of Relation of the Related Party	Relationship	Compensation or Benefit	Payment Frequency	Description	Source of Funds Used	Total Paid During FY
None.							

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**Schedule of Required Responses to Selected Compensatory and
Bilingual Expenditures**

TRIUMPH PUBLIC HIGH SCHOOLS - LAREDO

Laredo, Texas

SCHEDULE OF REQUIRED RESPONSES TO SELECTED COMPENSATORY
AND BILINGUAL EXPENDITURES

Year Ended August 31, 2022

Data Codes	Section A: Compensatory Education Programs	Column 1 Responses
AP1	Did your LEA expend any state compensatory education program state allotment funds during the District's fiscal year?	YES
AP2	Does the LEA have writtent policies and procedures for its state compensatory education program?	YES
AP3	List the total state allotment funds received for state compensatory education programs during the District's fiscal year.	\$ 288,910
AP4	List the actual direct program expenditures for state compensatory education programs during the LEA's fiscal year.	\$ 319,953
	Section B: Bilingual Education Programs	
AP5	Did your LEA expend any bilingual education program state allotment funds during the LEA's fiscal year?	YES
AP6	Does the LEA have written policies and procedures for its bilingual education program?	YES
AP7	List the total state allotment funds received for bilingual education programs during the LEA's fiscal year.	\$ 57,433
AP8	List the actual direct program expenditures for bilingual education programs during the LEA's fiscal year.	\$ 32,332

TRIUMPH PUBLIC HIGH SCHOOLS - RIO GRANDE VALLEY
McAllen, Texas

SCHEDULE OF REQUIRED RESPONSES TO SELECTED COMPENSATORY
AND BILINGUAL EXPENDITURES

Year Ended August 31, 2022

Data Codes	Section A: Compensatory Education Programs	Column 1 Responses
AP1	Did your LEA expend any state compensatory education program state allotment funds during the District's fiscal year?	YES
AP2	Does the LEA have writtent policies and procedures for its state compensatory education program?	YES
AP3	List the total state allotment funds received for state compensatory education programs during the District's fiscal year.	\$ 739,384
AP4	List the actual direct program expenditures for state compensatory education programs during the LEA's fiscal year.	\$ 521,795
	Section B: Bilingual Education Programs	
AP5	Did your LEA expend any bilingual education program state allotment funds during the LEA's fiscal year?	YES
AP6	Does the LEA have written policies and procedures for its bilingual education program?	YES
AP7	List the total state allotment funds received for bilingual education programs during the LEA's fiscal year.	\$ 52,634
AP8	List the actual direct program expenditures for bilingual education programs during the LEA's fiscal year.	\$ 22,949

TRIUMPH PUBLIC HIGH SCHOOLS - EL PASO
El Paso, Texas

SCHEDULE OF REQUIRED RESPONSES TO SELECTED COMPENSATORY
AND BILINGUAL EXPENDITURES

Year Ended August 31, 2022

Data Codes	Section A: Compensatory Education Programs	Column 1 Responses
AP1	Did your LEA expend any state compensatory education program state allotment funds during the District's fiscal year?	YES
AP2	Does the LEA have writtent policies and procedures for its state compensatory education program?	YES
AP3	List the total state allotment funds received for state compensatory education programs during the District's fiscal year.	\$ 296,630
AP4	List the actual direct program expenditures for state compensatory education programs during the LEA's fiscal year.	\$ 260,615
	Section B: Bilingual Education Programs	
AP5	Did your LEA expend any bilingual education program state allotment funds during the LEA's fiscal year?	YES
AP6	Does the LEA have written policies and procedures for its bilingual education program?	YES
AP7	List the total state allotment funds received for bilingual education programs during the LEA's fiscal year.	\$ 25,495
AP8	List the actual direct program expenditures for bilingual education programs during the LEA's fiscal year.	\$ 7,138

TRIUMPH PUBLIC HIGH SCHOOLS - LUBBOCK
Lubbock, Texas

SCHEDULE OF REQUIRED RESPONSES TO SELECTED COMPENSATORY
AND BILINGUAL EXPENDITURES

Year Ended August 31, 2022

Data Codes	Section A: Compensatory Education Programs	Column 1 Responses
AP1	Did your LEA expend any state compensatory education program state allotment funds during the District's fiscal year?	YES
AP2	Does the LEA have writtent policies and procedures for its state compensatory education program?	YES
AP3	List the total state allotment funds received for state compensatory education programs during the District's fiscal year.	\$ 259,342
AP4	List the actual direct program expenditures for state compensatory education programs during the LEA's fiscal year.	\$ 334,534
	Section B: Bilingual Education Programs	
AP5	Did your LEA expend any bilingual education program state allotment funds during the LEA's fiscal year?	YES
AP6	Does the LEA have written policies and procedures for its bilingual education program?	YES
AP7	List the total state allotment funds received for bilingual education programs during the LEA's fiscal year.	\$ 1,427
AP8	List the actual direct program expenditures for bilingual education programs during the LEA's fiscal year.	\$ 2,532

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SINGLE AUDIT SECTION

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CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S 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
Student Alternatives Program, Inc.
San Antonio, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of the Student Alternatives Program, Inc. (the Organization) and affiliates, which comprise the consolidated statement of financial position as of August 31, 2022, and the related consolidated statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated January 6, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered the Organization's internal control over financial reporting 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 Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

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

Our consideration of the 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.

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Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization'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 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*.

Other Matters

We noted certain matters that we reported to management of the Organization in a separate letter dated January 6, 2023.

Purpose of This Report

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

A handwritten signature in black ink that reads "Ganga/Gonzalez & Associates". The signature is written in a cursive, flowing style.

January 6, 2023

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Garza/Gonzalez & Associates

CERTIFIED PUBLIC ACCOUNTANTS

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

Board of Directors
Student Alternatives Program, Inc.
San Antonio, Texas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Student Alternatives Program, Inc. (the Organization) and its affiliates' compliance with the types of compliance requirements described in *OMB Compliance Supplement* that could have a direct and material effect on the Organization's major federal program for the year ended August 31, 2022. The Organization's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended August 31, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); 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 Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Organization 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 the major federal program. Our audit does not provide a legal determination of the Organization's compliance with the compliance requirements referred to above.

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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 Organization's federal programs.

Auditor's 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 Organization'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 Organization's compliance with the requirements of the 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 Organization'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 Organization'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 Organization'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.

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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.

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.

A handwritten signature in black ink that reads "Ganga/Gonzalez & Associates". The signature is written in a cursive, flowing style.

January 6, 2023

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STUDENT ALTERNATIVES PROGRAM, INC.
San Antonio, Texas

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended August 31, 2022

SECTION I --- SUMMARY OF AUDITORS' RESULTS

<i>Financial Statements</i>			
	Type of auditor's report issued:	<u>Unmodified</u>	
	Internal control over financial reporting: • Material weakness (es) identified?	___ Yes	__X__ No
	• Significant control deficiency(ies) identified not considered to be material weaknesses?	___ Yes	__X__ None Reported
	Noncompliance material to financial statements noted?	___ Yes	__X__ No

<i>Federal Awards</i>			
	Internal control over major programs: • Material weakness (es) identified?	___ Yes	__X__ No
	• Significant deficiency(ies) identified that are not considered to be material weaknesses?	___ Yes	__X__ None Reported
	Type of auditor's report issued on compliance for major programs	<u>Unmodified</u>	
	Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance, Section 200.516(a)?	___ Yes	__X__ No

<i>Identification of Major Programs</i>			
	CFDA Numbers(s)	Name of Federal Program or Cluster	
	84.425D 84.425U	Elementary and Secondary School Emergency Relief (ESSER) Fund American Rescue Plan (ARP) – ESSER (ARP ESSER)	
	Dollar threshold used to distinguish between Type A and Type B programs:	\$750,000	
	Auditee qualified as low-risk auditee?	__X__ Yes	___ No

STUDENT ALTERNATIVES PROGRAM, INC.
San Antonio, Texas

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended August 31, 2022

SECTION II – FINANCIAL STATEMENT FINDINGS

There were no financial statement findings required to be reported in accordance with *Government Auditing Standards*.

SECTION III – FEDERAL AWARD FINDING AND QUESTIONED COSTS

There were no federal award findings and questioned costs required to be reported by the Uniform Guidance.

STUDENT ALTERNATIVES PROGRAM, INC.
San Antonio, Texas

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Year Ended August 31, 2022

There were no prior audit findings reported.

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Schedule of Expenditures of Federal Awards

STUDENT ALTERNATIVES PROGRAM, INC.
San Antonio, Texas

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended August 31, 2022

Grantor/Program Title	Federal CFDA No.	Pass-Through Entity Identifying Number	Federal Expenditures
Passed Through State Department of Education			
ESEA Title I, Part A Improving Basic Programs (Laredo)	84.010A	21610101240801	\$ 22,352
ESEA Title I, Part A Improving Basic Programs (Laredo)	84.010A	22610101240801	195,029
ESEA Title I, Part A Improving Basic Programs (Rio Grande Valley)	84.010A	21610101108804	10,803
ESEA Title I, Part A Improving Basic Programs (Rio Grande Valley)	84.010A	22610101108804	158,341
ESEA Title I, Part A Improving Basic Programs (El Paso)	84.010A	22610101071803	76,510
ESEA Title I, Part A Improving Basic Programs (Lubbock)	84.010A	22610101152803	101,940
ESEA Title I, Part A School Improvement Grant (Laredo)	84.010A	21610141240801	2,491
ESEA Title I, Part A School Improvement Grant (Laredo)	84.010A	22610141240801	51,671
ESEA Title I, Part A School Improvement Grant (Rio Grande Valley)	84.010A	21610141108804	7,900
ESEA Title I, Part A School Improvement Grant (Rio Grande Valley)	84.010A	22610141108804	92,143
ESEA Title I, Part A School Improvement Grant (El Paso)	84.010A	22610141071803	21,726
ESEA Title I, Part A School Improvement Grant (Lubbock)	84.010A	22610141152803	14,285
Title I, 1003 ESF- Focused Support Grant (El Paso)	84.010A	226101577110027	129,517
Total CFDA No. 84.010A			884,708
IDEA, Part B - Formula/Special Education Grants to States (Laredo)	84.027A	226600012408016000	105,407
IDEA, Part B - Formula/Special Education Grants to States (Rio Grande Valley)	84.027A	216600011088046000	41,550
IDEA, Part B - Formula/Special Education Grants to States (Rio Grande Valley)	84.027A	226600011088046000	87,543
IDEA, Part B - Formula/Special Education Grants to States (El Paso)	84.027A	226600010718036000	32,660
IDEA, Part B - Formula/Special Education Grants to States (Lubbock)	84.027A	216600011528036000	8,327
IDEA, Part B - Formula/Special Education Grants to States (Lubbock)	84.027A	226600011528036000	22,505
Total CFDA No. 84.027A			297,992
IDEA, Part B - Formula, American Rescue Plan (Laredo)	84.027X	225350012408015000	4,570
IDEA, Part B - Formula, American Rescue Plan (Rio Grande Valley)	84.027X	225350011088045000	3,591
IDEA, Part B - Formula, American Rescue Plan (El Paso)	84.027X	225350010718035000	713
IDEA, Part B - Formula, American Rescue Plan (Lubbock)	84.027X	225350010718035000	68
Total CFDA No. 84.027X			8,942
Title III, Part A - English Language Acquisition and Language Enhancement	84.365A	20671001108950	5,563
Total CFDA No. 84.365A			5,563
ESEA Title II Part A, Teacher & Principal Training (Laredo)	84.367A	21694501240801	433
ESEA Title II Part A, Teacher & Principal Training (Laredo)	84.367A	22694501240801	8,870
ESEA Title II Part A, Teacher & Principal Training (Rio Grande Valley)	84.367A	21694501108804	28,463
ESEA Title II Part A, Teacher & Principal Training (El Paso)	84.367A	21694501071803	5,230
ESEA Title II Part A, Teacher & Principal Training (Lubbock)	84.367A	20694501152803	1,554
ESEA Title II Part A, Teacher & Principal Training (Lubbock)	84.367A	21694501152803	5,644
Total CFDA No. 84.367A			50,194
Title IV, Part A: Student Support and Academic Enrichment Grant (Laredo)	84.424A	20680101240801	13,321
Title IV, Part A: Student Support and Academic Enrichment Grant (Laredo)	84.424A	22680101240801	18,735
Title IV, Part A: Student Support and Academic Enrichment Grant (Rio Grande Valley)	84.424A	21680101108804	4,610
Title IV, Part A: Student Support and Academic Enrichment Grant (El Paso)	84.424A	20680101071803	6,031
Title IV, Part A: Student Support and Academic Enrichment Grant (El Paso)	84.424A	22680101071803	7,572
Title IV, Part A: Student Support and Academic Enrichment Grant (Lubbock)	84.424A	20680101152803	12,014
Title IV, Part A: Student Support and Academic Enrichment Grant (Lubbock)	84.424A	21680101152803	6,041
Total CFDA No. 84.424A			68,324
Elementary and Secondary School Emergency Relief (ESSER) Fund (Laredo)	84.425D	20521001240801	16,568
Elementary and Secondary School Emergency Relief (ESSER) Fund (Lubbock)	84.425D	20521001152803	9,868
Coronavirus Response and Relief Supplemental Appropriations ESSER II (Laredo)	84.425D	21521001240801	264,192
Coronavirus Response and Relief Supplemental Appropriations ESSER II (Rio Grande Valley)	84.425D	21521001108804	508,393
Coronavirus Response and Relief Supplemental Appropriations ESSER II (El Paso)	84.425D	21521001071803	177,121
Coronavirus Response and Relief Supplemental Appropriations ESSER II (Lubbock)	84.425D	21521001152803	104,480
Total CFDA No. 84.425D			1,080,622
American Rescue Plan ESSER III (Laredo)	84.425U	21528001240801	247,256
American Rescue Plan ESSER III (Rio Grande Valley)	84.425U	21528001108804	830,388
American Rescue Plan ESSER III (El Paso)	84.425U	21528001071803	363,643
American Rescue Plan ESSER III (Lubbock)	84.425U	21528001152803	250,644
Texas COVID Learning Acceleration Supports ESSER III (Laredo)	84.425U	21528042240801	28,258
Texas COVID Learning Acceleration Supports ESSER III (Rio Grande Valley)	84.425U	21528042108804	70,480
Texas COVID Learning Acceleration Supports ESSER III (El Paso)	84.425U	21528042071803	18,488
Texas COVID Learning Acceleration Supports ESSER III (Lubbock)	84.425U	21528042152803	12,091
Total CFDA No. 84.425U			1,821,247
Restart for 2019 Flooding (Rio Grande Valley)	84.938A	20511703108804	112,396
Total CFDA No. 84.938A			112,396
ELC Reopening Schools (Laredo)	93.323	39352201	9,180
ELC Reopening Schools (Rio Grande Valley)	93.323	39352201	18,976
ELC Reopening Schools (El Paso)	93.323	39352201	6,788
ELC Reopening Schools (Lubbock)	93.323	39352201	7,444
Total CFDA No. 93.323			42,388
Total Passed Through State Department of Education			\$ 4,372,376
Passed Through Education Service Center - Region I			
Teacher Incentive Fund - Project Rise (Laredo)	84.374A	U374A180002	\$ 12,407
Teacher Incentive Fund - Project Rise (Laredo)	84.374A	U374A180002	83,021
Teacher Incentive Fund - Project Rise (Rio Grande Valley)	84.374A	U374A180002	1,583
Teacher Incentive Fund - Project Rise (Rio Grande Valley)	84.374A	U374A180002	57,237
Total CFDA No. 84.374A			154,248
ESEA Title II Part A, Teacher & Principal Training (Rio Grande Valley)	84.367A	20694501108950	28,000
Total CFDA No. 84.367A			28,000
Total Passed Through Education Service Center - Region I			\$ 182,248
Total Expenditures of Federal Awards			\$ 4,554,624

STUDENT ALTERNATIVES PROGRAM, INC.
San Antonio, Texas

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended August 31, 2022

1. The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") summarizes the expenditures of the Organization under programs of the federal government for the year ended August 31, 2022. Because the Schedule presents only a selected portion of the operations of the Organization, it is not intended to, and does not, present the financial position and changes in net assets of the Organization.

The Schedule is presented using the basis of accounting described in Note 1 of the financial statements.

2. The Organization did not elect to use the 10% de minimis indirect cost rate provided by the Uniform Guidance.

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