

Uplift Education

Financial Statements

Year Ended June 30, 2023



uplifteducation

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Certificate of Board

Uplift Education
(Federal Employer Identification Number: 75-2659683)

Uplift Education	Dallas	057-803
Name of Charter School	County	Co.-Dist. No.

We, the undersigned, certify that the attached Financial and Compliance Reports of the above named charter school were reviewed and (☒) approved (☐) disapproved for the year ended June 30, 2023, at a meeting of the governing body of said charter schools on the 17th day of November, 2023.



Signature of Uplift Education
Board Secretary



Signature of Uplift Education
Board Chair



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Independent Auditor's Report

To the Board of Governors of
Uplift Education
Dallas, Texas

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Uplift Education (the School), which comprise the statements of financial position as of June 30, 2023 and 2022, and the related statements of activities, cash flows, and functional expenses for the years then ended and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the School, as of June 30, 2023 and 2022, and the changes in its net assets and its cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the School's ability to continue as a going concern for one year after the date that the financial statements are issued (or when applicable, one year after the date that the financial statements are available to be issued).

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Supplementary Information and Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Board of Governors of
Uplift Education

The Supplementary Information and Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Supplementary Information and Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated November 17, 2023 on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the School's internal control over financial reporting and compliance.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas
November 17, 2023



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Uplift Education

Statements of Financial Position

June 30, 2023 and 2022

	2023	2022
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 57,728,632	\$ 59,613,357
Restricted cash and cash equivalents	68,525,478	32,176,970
Due from governments	47,461,907	44,036,440
Current portion of contributions receivable, net	183,333	272,325
Other current assets	1,240,497	1,411,486
Assets held for sale	2,266,711	-
Total current assets	177,406,558	137,510,578
Non-current portion of contributions receivable, net	183,334	-
Operating lease right-of-use assets, net	10,291,188	11,001,376
Capital assets, net	399,458,783	380,565,275
Other assets	312,312	327,516
TOTAL ASSETS	\$ 587,652,175	\$ 529,404,745
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 15,994,224	\$ 10,106,853
Accrued expenses	9,470,199	11,524,841
Deferred revenue	1,386,356	1,086,116
Funds held for student and parent groups	1,350,733	1,423,804
Current portion of lease liabilities	955,291	904,191
Current portion of long-term debt, net	9,705,000	10,055,000
Total current liabilities	38,861,803	35,100,805
Non-current portion of lease liabilities	12,220,575	13,175,863
Non-current portion of long-term debt, net	479,587,238	428,930,811
TOTAL LIABILITIES	530,669,616	477,207,479
NET ASSETS		
Without donor restrictions	(15,480,892)	(7,282,718)
With donor restrictions	72,463,451	59,479,984
TOTAL NET ASSETS	56,982,559	52,197,266
TOTAL LIABILITIES AND NET ASSETS	\$ 587,652,175	\$ 529,404,745

The Notes to Financial Statements are an integral part of these statements.

Uplift Education

Statements of Activities

For the Years Ended June 30, 2023 and 2022

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>2023 Total</u>
REVENUES			
Local support:			
5700 Revenues from local sources	\$ 3,559,104	\$ 4,701,603	\$ 8,260,707
In-kind donations	52,405	-	52,405
Total local support	3,611,509	4,701,603	8,313,112
State program revenues:			
5810 Foundation school program	-	228,915,043	228,915,043
5820 Other state aid	-	7,418,559	7,418,559
Total state program revenues	-	236,333,602	236,333,602
Federal program revenues:			
IDEA - Part B formula	-	4,111,994	4,111,994
IDEA - Part B preschool	-	6,104	6,104
IDEA B Formula ARP	-	1,068,372	1,068,372
National school lunch/breakfast program	-	12,582,058	12,582,058
ESEA, Title I, Part A	-	8,461,314	8,461,314
ESEA, Title II, Part A	-	950,391	950,391
ESEA, Title III, Part A	-	805,598	805,598
ESEA, Title IV, Part A	-	863,672	863,672
ESEA, Pre-K grant	-	39,779	39,779
Career/technical basis grant	-	487,337	487,337
Education Innovation And Research	-	552,154	552,154
ESSER I	-	460,542	460,542
ESSER II	-	23,233,287	23,233,287
ESSER III	-	4,377,333	4,377,333
TCLAS ESSER III	-	2,056,145	2,056,145
Total federal program revenues	-	60,056,080	60,056,080
Net assets released from restrictions:			
Restrictions satisfied from payments	288,107,818	(288,107,818)	-
Total revenues	\$ 291,719,327	\$ 12,983,467	\$ 304,702,794

The Notes to Financial Statements are an integral part of these statements.

Uplift Education

Statements of Activities – Continued

For the Years Ended June 30, 2023 and 2022

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>2023 Total</u>
EXPENSES			
Program services:			
11 Instruction and instructional related services	\$ 147,658,125	\$ -	\$ 147,658,125
12 Instructional resources and media services	215,279	-	215,279
13 Curriculum and instructional staff development	8,474,333	-	8,474,333
21 Instructional leadership	5,752,348	-	5,752,348
23 School leadership	21,707,943	-	21,707,943
Supporting services:			
31 Guidance, counseling, and evaluation services	20,360,137	-	20,360,137
32 Social work services	1,843	-	1,843
33 Health services	2,515,858	-	2,515,858
34 Student transportation	30,217	-	30,217
35 Food services	14,470,160	-	14,470,160
36 Cocurricular/extracurricular activities	1,642,560	-	1,642,560
41 General administration	11,412,700	-	11,412,700
51 Plant maintenance and operations	40,026,355	-	40,026,355
52 Security and monitoring services	2,580,355	-	2,580,355
53 Data processing services	2,690,606	-	2,690,606
61 Community services	2,833,208	-	2,833,208
71 Debt service	17,025,634	-	17,025,634
81 Fund raising	519,840	-	519,840
Total expenses	<u>299,917,501</u>	<u>-</u>	<u>299,917,501</u>
Change in net assets	(8,198,174)	12,983,467	4,785,293
NET ASSETS, BEGINNING OF YEAR	<u>(7,282,718)</u>	<u>59,479,984</u>	<u>52,197,266</u>
NET ASSETS, END OF YEAR	<u><u>\$ (15,480,892)</u></u>	<u><u>\$ 72,463,451</u></u>	<u><u>\$ 56,982,559</u></u>

The Notes to Financial Statements are an integral part of these statements.

Uplift Education

Statements of Activities – Continued

For the Years Ended June 30, 2023 and 2022

	Without Donor Restrictions	With Donor Restrictions	2022 Total
REVENUES			
Local support:			
5700 Revenues from local sources	\$ 2,220,997	\$ 4,379,768	\$ 6,600,765
In-kind donations	116,467	-	116,467
Total local support	2,337,464	4,379,768	6,717,232
State program revenues:			
5810 Foundation school program	-	225,571,239	225,571,239
5820 Other state aid	-	4,169,243	4,169,243
Total state program revenues	-	229,740,482	229,740,482
Federal program revenues:			
IDEA - Part B formula	-	2,782,975	2,782,975
IDEA - Part B preschool	-	8,530	8,530
National school lunch/breakfast program	-	15,968,005	15,968,005
ESEA, Title I, Part A	-	7,041,315	7,041,315
ESEA, Title II, Part A	-	571,981	571,981
ESEA, Title III, Part A	-	661,672	661,672
ESEA, Title IV, Part A	-	489,263	489,263
ESEA, School improvement grant	-	41,037	41,037
Career/technical basis grant	-	418,758	418,758
Education Innovation And Research	-	152,830	152,830
Charter replication grant	-	203,822	203,822
ESSER I	-	2,327,653	2,327,653
ESSER III	-	18,153,370	18,153,370
Other Covid Related Programs	-	1,350,808	1,350,808
Total federal program revenues	-	50,172,019	50,172,019
Net assets released from restrictions:			
Restrictions satisfied from payments	274,190,153	(274,190,153)	-
Total revenues	\$ 276,527,617	\$ 10,102,116	\$ 286,629,733

The Notes to Financial Statements are an integral part of these statements.

Uplift Education

Statements of Activities – Continued

For the Years Ended June 30, 2023 and 2022

	Without Donor Restrictions	With Donor Restrictions	2022 Total
EXPENSES			
Program services:			
11 Instruction and instructional related services	\$ 149,328,365	\$ -	\$ 149,328,365
12 Instructional resources and media services	75,308	-	75,308
13 Curriculum and instructional staff development	4,577,913	-	4,577,913
21 Instructional leadership	4,800,668	-	4,800,668
23 School leadership	21,395,685	-	21,395,685
Supporting services:			
31 Guidance, counseling, and evaluation services	16,201,492	-	16,201,492
32 Social work services	159,933	-	159,933
33 Health services	3,109,211	-	3,109,211
34 Student transportation	108,242	-	108,242
35 Food services	11,223,172	-	11,223,172
36 Cocurricular/extracurricular activities	1,214,378	-	1,214,378
41 General administration	10,864,209	-	10,864,209
51 Plant maintenance and operations	36,898,630	-	36,898,630
52 Security and monitoring services	2,809,537	-	2,809,537
53 Data processing services	2,946,495	-	2,946,495
61 Community services	2,598,537	-	2,598,537
71 Debt service	17,092,754	-	17,092,754
81 Fund raising	473,939	-	473,939
Total expenses	285,878,468	-	285,878,468
Change in net assets	(9,350,851)	10,102,116	751,265
NET ASSETS, BEGINNING OF YEAR	2,068,133	49,377,868	51,446,001
NET ASSETS, END OF YEAR	\$ (7,282,718)	\$ 59,479,984	\$ 52,197,266

The Notes to Financial Statements are an integral part of these statements.

Uplift Education

Statements of Cash Flows

For the Years Ended June 30, 2023 and 2022

	2023	2022
OPERATING ACTIVITIES		
Change in net assets	\$ 4,785,293	\$ 751,265
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	15,900,245	16,083,470
Amortization of financing costs	519,400	534,003
Amortization of bond premium	(1,047,386)	(1,044,511)
Reduction of ROU assets	(194,000)	(159,585)
(Increase) decrease in assets:		
Investments	-	998,301
Due from governments	(3,425,467)	(1,961,925)
Contributions receivable	(94,342)	1,519,866
Other assets	186,194	(79,546)
Increase (decrease) in liabilities:		
Accounts payable	3,092,301	(3,308,215)
Accrued expenses	(2,054,642)	(314,099)
Deferred revenue	300,240	(1,860,452)
Funds held for student and parent groups	(73,071)	(115,196)
Net cash provided by operating activities	17,894,765	11,043,376
INVESTING ACTIVITIES		
Purchase of capital assets	(34,265,394)	(8,819,443)
Net cash used in investing activities	(34,265,394)	(8,819,443)
FINANCING ACTIVITIES		
Proceeds from bond issuance	64,160,000	-
Proceeds from notes payable	10,000,000	10,994,852
Premium on issuance of long term debt	945,605	-
Cash paid for debt issuance costs	(3,221,340)	(75,546)
Payments on long-term debt	(8,355,000)	(7,490,000)
Payments on notes payable	(12,694,853)	(200,000)
Net cash provided by financing activities	50,834,412	3,229,306
NET INCREASE IN TOTAL CASH AND CASH EQUIVALENTS	34,463,783	5,453,239
TOTAL CASH AND CASH EQUIVALENTS, beginning of year	91,790,327	86,337,088
TOTAL CASH AND CASH EQUIVALENTS, end of year	\$ 126,254,110	\$ 91,790,327
NON-CASH ACTIVITIES		
Capital expenditures (including retainage) included in accounts payable	\$ 2,795,070	\$ 1,145,513

The Notes to Financial Statements are an integral part of these statements.

Uplift Education

Statements of Functional Expenses

For the Years Ended June 30, 2023 and 2022

Current Year	6100 - Payroll costs	6200 - Professional and contracted services	6300 - Supplies and materials	6400 - Other operating costs	6500 - Debt Costs	2023 Total
Program services						
10 - Instruction and instructional-related	\$ 127,186,142	\$ 14,111,028	\$ 11,889,193	\$ 3,161,374	\$ -	\$ 156,347,737
20 - Instructional and school leadership	25,645,543	1,179,094	207,130	428,524	-	27,460,291
Supporting services						
30 - Support services - student	22,731,096	3,437,950	11,374,265	1,477,464	-	39,020,775
40 - Administrative support services	6,374,029	3,595,815	217,916	1,224,940	-	11,412,700
50 - Support services - non-student based	8,524,720	17,863,932	1,248,037	17,660,627	-	45,297,316
60 - Ancillary services	2,146,851	265,254	97,211	323,892	-	2,833,208
70 - Debt service	-	-	-	-	17,025,634	17,025,634
80 - Fund raising	476,495	38,145	1,521	3,679	-	519,840
Total expenses	\$ 193,084,876	\$ 40,491,218	\$ 25,035,273	24,280,500	\$ 17,025,634	\$ 299,917,501

Prior Year	6100 - Payroll costs	6200 - Professional and contracted services	6300 - Supplies and materials	6400 - Other operating costs	6500 - Debt Costs	2022 Total
Program services						
10 - Instruction and instructional-related	\$ 123,168,970	\$ 14,621,558	\$ 13,918,654	\$ 2,272,404	\$ -	\$ 153,981,586
20 - Instructional and school leadership	25,065,424	599,951	191,967	339,011	-	26,196,353
Supporting services						
30 - Support services - student	18,947,404	2,387,662	9,557,802	1,123,560	-	32,016,428
40 - Administrative support services	6,518,254	3,248,782	244,556	852,617	-	10,864,209
50 - Support services - non-student based	8,455,760	15,439,445	1,247,901	17,511,556	-	42,654,662
60 - Ancillary services	1,891,393	358,983	80,660	267,501	-	2,598,537
70 - Debt service	-	-	-	-	17,092,754	17,092,754
80 - Fund raising	405,227	49,084	13,924	5,704	-	473,939
Total expenses	\$ 184,452,432	\$ 36,705,465	\$ 25,255,464	\$ 22,372,353	\$ 17,092,754	\$ 285,878,468

The Notes to Financial Statements are an integral part of these statements.

Uplift Education

Notes to Financial Statements

Note 1. Background

Uplift Education (the School) was incorporated in the State of Texas on February 26, 1996 and commenced operations on July 1, 1997. The School's mission is to create and sustain public schools of excellence that empower each student to reach their highest potential in college and the global marketplace and that inspire in students a life-long love of learning, achievement, and service in order to positively change their world.

The School operated 21 campuses serving approximately 23,082 students during fiscal year 2023. Uplift is rated Aaa by Moody's and BBB- by Standard & Poor's.

The charter holder had no material non-charter activities.

Note 2. Summary of Significant Accounting Policies

The accounting policies of the School conform to accounting principles generally accepted in the United States of America. The following is a summary of the significant policies.

Basis of Accounting

The accompanying financial statements of the School have been prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP). These principles require management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The most significant estimate in the financial statements relates to depreciation expense.

Basis of Presentation

The financial statement presentation follows the guidance of the Financial Accounting Standards Board ASC 958, *Financial Statements of Not-for-Profit Organizations*. Under FASB ASC 958, the School is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. Net assets, revenues, expenses, gains and losses are classified based on the existence and nature or absence of donor-imposed restrictions.

Accordingly, net assets of the School and changes therein are classified and reported 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 by 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.

Uplift Education

Notes to Financial Statements

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand and all highly liquid investments purchased with an initial maturity of three months or less. Cash and cash equivalents are reported at cost which approximates fair value. The School maintains cash balances at various financial institutions, which at times may exceed federally insured limits. The School has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

Restricted Cash

Indenture requirements of bond financing (see Note 9) provide for the establishment and maintenance of various bank accounts with trustees. The indenture terms limit the use of these funds to the construction of plant facilities and payment of principal and interest to bond holders. Restricted cash is comprised of cash equivalents and is recorded at cost, which approximates fair value. Other restricted cash includes balances held whose use is restricted by donor contributions.

Fair Value of Financial Instruments

The School defines the fair value of a financial instrument as the amount at which the instrument could be exchanged in a current transaction between willing parties. Financial instruments included in the financial statements include cash and cash equivalents, short-term investments, receivables and other assets, notes payable, bonds payable and long-term debt. Unless otherwise disclosed in the notes to the financial statements, the carrying value of financial instruments is considered to approximate fair value due to the maturity and the characteristics of those instruments.

The carrying value of bonds payable and long-term debt approximates fair value as terms approximate those currently available for similar debt instruments.

Contributions Receivable

Contributions receivable represent unconditional promises to give and are included in the financial statements as contributions receivable and recognized as revenue in the period pledged. Contributions are recorded after being discounted to the anticipated net present value of the future cash flows. In addition, management evaluates payment history and market conditions to estimate allowances for doubtful contributions. Based on their experience with the organizations who have outstanding contributions, as of June 30, 2023 and 2022, management has not recorded an allowance for doubtful contributions. Changes in the fair value of contributions receivable are reported in the statements of activities as contribution revenue.

Capital Assets

Expenditures for capital assets are stated at cost, representing the purchase price or fair market value at the date of gift, less accumulated depreciation. Depreciation expense is computed using the straight-line method over estimated useful lives of each asset.

Building and improvements	10-30 years
Furniture and equipment	5-10 years

Uplift Education

Notes to Financial Statements

Leasehold improvements are amortized over the shorter of the lease term or their respective estimated useful lives. The School capitalizes property and equipment with a cost greater than \$5,000 and a useful life of greater than one year. The School reviews the carrying value of long-lived assets to determine if facts and circumstances suggest that they may be impaired or that the depreciation or amortization period may need to be changed. There were no impairment charges recorded during the years ended June 30, 2023 and 2022.

Construction in progress will not be depreciated over the useful lives of the respective assets until they are ready for their intended use. The costs and accumulated depreciation of assets sold or retired are removed from the accounts and the related gains and losses are included in the statements of activities.

Capital assets purchased with grant funds are owned by the School while used in the program for which it was purchased or in other future School programs. However, the various funding sources have a reversionary interest in the capital assets purchased with grant funds. Its disposition, as well as the ownership of any proceeds there from, is subject to funding source regulations. As of June 30, 2023 and 2022, the net book value of the grant-funded property and equipment was \$777,038 and \$1,194,644, respectively.

Financing Costs

Costs of obtaining long-term bank and bond financing are recorded as financing costs and are deferred as a direct deduction from the carrying amount of that debt liability and amortized using the interest method over the related bond period. Amortization expense is included in debt service in the accompanying statements of activities.

Donated Services and Property

During the years ended June 30, 2023 and 2022, the value of contributed services meeting the requirements for recognition in the financial statements was not material and has not been recorded. Donations of property and equipment are recorded at the estimated fair value as of the date the contribution is received.

Income Tax Status

The School has been recognized by the Internal Revenue Service as a nonprofit corporation exempt from federal income tax on its income, under Section 501(c)(3) of the Internal Revenue Code. The School follows the provisions of ASC 740-10, *Income Taxes*, related to unrecognized tax positions. The School recognizes the tax benefits from uncertain tax positions only if it is more likely than not that the tax positions will be sustained on examination by the taxing authorities, based on the technical merits of the positions. The tax benefits recognized in the financial statements from such positions are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement.

The School does not believe there are any material uncertain tax positions and accordingly, it will not recognize any liability for unrecognized tax benefits. For the years ended June 30, 2023 and 2022, there were no interest or penalties recorded or included in the financial statements. The School is relying on its tax-exempt status and its adherence to all applicable laws and regulations to preserve that status. However, the conclusions regarding accounting for uncertainty in income taxes will be subject to review and may be adjusted at a later date based on factors including, but not limited to, ongoing analysis of tax laws, regulations, and interpretations thereof and is not expected to have a significant impact on the financial statements.

Uplift Education

Notes to Financial Statements

The School's informational returns are generally subject to examination for three years after the later of the due date or date of filing. As a result, the School is no longer subject to income tax examinations by tax authorities for years prior to 2020.

Federal Funding

For all federal programs, the School uses the funds specified by the Texas Education Agency in the Special Supplement to Financial Accounting and Reporting, Nonprofit Charter School Chart of Accounts. With donor restriction funds are used to account for resources restricted to or designated for specific purposes by a grantor. Federal and state financial assistance is generally accounted for in net assets with donor restrictions.

Functional Allocation of Expenses

Expenses are reported by their functional classification as program services or supporting services. Program services are the direct conduct or supervision of activities that fulfill the purposes for which the School exists. Supporting services are not directly identifiable with specific program activities. Expenses that are attributable to one or more program or supporting activities are allocated among the activities benefitted. Salaries and related costs are charged directly either to program services or supporting services based on actual time worked in each area. Information technology costs are allocated based on whether the costs are associated with program services or supporting services. The costs of providing the various programs and supporting activities have been summarized on a functional basis in the statements of activities.

Leases

The School leases school facilities, land, office space and warehouse space and determines if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use (ROU) assets, other current liabilities, and operating lease liabilities on School's statements of financial position.

ROU assets represent our right to use an underlying asset for the lease term and lease liabilities represent the School's obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As most of the School's leases do not provide an implicit rate, the School uses our incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. Lease terms may include options to extend or terminate the lease when it is reasonably certain that we will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

Lease agreements do not contain any material residual value guarantees or material restrictive covenants.

The School has lease agreements with lease and non-lease components, which are generally accounted for as a single lease component. For arrangements accounted for as a single lease component, there may be variability in future lease payments as the amount of the non-lease components is typically revised from one period to the next. These variable lease payments, which are primarily comprised of common area maintenance, utilities, and real estate taxes that are passed on from the lessor in proportion to the space leased, are recognized in operating expenses in the period in which the obligation for those payments was incurred.

Uplift Education

Notes to Financial Statements

The School has elected to apply the short-term lease exemption to its office equipment leases. During the year ended June 30, 2023, there were only a small number of leases within this class of underlying asset that qualify for the exemption.

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

In allocating consideration in the contract to the separate lease components and the non-lease components, the School uses the standalone prices of the lease and non-lease components. Observable standalone prices are used, if available. If the standalone price for a component has a high level of variability or uncertainty, this allocation may require significant judgment.

In determining the discount rate used to measure the right-of-use asset and lease liability, we use our incremental borrowing rate. Our incremental borrowing rate is based on an estimated secured rate comprised of a risk-free rate plus a credit spread as secured by our assets. Determining a credit spread as secured by our assets may require significant judgment.

Note 3. Restricted Cash and Cash Equivalents

Restricted cash and cash equivalents were restricted as follows as of June 30:

	2023	2022
Construction	\$ 46,053,995	\$ 12,781,884
Debt service	21,583,923	18,348,676
Other	887,560	1,046,410
	<u>\$ 68,525,478</u>	<u>\$ 32,176,970</u>

Note 4. Due from Governments

Amounts due from governments consist of the following as of June 30:

	2023	2022
Texas Education Agency -		
Foundation School Program revenue	\$ 38,980,570	\$ 39,543,156
Federal grant revenue	8,376,973	4,379,575
Other government receivables	104,364	113,709
	<u>\$ 47,461,907</u>	<u>\$ 44,036,440</u>

Note 5. Liquidity and Availability of Resources

The School relies on state aid and federal grants to meet general expenditures related to operations. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the School considers all expenditures related to its ongoing activities of education, as well as the conduct of services undertaken to support those activities, to be general expenditures.

Uplift Education

Notes to Financial Statements

As part of the School's liquidity management, it structures its financial assets to be available as its general expenditures and liabilities become due or as additional funding opportunities are presented by maintaining a significant portion of its assets in cash.

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use within one year of June 30, 2023 are as follows:

Financial assets at June 30, 2023:	
Cash and cash equivalents	\$ 57,728,632
Restricted cash	68,525,478
Due from governments	47,461,907
Contributions receivable, current	<u>183,333</u>
Total financial assets	173,899,350
Less financial assets not available for general expenditure:	
Cash restricted for long-term purposes	(68,525,478)
Donor-restricted assets not expected to be satisfied in coming year	<u>(6,099,562)</u>
Total financial assets not available for general expenditure	(74,808,374)
Total financial assets available for general expenditure	<u><u>\$ 99,090,976</u></u>

Note 6. Contributions Receivable

Contributions receivable consist of contributions towards the School's capital campaign and other initiatives. The net present value of contributions receivable consists of the following as of June 30:

	<u>2023</u>	<u>2022</u>
Contributions receivable	\$ 385,000	\$ 300,000
Less: discount to present value (discount rate of 5%)	<u>(18,333)</u>	<u>(27,675)</u>
Contributions receivable, net	<u>\$ 366,667</u>	<u>\$ 272,325</u>
Current portion of contributions receivable, net	<u>\$ 183,333</u>	<u>\$ 272,325</u>
Non-current portion of contributions receivable, net	<u><u>\$ 183,334</u></u>	<u><u>\$ -</u></u>

The School at times has conditional promises to give contingent upon meeting certain criteria specified by donors. These amounts are not recorded in these financial statements as the conditions have not been met. There were no such conditional contributions made during the fiscal years ended June 30, 2023 or 2022, nor were any such pledges outstanding as of those dates.

In addition, the School has received conditional payments in advance from donors for various programs resulting in deferred revenue which totaled \$1,386,356 and \$1,086,116 at June 30, 2023 and 2022, respectively.

Uplift Education

Notes to Financial Statements

As of June 30, 2023, the School has approximately \$88,691,771 of conditional contributions from various government agencies. The contributions will be recognized as revenue when the conditions, which include performance of allowable activities and incurring allowable expenses are met.

Note 7. Capital Assets

Capital assets consist of the following as of June 30:

	2023	2022
Building and improvements	\$ 409,646,173	\$ 409,574,420
Furniture and fixtures	21,362,021	19,764,705
Depreciable assets	<u>431,008,194</u>	<u>429,339,125</u>
Less accumulated depreciation	<u>(119,958,500)</u>	<u>(104,344,236)</u>
Total depreciable assets	311,049,694	324,994,889
Land	46,633,936	46,633,936
Construction in progress	<u>41,775,153</u>	<u>8,936,450</u>
Capital assets, net	<u><u>\$ 399,458,783</u></u>	<u><u>\$ 380,565,275</u></u>

For the years ended June 30, 2023 and 2022, the School charged \$15,900,245 and \$16,083,470 to depreciation expense, which is included in plant maintenance and operations in the accompanying statements of activities.

Note 8. Assets Held for Sale

During the year ended June 30, 2023, the School adopted a plan to sell a property at the Luna Campus, which met the criteria to be classified as an asset held for sale. The net book value of the property was \$2,266,711 as of June 30, 2023, which was determined to not be impaired.

Uplift Education

Notes to Financial Statements

Note 9. Long-Term Debt

Amounts owed as long-term debt were as follows as of June 30:

	Interest Rate	2023	2022
Bonds payable:			
Series 2012 bonds	6.750 - 8.000%	\$ 8,075,000	\$ 9,540,000
Series 2013 bonds	3.100 - 4.400%	37,530,000	38,375,000
Series 2014 bonds	3.375 - 4.600%	37,165,000	37,890,000
Series 2015 bonds	4.000 - 5.000%	39,880,000	40,540,000
Series 2016 bonds	2.750 - 5.000%	38,460,000	39,315,000
Series 2017A bonds	3.750 - 5.000%	67,660,000	69,075,000
Series 2017B bonds	3.500 - 5.000%	23,940,000	24,320,000
Series 2018 bonds	3.500 - 5.000%	37,840,000	38,395,000
Series 2019 bonds	2.050 - 4.000%	88,960,000	89,810,000
Series 2020 bonds	2.000 - 4.000%	28,120,000	28,725,000
Series 2023 bonds	2.000 - 4.000%	64,160,000	-
Total bonds payable		471,790,000	415,985,000
Bond premium:			
Plus: Series 2015 bond premium		926,263	980,722
Plus: Series 2016 bond premium		3,637,132	3,865,772
Plus: Series 2017A bond premium		5,121,783	5,467,067
Plus: Series 2017B bond premium		1,288,782	1,360,330
Plus: Series 2018 bond premium		2,431,592	2,564,004
Plus: Series 2019 bond premium		1,544,216	1,629,292
Plus: Series 2020 bond premium		1,709,034	1,817,838
Plus: Series 2023 bond premium		924,442	-
Total bond premium		17,583,244	17,685,025
Notes payable:			
Charter School Growth Fund	1.000%	1,000,000	2,700,000
Regions Commercial Equipment Finance, LLC	6.652%	10,000,000	10,994,852
Total notes payable		11,000,000	13,694,852
Total bonds and notes payable		500,373,244	447,364,877
Unamortized financing cost		(11,081,006)	(8,379,066)
Total long-term debt, net		489,292,238	438,985,811
Less: current portion, net		(9,705,000)	(10,055,000)
Non-current portion, long-term debt, net		\$ 479,587,238	\$ 428,930,811

Uplift Education

Notes to Financial Statements

Series 2012 A, B & Q Bonds

On April 19, 2012, the School issued \$60,550,000 of Education Revenue Bonds – Series 2012A, \$230,000 Taxable Education Revenue Bonds – Series 2012B and \$20,000,000 of Taxable Education Revenue Bonds – Series 2012Q. The bonds mature each December 1st, through 2033.

As part of the Series 2019 bonds issuance, the School completed an advance refunding of the outstanding principal amount of \$60,550,000 Series 2012 A & B Education Revenue Bonds.

Series 2013 A & B Bonds

On January 24, 2013, the school issued \$44,750,000 of Education Revenue Bonds - Series 2013A and \$210,000 of Taxable Education Revenue Bonds – Series 2013B. The bonds mature serially each December 1st, through 2047.

Series 2014 A & B Bonds

On August 28, 2014, the school issued \$41,395,000 of Education Revenue Bonds - Series 2014A and \$355,000 of Taxable Education Revenue Bonds – Series 2014B. The bonds mature serially each December 1st, through 2049.

Series 2015 A & B Bonds

On June 4, 2015, the school issued \$43,075,000 of Education Revenue Bonds – Series 2015A and \$395,000 of Taxable Education Revenue Bonds – Series 2015B. The bonds mature serially each December 1st, through 2051.

Series 2016 A & B Bonds

On July 7, 2016, the school issued \$42,600,000 of Education Revenue Bonds – Series 2016A and \$380,000 of Taxable Education Revenue Bonds – Series 2016B. The bonds mature serially each December 1st, through 2051.

As part of this issuance, the School completed an advance refunding of the outstanding principal amount of \$8,735,000 of Series 2007A, Education Revenue Bonds.

Series 2017A Bonds

On May 31, 2017, the school issued \$74,405,000 of Education Revenue and Refunding Bonds – Series 2017A. The bonds mature serially each December 1st, through 2052.

As part of this issuance, the School completed an advance refunding of the outstanding principal amount of \$53,150,000 of Series 2010A, Education Revenue Bonds.

Series 2017B Bonds

On August 31, 2017, the school issued \$25,380,000 of Education Revenue Bonds – Series 2017B. The bonds mature serially each December 1st, through 2053.

Series 2018 Bonds

On May 31, 2018, the school issued \$39,390,000 of Education Revenue Bonds – Series 2018A and \$60,000 of Taxable Education Revenue Bonds – Series 2018B. The bonds mature serially each December 1st, through 2054.

Uplift Education

Notes to Financial Statements

Series 2019 A & B Bonds

On August 20, 2019, the School issued \$24,760,000 of Series 2019A Education Revenue Bonds, all of which was tax-exempt, and \$66,330,000 of Series 2019B Education Revenue and Refunding Bonds, all of which was taxable. The Series 2019A bonds mature serially each December 1st, through 2054. The Series 2019B bonds mature serially each December 1st, through 2047.

As part of this issuance, the School completed an advance refunding of the outstanding principal amount of \$60,550,000 of Series 2012 A & B, Education Revenue Bonds.

Series 2020 Bonds

On August 6, 2020, the school issued \$28,535,000 of Education Revenue Bonds – Series 2020A and \$190,000 of Taxable Education Revenue Bonds – Series 2020B. The bonds mature serially each December 1st, through 2050.

Series 2023 Bonds

On April 1, 2023, the School issued \$64,160,000 of Series 2023A Education Revenue Bonds, all of which was tax-exempt. The Series 2023A bonds mature each December 1st, through 2058.

Interest paid for the fiscal years ended June 30, 2023 and 2022, was \$17,722,286 and \$17,610,614, respectively, of which the School capitalized \$813,579 and \$0, respectively.

The loan agreements or Supplemental Master Trust Indentures for each of the above issuances establishes a debt service coverage ratio, which stipulates that available revenues for each fiscal year must be equal to at least 1.10 times the annual debt service of the School as of the end of the first fiscal year after the date of issuance and thereafter until the individual bond or notes have been paid in full.

Notes Payable

The School has received \$3,700,000 in loans as part of a Charter School Growth Fund (CSGF) loan and grant program. Proceeds of the loans were used for general support of the School. The notes currently accrue interest at 1.00%. The loans mature on December 1, 2023 and are not collateralized.

On June 16, 2022, the School entered into new loan agreements with Regions Commercial Equipment Finance, LLC for a term loan not to exceed \$50,000,000 to be used for capital expenditures ("Loan A") and for a term loan not to exceed \$20,000,000 to be used for working capital ("Loan B"). Both loans have draw periods expiring May 1, 2025. The drawn portion of the note accrues interest at the Bloomberg 1 (One) Month Short-Term Bank Yield Index (USD) plus 1.55% (6.652% as of June 30, 2023). The balance outstanding on the loans was \$10,000,000 and \$10,994,852 as of June 30, 2023 and 2022, respectively.

Financing Costs

The cost of issuing bank debt and bonds is being amortized over the life of the debt. Financing costs consist of the following as of June 30:

	2023	2022
Financing cost	\$ 14,336,876	\$ 11,115,536
Accumulated amortization	(3,255,870)	(2,736,470)
Unamortized financing cost	<u>\$ 11,081,006</u>	<u>\$ 8,379,066</u>

Uplift Education

Notes to Financial Statements

For the years ended June 30, 2023 and 2022, the School recorded \$519,400 and \$534,003, respectively, to amortization expense, which is included in debt service in the accompanying statements of activities. Scheduled maturities of long-term debt are as follows at June 30, 2023:

Fiscal Year End	Principal	Interest	Total
2024	\$ 9,705,000	\$ 20,189,221	\$ 29,894,221
2025	20,779,852	19,344,639	40,124,491
2026	10,170,000	18,893,245	29,063,245
2027	10,565,000	18,426,220	28,991,220
2028	10,985,000	17,956,578	28,941,578
Thereafter	420,585,148	243,238,164	663,823,312
	482,790,000	338,048,067	820,838,067
Add amount representing premium	17,583,244	-	
Less unamortized financing cost	(11,081,006)	-	-
	<u>\$ 489,292,238</u>	<u>\$ 338,048,067</u>	<u>\$ 820,838,067</u>

Note 10. Pension Plan Obligation

Plan Description

The School contributes to the Teacher Retirement System of Texas (TRS), a public employee retirement system. TRS is a cost sharing, multiple-employer defined benefit pension plan with one exception: all risks and costs are not shared by the School, but are the liability of the State of Texas. TRS administers retirement and disability annuities, and death and survivor benefits to employees and beneficiaries of employees of the public school systems of Texas. It operates primarily under the provisions of the Texas Constitution, Article XVI, Sec. 67, and Texas Government code, Title 8, Chapters 803 and 805, respectively.

TRS as a multiple-employer plan is different from single-employer plans in that:

1. Charters are legally separate entities from the state and each other.
2. Assets contributed by one charter or Independent School District (ISD) may be used for the benefit of an employee of another ISD or charter.
3. Unfunded obligations of the plan get passed along to other charters and ISDs participating in the plan.
4. There is not a withdrawal penalty for leaving the TRS system.

Uplift Education

Notes to Financial Statements

The following table includes the disclosures required per FASB 715-80-50-5:

Legal name of the plan	Teacher Retirement System of Texas	
Plan's Employer Identification Number	n/a	
Zone status	Unknown	
Total Plan Assets	Approximately \$184.2 billion	
Accumulated Benefit Obligations	Approximately \$243.5 billion	
% Funded	76%	
Expiration date of the collective-bargaining agreements requiring contributions to the plan	There is not a collective-bargaining agreement.	
Employer contributions for the period ending June 30, 2023	\$8,775,052 (the School's contributions to the plan did not represent more than 5% of the total contributions to the plan)	
Status of funding improvement plan or rehabilitation plan had been implemented or pending:	N/A	
Did employer pay surcharge to the plan?	Yes	
Contribution Rates	<u>2022</u>	<u>2023</u>
· Member	8.00%	8.00%
· Non-Member Contributing Entity (State)	7.75%	8.00%
· Employers	7.75%	8.00%

There have been no changes that would affect the comparison of employer contributions from year to year. Information regarding the plan may be found at the TRS website (<http://www.trs.state.tx.us/>). The TRS posts the Annual Financial Report (AFR) every year on its website. The School did not contribute to or participate in any other defined benefit pension plan or defined contribution plan.

Note 11. Net Assets with Donor Restrictions

Net assets with donor restrictions were released from donor restrictions by incurring expenses satisfying the following restricted purposes:

	<u>2023</u>	<u>2022</u>
Private grants and contracts	\$ 2,299,460	\$ 2,891,756
Contributions receivable	192,500	1,881,800
Foundation School Program	222,390,379	224,015,337
Federally funded educational programs	<u>63,225,479</u>	<u>45,401,260</u>
Total	<u>\$ 288,107,818</u>	<u>\$ 274,190,153</u>

Uplift Education

Notes to Financial Statements

Net assets with donor restrictions consisted of the following at June 30:

	2023	2022
Foundation School Program	60,713,911	45,398,423
Child Nutrition Program	4,404,571	6,493,453
Other federal programs	-	27,193
Restricted contributions	6,978,305	7,288,591
Contributions receivable, net	366,665	272,324
Total net assets with donor restrictions	<u>\$ 72,463,451</u>	<u>\$ 59,479,984</u>

Note 12. Leases

The School has operating leases for school facilities, office space, warehouse space and land. Our leases have remaining lease terms of 2 years to 16 years, some of which may include options to extend the leases for up to 10 years. The School has no leases that were classified as finance leases under ASC 842.

Total operating lease costs for the years ended June 30, 2023 and 2022, were \$1,393,685 and \$1,295,902, respectively.

Maturities of operating lease liabilities as of June 30, 2023 and 2022 were as follows:

	2023	2022
Operating lease weighted average remaining lease term	12.8 Years	13 Years
Weighted average discount rate	5%	5%

Future minimum lease payments under non-cancellable leases as of June 30, 2023 were as follows:

Fiscal Year End	Future Minimum Lease Payments
2024	\$ 1,592,407
2025	1,596,730
2026	1,669,437
2027	1,629,310
2028	1,616,104
Thereafter	9,538,434
Total future minimum rental commitments	17,642,422
Less imputed interest	(4,466,556)
Total lease liability	<u>\$ 13,175,866</u>

Uplift Education

Notes to Financial Statements

Note 13. Commitments for Construction and Acquisition of Property and Equipment

Commitments aggregating \$49,360,638 will be funded from the 2023 Bond program with the balance of commitments to be funded from prior year bond proceeds.

Note 14. Contingencies

The School 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 the Texas Education Agency (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 School have complex compliance requirements, and should state or federal auditors discover areas of noncompliance, school funds may be subject to refund if so determined by the TEA or the grantor agency.

From time to time, the School is subject to certain claims and contingent liabilities that arise in the normal course of business. After consultation with legal counsel, management is of the opinion that liabilities, if any, arising from such litigation and examinations would not have a material effect on the School's financial position.

Certain federal grants which the School administers and for which it receives reimbursements are subject to audit and final acceptance by federal granting agencies. Current and prior year costs of such grants are subject to adjustment upon audit. The amount of expenditures that may be disallowed by the grantor, if any, cannot be determined at this time, although the School expects such amounts, if any, would not have a significant impact on the financial position of the School.

Note 15. Economic Dependency

During the years ended June 30, 2023 and 2022, the School recognized revenue of \$296,389,682 and \$279,912,501 respectively, from the TEA and federal government. For the years ended June 30, 2023 and 2022, these amounts constitute approximately 97% and 97%, respectively, of total revenues earned. Any unforeseen loss of the charter agreement with TEA or changes in legislative funding could have a material effect on the ability of the School to continue to provide the current level of services to its students.

Note 16. Evaluation of Subsequent Events

The School evaluated its financial statements for subsequent events through November 17, 2023, the date the financial statements were available to be issued. During this time, there were no events requiring recognition or disclosure within the financial statements.

Supplementary Information



uplifteducation

Uplift Education
Schedule of Schools
For the Years Ended June 30, 2023 and 2022

Charter Schools Operated by Uplift Education:

Uplift Ascend Preparatory High School
Uplift Ascend Preparatory Middle School
Uplift Ascend Preparatory Primary School
Uplift Atlas Preparatory High School
Uplift Atlas Preparatory Middle School
Uplift Atlas Preparatory Primary School
Uplift Crescendo Preparatory Primary School
Uplift Elevate Preparatory High School
Uplift Elevate Preparatory Middle School
Uplift Elevate Preparatory Primary School
Uplift Gradus Preparatory Primary School
Uplift Grand Preparatory High School
Uplift Grand Preparatory Middle School
Uplift Grand Preparatory Primary School
Uplift Hampton Preparatory High School
Uplift Hampton Preparatory Middle School
Uplift Hampton Preparatory Primary School
Uplift Heights Preparatory High School
Uplift Heights Preparatory Middle School
Uplift Heights Preparatory Primary School
Uplift Infinity Preparatory High School
Uplift Infinity Preparatory Middle School
Uplift Infinity Preparatory Primary School
Uplift Luna Preparatory High School
Uplift Luna Preparatory Middle School
Uplift Luna Preparatory Primary School
Uplift Meridian Preparatory Primary School
Uplift Mighty Preparatory High School
Uplift Mighty Preparatory Middle School
Uplift Mighty Preparatory Primary School
Uplift North Hills Preparatory High School
Uplift North Hills Preparatory Middle School
Uplift North Hills Preparatory Primary School
Uplift Pinnacle Preparatory Primary School
Uplift Summit International Preparatory High School
Uplift Summit International Preparatory Middle School
Uplift Summit International Preparatory Primary School
Uplift White Rock Hills Preparatory Primary School
Uplift Williams Preparatory High School
Uplift Williams Preparatory Middle School
Uplift Williams Preparatory Primary School
Uplift Triumph Preparatory Primary School
Uplift Wisdom Preparatory High School
Uplift Wisdom Preparatory Middle School
Uplift Wisdom Preparatory Primary School

Uplift Education

Schedules of Expenses

For the Years Ended June 30, 2023 and 2022

		<u>2023</u>	<u>2022</u>
EXPENSES			
6100	Payroll costs	\$ 193,084,876	\$ 184,452,432
6200	Professional and contracted services	40,491,218	36,705,465
6300	Supplies and materials	25,035,273	25,255,464
6400	Other operating costs	24,280,500	22,372,353
6500	Debt costs	<u>17,025,634</u>	<u>17,092,754</u>
	Total expenses	<u><u>\$ 299,917,501</u></u>	<u><u>\$ 285,878,468</u></u>

Uplift Education

Schedules of Cash and Capital Assets

June 30, 2023 and 2022

		Ownership Interest			2023
		Local	State	Federal	Total
1100	Cash	\$ 13,397,963	\$ 44,257,927	\$ 72,742	\$ 57,728,632
1510	Land	3,370,906	43,263,030	-	46,633,936
1520	Buildings and improvements	4,670,000	404,430,106	546,067	409,646,173
1530	Furniture and equipment	1,253,500	15,042,198	5,066,323	21,362,021
1580	Construction in progress	-	41,775,153	-	41,775,153
Total		\$ 22,692,369	\$ 548,768,414	\$ 5,685,132	\$ 577,145,915

		Ownership Interest			2022
		Local	State	Federal	Total
1100	Cash	\$ 14,313,842	\$ 44,862,437	\$ 437,078	\$ 59,613,357
1510	Land	3,370,906	43,263,030	-	46,633,936
1520	Buildings and improvements	7,685,076	401,369,519	519,825	409,574,420
1530	Furniture and equipment	1,222,144	14,227,033	4,315,528	19,764,705
1580	Construction in progress	-	8,936,450	-	8,936,450
Total		\$ 26,591,968	\$ 512,658,469	\$ 5,272,431	\$ 544,522,868

Uplift Education

Budgetary Comparison Schedule

For the Year Ended June 30, 2023

		Budgeted Amounts		Actual	Variance
		Original	Final	Amounts	From Final Budget
REVENUES					
Local support					
5740	Other revenues from local sources	\$ 6,761,916	\$ 8,313,112	\$ 8,313,112	\$ -
	Total local support	6,761,916	8,313,112	8,313,112	-
State Program Revenues					
5810	Foundation School Program revenues	220,337,101	228,915,043	228,915,043	-
5820	State program revenues distributed by Texas Education Agency	4,482,952	7,418,559	7,418,559	-
	Total state program revenues	224,820,053	236,333,602	236,333,602	-
Federal program revenues					
5920	Federal revenues distributed by Texas Education Agency	60,926,168	59,024,707	59,024,707	-
5940	Federal revenues distributed directly from the federal government	974,819	1,031,373	1,031,373	-
	Total federal program revenues	61,900,987	60,056,080	60,056,080	-
	Total revenues	293,482,956	304,702,794	304,702,794	-
EXPENSES					
11	Instruction and instructional related services	147,862,101	147,658,125	147,658,125	-
12	Instructional resources and media services	65,460	215,279	215,279	-
13	Curriculum and instructional staff development	5,928,187	8,474,333	8,474,333	-
21	Instructional leadership	4,758,916	5,752,348	5,752,348	-
23	School leadership	20,823,032	21,707,943	21,707,943	-
31	Guidance, counseling and evaluation services	19,132,929	20,360,137	20,360,137	-
32	Social work services	-	1,843	1,843	-
33	Health services	2,340,199	2,515,858	2,515,858	-
34	Student transportation	-	30,217	30,217	-
35	Food services	12,834,842	14,470,160	14,470,160	-
36	Cocurricular/extracurricular activities	2,304,636	1,642,560	1,642,560	-
41	General administration	11,092,261	11,412,700	11,412,700	-
51	Plant maintenance and operations ¹	38,518,844	40,026,355	40,026,355	-
52	Security and monitoring services	2,615,420	2,580,355	2,580,355	-
53	Data processing services	2,176,196	2,690,606	2,690,606	-
61	Community services	2,650,493	2,833,208	2,833,208	-
71	Debt service ¹	16,944,775	17,025,634	17,025,634	-
81	Fund raising	669,412	519,840	519,840	-
	Total expenses	290,717,703	299,917,501	299,917,501	-
Change in net assets		\$ 2,765,253	\$ 4,785,293	\$ 4,785,293	\$ -

Uplift Education

Notes to Budgetary Comparison Schedule For the Year Ended June 30, 2023

Note 1:

The School does not include depreciation, bond cost amortization, nor bond premium amortization when adopting original budgets however, such expenses are considered prior to the final budget amendment in a given fiscal year. The final budgeted amounts on the preceding schedule include depreciation expense of \$15,900,245 in Function 51, Plant maintenance & operations; bond cost amortization expense of \$519,400 in Function 71, Debt service; and bond premium amortization expense of (\$1,047,386) also in Function 71, Debt service.

Note 2:

Original budgeted amounts differed from final budgeted amounts, as follows:

- Revenue (5740) – Other revenues from local sources
Received more local donation support than originally planned
- Revenue (5820) – State program revenues distributed by Texas Education Agency
State program revenue distributed by TEA increased due to higher TIMA, TCLAS, and CNP revenues
- Function 12 – Instructional resources and media services
Unplanned expenditures related to foundation grants (i.e. Laura Bush, Lyda Hill, and Bellevue)
- Function 13 – Curriculum and instructional staff development
Increase in expenditures related to teacher stipends, higher contract costs, and grant funding
- Function 21 – Instructional leadership
Largely driven by higher personnel costs, both rate and shifts of staffing needs per student population
- Function 32 – Social work services
Specific grant donation was received
- Function 34 – Student transportation
Approximately \$14,000 related to required ARD related transportation to and from school, and approximately \$14,000 related to school transportation due to enrollment shifts
- Function 35 – Food services
Higher cost of food from both inflation and program improvements combined with increased food service staffing costs
- Function 36 – Cocurricular/extracurricular activities
Personnel vacancies
- Function 53 – Data processing services
Received Emergency Connectivity Grant to support additional technology purchases
- Function 81 – Fund raising
Unspent grant proceeds

Uplift Education

Schedule of Real Property Ownership Interest For the Year Ended June 30, 2023

<u>Description (list each parcel separately)</u>	<u>Property Address</u>	<u>Account Number</u>	<u>2022 Assessed Value</u>	<u>Ownership</u>		
				<u>Interest-Local</u>	<u>Interest-State</u>	<u>Interest-Federal</u>
CHAPIN VILLAGE Block H Lot 1B	10800 Chapin Road, Fort Worth, TX 76108	42466995	\$ 50,163,143	\$ 3,520,000	\$ 46,643,143	
MURRAY ESTATES ADDITION Block 3 Lot 5R LOT 5R-1A1A	1100 Roosevelt St., Arlington, TX 76011	14538119	287,109		287,109	
MURRAY ESTATES ADDITION Block 3 Lot 5R LOT 5R-1A1A	1100 Roosevelt St., Arlington, TX 76011	42550384	27,433,062	\$ 492,081	26,940,981	
LINN, WILLIAM SURVEY Abstract 924 Tract 2C06 & 2C06A1	1200 Cooks Lane, Fort Worth, TX 76120	5251192	161,498		161,498	
LINN, WILLIAM SURVEY Abstract 924 Tract 2C04 ABST 924 - 1979 TR 2C4	1208 Cooks Lane, Fort Worth, TX 76120	5674409	227,165		227,165	
LINN, WILLIAM SURVEY Abstract 924 Tract 2C06A	1208 Cooks Lane, Fort Worth, TX 76120	5674425	115,215		115,215	
LINN, WILLIAM SURVEY Abstract 924 Tract 2C04A	1212 Cooks Lane, Fort Worth, TX 76120	41454839	289,235		289,235	
LINN, WILLIAM SURVEY Abstract 924 Tract 2C06A2	1216 Cooks Lane, Fort Worth, TX 76120	41454847	91,910		91,910	
UPLIFT EDUCATION ADDITION Block 1 Lot 1	1801 S. Beach Street, Fort Worth, TX 76105	41635388	4,588,109		4,588,109	
UPLIFT - HANNA RANCH ADDN Block 1 Lot 1	3301 Turf Paradise Parkway, Fort Worth, TX 76140	42498919	41,626,024	\$ 3,998,936	37,627,088	
MASON HEIGHTS ADDITION Block 1 Lot 3	3700 Mighty Mite Dr., Fort Worth, TX 76105	41598830	22,033,451		22,033,451	
HOWERY ACRES ADDITION Block 1 Lot 1R	7712 John T White Rd., Fort Worth, TX 76120	42633263	14,970,945		14,970,945	
BLK A LT 1 LESS ROW ACS 9.5632	1401 S MACARTHUR BLVD, Irving, TX 75060	324938000A0010000	7,607,120	\$ 259,043	7,348,077	
BLK 3/726 LT 8A LESS ROW	4536 BRYAN ST, Dallas, TX 75204	000726000308A9900	3,361,430		3,361,430	
BLK 3/726 LT 8B ACS 0.4561	4534 BRYAN ST, Dallas, TX 75204	000726000308B0000	993,400		993,400	
BLK 7/727 LT 1A ACS 5.2174	4605 LIVE OAK ST, Dallas, TX 75204	000727000701A0000	26,903,000		26,903,000	
BLK 1/5973 LT 1 ACS 2.904	2510 S VERNON AVE, Dallas, TX 75224	00597300010010000	5,327,410		5,327,410	
BLK 20 LTS 3-4 ACS 0.436	117 NE 2ND ST, Grand Prairie, TX 75050	28000500200030000	57,000		57,000	
BLK 20 LT 5 ACS 0.262	121 NE 2ND ST, Grand Prairie, TX 75050	28000500200050000	131,860		131,860	
BLK 286 LTS 1-5&13-16&BLK C/483	2625 ELM ST, Dallas, TX 75226	00000106390000000	11,988,190	\$ 16,140	11,972,050	
BLK 712 LT 2 ACS 0.3341	4515 BRYAN ST, Dallas, TX 75204	00000122134000000	727,650		727,650	
BLK 712 PT 2 & 3 75.25X210	4511 BRYAN ST, Dallas, TX 75204	00000122137000000	790,100		790,100	
BLK 7 TRACT 1A1 ACS 8.2505	1800 N HAMPTON RD, DeSoto, TX 75115	20031480071A10000	8,006,250		7,985,425	\$ 20,825
BLK 4/699 LT 1A ACS 1.711 AC	4603 BRYAN ST, Dallas, TX 75204	000699000401A0000	15,634,140	\$ 2,619,782	13,014,358	
BLK 5/712 LT 1A ACS 0.924	4539 BRYAN ST, Dallas, TX 75204	000712000501A0000	2,571,500		2,571,500	
BLK A/7021 LT 1 ACS 7.652	7370 VALLEY GLEN DR, Dallas, TX 75228	007021000A0010000	6,261,710		6,027,388	\$ 234,322
BLK J/5775 LT 5F ACS 2.406	9411 HARGROVE DR, Dallas, TX 75220	005775000J05F0000	2,505,780		2,505,780	
BLK 3/6068 LT 7A ACS 12.9273	1919 BURBANK ST, Dallas, TX 75235	006068000307A0000	31,612,600		31,612,600	
BLK A/6636 LT 3 ACS 18.565	301 W CAMP WISDOM RD, Dallas, TX 75232	006636000A0030000	7,420,160		7,155,483	\$ 264,677
BLK A SW PT LT 2 ACS 5.485	600 ROYAL LN, Irving, TX 75039	323335400A0020200	2,030,910		2,030,910	
BLK A E PT LT 2 ACS 0.7211	600 E ROYAL LN, Irving, TX 75039	323335400A0020300	266,990		266,990	
BLK A S PT LT 2 ACS 0.1979	600 ROYAL LN, Irving, TX 75039	323335400A0020400	73,270		73,270	
BLK A LT 1 ACS 5.7510	550 ROYAL LN, Irving, TX 75039	323335800A0010000	5,072,400		5,072,400	
BLK H/7557 ACS 9.973	9192 STONEVIEW DR, Dallas, TX 75237	0075570H000000000	7,572,300		7,572,300	
BLK H/7557 SPLIT 1 ACS 7.559	8915 S HAMPTON RD, Dallas, TX 75237	0075570H000000100	12,674,730		12,674,730	
BLK E LT 1R ACS 4.573	300 E CHURCH ST, Grand Prairie, TX 75050	282185000E01R0000	13,717,430		13,717,430	
BLK B LT 9R ACS 3.373	301 E CHURCH ST, Grand Prairie, TX 75050	282195500B09R0000	11,831,970		11,831,970	
TR 4 & PT ADJ TR 2 ACS 16.7862	9743 E R L THORNTON FWY Dallas, TX. 75228	00000725179150000	1,096,810		1,096,810	
Total			<u>\$ 348,222,976</u>	<u>\$ 10,905,982</u>	<u>\$ 336,797,170</u>	<u>\$ 519,824</u>

Uplift Education

Schedule of Related Party Transactions

For the Year Ended June 30, 2023

<u>Related Party Name</u>	<u>Name of Relation to the Related Party</u>	<u>Relationship</u>	<u>Type of Transaction</u>	<u>Description of Terms and Conditions</u>	<u>Source of Funds Used</u>	<u>Payment Frequency</u>	<u>Total Paid During Fiscal Year</u>	<u>Principal Balance Due</u>
None								

Uplift Education

Schedule of Related Party Compensation and Benefits For the Year Ended June 30, 2023

<u>Related Party Name</u>	<u>Name of Relation to the Related Party</u>	<u>Relationship</u>	<u>Compensation or Benefit</u>	<u>Payment Frequency</u>	<u>Description</u>	<u>Source of Funds Used</u>	<u>Total Paid During Fiscal Year</u>
None							

Uplift Education

Use of Funds Reports

For the Year Ended June 30, 2023

State Compensatory Education

Did your district expend any state compensatory education program state allotment funds during the district's fiscal year?	Yes
Does the district have written policies and procedures for its state compensatory education programs during the district's fiscal year?	Yes
Total state allotment funds received for state compensatory education programs during the district's fiscal year.	\$ 30,189,690
Actual direct program expenditures for state compensatory education programs during the district's fiscal year.	\$ 15,327,483

Bilingual Education

Did your district expend any bilingual education program state allotment funds during the district's fiscal year?	Yes
Does the district have written policies and procedures for its bilingual education program?	Yes
Total state allotment funds received for bilingual education programs during the district's fiscal year.	\$ 4,127,152
Actual direct program expenditures for bi-lingual education programs during the district's fiscal year.	\$ 2,103,023



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Uplift Education
Series 2012 Bonds
Debt Service Requirements

Fiscal Year End	Principal	Interest	Totals
2024	\$ 1,495,000	\$ 527,606	\$ 2,022,606
2025	1,530,000	422,856	1,952,856
2026	1,575,000	315,313	1,890,313
2027	1,610,000	204,975	1,814,975
2028	240,000	139,600	379,600
2029	250,000	12,000	262,000
2030	255,000	99,800	354,800
2031	265,000	79,000	344,000
2032	275,000	57,400	332,400
2033	285,000	35,000	320,000
2034	295,000	11,800	306,800
Total	<u>\$ 8,075,000</u>	<u>\$ 1,905,350</u>	<u>\$ 9,980,350</u>

Uplift Education

Series 2013 Bonds

Debt Service Requirements

Fiscal Year End	Principal	Interest	Totals
2024	\$ 875,000	\$ 1,578,666	\$ 2,453,666
2025	910,000	1,543,413	2,453,413
2026	950,000	1,506,678	2,456,678
2027	985,000	1,468,461	2,453,461
2028	1,025,000	1,428,764	2,453,764
2029	1,070,000	1,387,388	2,457,388
2030	1,110,000	1,344,333	2,454,333
2031	1,155,000	1,299,599	2,454,599
2032	1,200,000	1,253,088	2,453,088
2033	1,250,000	1,204,700	2,454,700
2034	1,305,000	1,151,629	2,456,629
2035	1,360,000	1,093,665	2,453,665
2036	1,420,000	1,033,200	2,453,200
2037	1,485,000	970,016	2,455,016
2038	1,550,000	904,005	2,454,005
2039	1,620,000	835,058	2,455,058
2040	1,690,000	763,065	2,453,065
2041	1,770,000	687,810	2,457,810
2042	1,845,000	609,184	2,454,184
2043	1,930,000	527,078	2,457,078
2044	2,015,000	440,770	2,455,770
2045	2,105,000	350,130	2,455,130
2046	2,200,000	255,420	2,455,420
2047	2,300,000	156,420	2,456,420
2048	2,405,000	52,910	2,457,910
Total	<u>\$ 37,530,000</u>	<u>\$ 23,845,450</u>	<u>\$ 61,375,450</u>

Uplift Education

Series 2014 Bonds

Debt Service Requirements

Fiscal Year End	Principal	Interest	Totals
2024	\$ 750,000	\$ 1,628,683	\$ 2,378,683
2025	775,000	1,602,948	2,377,948
2026	805,000	1,572,764	2,377,764
2027	840,000	1,537,808	2,377,808
2028	875,000	1,501,364	2,376,364
2029	915,000	1,463,326	2,378,326
2030	955,000	1,423,589	2,378,589
2031	995,000	1,382,151	2,377,151
2032	1,040,000	1,338,908	2,378,908
2033	1,085,000	1,293,751	2,378,751
2034	1,130,000	1,246,683	2,376,683
2035	1,180,000	1,197,595	2,377,595
2036	1,230,000	1,144,845	2,374,845
2037	1,290,000	1,088,145	2,378,145
2038	1,345,000	1,028,858	2,373,858
2039	1,410,000	966,870	2,376,870
2040	1,475,000	901,958	2,376,958
2041	1,540,000	834,120	2,374,120
2042	1,615,000	763,133	2,378,133
2043	1,685,000	688,883	2,373,883
2044	1,765,000	611,258	2,376,258
2045	1,845,000	530,033	2,375,033
2046	1,930,000	444,130	2,374,130
2047	2,025,000	353,165	2,378,165
2048	2,120,000	257,830	2,377,830
2049	2,220,000	158,010	2,378,010
2050	2,325,000	53,475	2,378,475
Total	<u>\$ 37,165,000</u>	<u>\$ 27,014,283</u>	<u>\$ 64,179,283</u>

Uplift Education

Series 2015 Bonds

Debt Service Requirements

Fiscal Year End	Principal	Interest	Totals
2024	\$ 685,000	\$ 1,958,850	\$ 2,643,850
2025	715,000	1,930,850	2,645,850
2026	745,000	1,901,650	2,646,650
2027	775,000	1,867,375	2,642,375
2028	815,000	1,827,625	2,642,625
2029	860,000	1,785,750	2,645,750
2030	900,000	1,741,750	2,641,750
2031	950,000	1,695,500	2,645,500
2032	995,000	1,646,875	2,641,875
2033	1,050,000	1,595,750	2,645,750
2034	1,100,000	1,542,000	2,642,000
2035	1,160,000	1,485,500	2,645,500
2036	1,220,000	1,426,000	2,646,000
2037	1,280,000	1,363,500	2,643,500
2038	1,345,000	1,297,875	2,642,875
2039	1,415,000	1,228,875	2,643,875
2040	1,490,000	1,156,250	2,646,250
2041	1,565,000	1,079,875	2,644,875
2042	1,645,000	999,625	2,644,625
2043	1,730,000	915,250	2,645,250
2044	1,820,000	826,500	2,646,500
2045	1,910,000	733,250	2,643,250
2046	2,010,000	635,250	2,645,250
2047	2,110,000	532,250	2,642,250
2048	2,220,000	424,000	2,644,000
2049	2,335,000	310,125	2,645,125
2050	2,455,000	190,375	2,645,375
2051	2,580,000	64,500	2,644,500
Total	<u>\$ 39,880,000</u>	<u>\$ 34,162,975</u>	<u>\$ 74,042,975</u>

Uplift Education

Series 2016 Bonds

Debt Service Requirements

Fiscal Year End	Principal	Interest	Totals
2024	\$ 880,000	\$ 1,828,325	\$ 2,708,325
2025	905,000	1,803,781	2,708,781
2026	930,000	1,778,550	2,708,550
2027	955,000	1,752,631	2,707,631
2028	995,000	1,714,625	2,709,625
2029	1,045,000	1,663,625	2,708,625
2030	1,100,000	1,610,000	2,710,000
2031	1,150,000	1,553,750	2,703,750
2032	1,215,000	1,494,625	2,709,625
2033	1,280,000	1,432,250	2,712,250
2034	1,345,000	1,366,625	2,711,625
2035	1,410,000	1,297,750	2,707,750
2036	1,485,000	1,225,375	2,710,375
2037	1,560,000	1,149,250	2,709,250
2038	1,645,000	1,069,125	2,714,125
2039	1,040,000	1,002,000	2,042,000
2040	1,095,000	948,625	2,043,625
2041	1,150,000	892,500	2,042,500
2042	1,210,000	833,500	2,043,500
2043	1,270,000	771,500	2,041,500
2044	1,335,000	706,375	2,041,375
2045	1,405,000	637,875	2,042,875
2046	1,475,000	565,875	2,040,875
2047	1,550,000	490,250	2,040,250
2048	1,630,000	410,750	2,040,750
2049	1,715,000	327,125	2,042,125
2050	1,800,000	239,250	2,039,250
2051	1,895,000	146,875	2,041,875
2052	1,990,000	49,750	2,039,750
Total	<u>\$ 38,460,000</u>	<u>\$ 30,762,537</u>	<u>\$ 69,222,537</u>

Uplift Education

Series 2017A Bonds

Debt Service Requirements

Fiscal Year End	Principal	Interest	Totals
2024	\$ 1,485,000	\$ 3,007,588	\$ 4,492,588
2025	1,570,000	2,931,213	4,501,213
2026	1,645,000	2,850,838	4,495,838
2027	1,730,000	2,775,113	4,505,113
2028	1,805,000	2,695,388	4,500,388
2029	1,905,000	2,602,638	4,507,638
2030	1,990,000	2,515,213	4,505,213
2031	2,070,000	2,434,013	4,504,013
2032	2,160,000	2,349,413	4,509,413
2033	2,250,000	2,261,213	4,511,213
2034	2,360,000	2,157,213	4,517,213
2035	2,480,000	2,036,213	4,516,213
2036	2,610,000	1,908,963	4,518,963
2037	2,745,000	1,775,088	4,520,088
2038	2,890,000	1,634,213	4,524,213
2039	3,030,000	1,501,363	4,531,363
2040	3,150,000	1,377,763	4,527,763
2041	3,280,000	1,249,163	4,529,163
2042	3,415,000	1,115,263	4,530,263
2043	3,560,000	975,763	4,535,763
2044	3,730,000	811,313	4,541,313
2045	3,930,000	619,813	4,549,813
2046	4,135,000	418,188	4,553,188
2047	965,000	290,688	1,255,688
2048	1,015,000	241,188	1,256,188
2049	1,065,000	195,843	1,260,843
2050	1,105,000	155,156	1,260,156
2051	1,150,000	112,874	1,262,874
2052	1,195,000	68,906	1,263,906
2053	1,240,000	23,250	1,263,250
Total	<u>\$ 67,660,000</u>	<u>\$ 45,090,854</u>	<u>\$ 112,750,854</u>

Uplift Education

Series 2017B Bonds

Debt Service Requirements

Fiscal Year End	Principal	Interest	Totals
2024	\$ 395,000	\$ 968,825	\$ 1,363,825
2025	415,000	952,625	1,367,625
2026	430,000	935,725	1,365,725
2027	450,000	915,875	1,365,875
2028	475,000	892,750	1,367,750
2029	495,000	870,975	1,365,975
2030	520,000	850,675	1,370,675
2031	540,000	829,475	1,369,475
2032	560,000	807,475	1,367,475
2033	585,000	784,575	1,369,575
2034	610,000	760,675	1,370,675
2035	635,000	735,775	1,370,775
2036	660,000	709,875	1,369,875
2037	690,000	682,875	1,372,875
2038	720,000	654,675	1,374,675
2039	750,000	621,525	1,371,525
2040	790,000	583,025	1,373,025
2041	830,000	542,525	1,372,525
2042	875,000	499,900	1,374,900
2043	920,000	455,025	1,375,025
2044	965,000	412,725	1,377,725
2045	1,005,000	373,325	1,378,325
2046	1,045,000	332,325	1,377,325
2047	1,090,000	289,625	1,379,625
2048	1,135,000	245,125	1,380,125
2049	1,180,000	201,775	1,381,775
2050	1,225,000	159,688	1,384,688
2051	1,270,000	116,025	1,386,025
2052	1,315,000	70,788	1,385,788
2053	1,365,000	23,888	1,388,888
Total	<u>\$ 23,940,000</u>	<u>\$ 17,280,139</u>	<u>\$ 41,220,139</u>

Uplift Education

Series 2018 Bonds

Debt Service Requirements

Fiscal Year End	Principal	Interest	Totals
2024	\$ 575,000	\$ 1,727,400	\$ 2,302,400
2025	605,000	1,700,775	2,305,775
2026	635,000	1,669,775	2,304,775
2027	665,000	1,637,275	2,302,275
2028	700,000	1,603,150	2,303,150
2029	735,000	1,567,275	2,302,275
2030	770,000	1,533,500	2,303,500
2031	800,000	1,502,100	2,302,100
2032	835,000	1,469,400	2,304,400
2033	870,000	1,435,300	2,305,300
2034	905,000	1,399,800	2,304,800
2035	940,000	1,362,900	2,302,900
2036	985,000	1,319,475	2,304,475
2037	1,035,000	1,268,975	2,303,975
2038	1,090,000	1,215,850	2,305,850
2039	1,145,000	1,159,975	2,304,975
2040	1,195,000	1,110,438	2,305,438
2041	1,235,000	1,067,913	2,302,913
2042	1,280,000	1,023,900	2,303,900
2043	1,325,000	978,313	2,303,313
2044	1,375,000	931,063	2,306,063
2045	1,435,000	871,125	2,306,125
2046	1,505,000	797,625	2,302,625
2047	1,585,000	720,375	2,305,375
2048	1,665,000	639,125	2,304,125
2049	1,750,000	553,750	2,303,750
2050	1,840,000	464,000	2,304,000
2051	1,935,000	369,625	2,304,625
2052	2,035,000	270,375	2,305,375
2053	2,140,000	166,000	2,306,000
2054	2,250,000	56,250	2,306,250
Total	<u>\$ 37,840,000</u>	<u>\$ 33,592,802</u>	<u>\$ 71,432,802</u>

Uplift Education

Series 2019 Bonds

Debt Service Requirements

Fiscal Year End	Principal	Interest	Totals
2024	\$ 940,000	\$ 2,900,445	\$ 3,840,445
2025	965,000	2,872,472	3,837,472
2026	985,000	2,843,272	3,828,272
2027	1,015,000	2,812,776	3,827,776
2028	2,455,000	2,763,581	5,218,581
2029	2,520,000	2,694,880	5,214,880
2030	2,595,000	2,623,143	5,218,143
2031	2,670,000	2,547,614	5,217,614
2032	2,750,000	2,467,573	5,217,573
2033	2,835,000	2,383,336	5,218,336
2034	2,925,000	2,294,656	5,219,656
2035	3,320,000	2,196,879	5,516,879
2036	3,430,000	2,085,932	5,515,932
2037	3,550,000	1,966,265	5,516,265
2038	3,675,000	1,842,363	5,517,363
2039	3,800,000	1,714,143	5,514,143
2040	3,935,000	1,581,440	5,516,440
2041	4,070,000	1,446,262	5,516,262
2042	4,205,000	1,308,697	5,513,697
2043	4,355,000	1,166,388	5,521,388
2044	4,500,000	1,019,163	5,519,163
2045	4,650,000	866,076	5,516,076
2046	4,815,000	702,290	5,517,290
2047	4,990,000	528,135	5,518,135
2048	5,170,000	347,650	5,517,650
2049	1,010,000	235,600	1,245,600
2050	1,050,000	194,400	1,244,400
2051	1,090,000	157,050	1,247,050
2052	1,120,000	123,900	1,243,900
2053	1,155,000	89,775	1,244,775
2054	1,190,000	54,600	1,244,600
2055	1,225,000	18,375	1,243,375
Total	<u>\$ 88,960,000</u>	<u>\$ 48,849,131</u>	<u>\$ 137,809,131</u>

Uplift Education

Series 2020 Bonds

Debt Service Requirements

Fiscal Year End	Principal	Interest	Totals
2024	\$ 625,000	\$ 780,544	\$ 1,405,544
2025	650,000	755,043	1,405,043
2026	680,000	728,443	1,408,443
2027	705,000	704,268	1,409,268
2028	725,000	682,818	1,407,818
2029	745,000	660,769	1,405,769
2030	770,000	638,044	1,408,044
2031	795,000	610,594	1,405,594
2032	830,000	578,094	1,408,094
2033	865,000	544,194	1,409,194
2034	900,000	508,894	1,408,894
2035	935,000	472,194	1,407,194
2036	970,000	438,944	1,408,944
2037	1,000,000	409,394	1,409,394
2038	1,030,000	378,944	1,408,944
2039	1,060,000	347,594	1,407,594
2040	1,090,000	315,344	1,405,344
2041	1,120,000	287,794	1,407,794
2042	1,145,000	264,428	1,409,428
2043	1,170,000	239,831	1,409,831
2044	1,195,000	214,703	1,409,703
2045	1,220,000	189,044	1,409,044
2046	1,245,000	162,853	1,407,853
2047	1,270,000	135,337	1,405,337
2048	1,300,000	106,426	1,406,426
2049	1,330,000	76,838	1,406,838
2050	1,360,000	46,575	1,406,575
2051	1,390,000	15,638	1,405,638
Total	<u>\$ 28,120,000</u>	<u>\$ 11,293,586</u>	<u>\$ 39,413,586</u>

Uplift Education

Series 2023 Bonds

Debt Service Requirements

Fiscal Year End	Principal	Interest	Totals
2024		\$ 3,282,290	\$ 3,282,290
2025	\$ 745,000	2,828,663	3,573,663
2026	790,000	2,790,288	3,580,288
2027	835,000	2,749,663	3,584,663
2028	875,000	2,706,913	3,581,913
2029	910,000	2,662,288	3,572,288
2030	955,000	2,615,663	3,570,663
2031	1,000,000	2,566,788	3,566,788
2032	1,060,000	2,515,288	3,575,288
2033	1,115,000	2,460,913	3,575,913
2034	1,165,000	2,403,913	3,568,913
2035	1,230,000	2,344,038	3,574,038
2036	1,285,000	2,281,163	3,566,163
2037	1,350,000	2,215,288	3,565,288
2038	1,420,000	2,146,038	3,566,038
2039	1,495,000	2,073,163	3,568,163
2040	1,575,000	2,004,288	3,579,288
2041	1,635,000	1,940,088	3,575,088
2042	1,700,000	1,873,388	3,573,388
2043	1,765,000	1,804,088	3,569,088
2044	1,835,000	1,732,088	3,567,088
2045	1,915,000	1,654,694	3,569,694
2046	2,000,000	1,571,500	3,571,500
2047	2,090,000	1,484,588	3,574,588
2048	2,175,000	1,393,956	3,568,956
2049	2,275,000	1,299,394	3,574,394
2050	2,370,000	1,200,688	3,570,688
2051	2,475,000	1,097,731	3,572,731
2052	2,575,000	990,419	3,565,419
2053	2,705,000	878,219	3,583,219
2054	2,810,000	761,025	3,571,025
2055	2,930,000	637,219	3,567,219
2056	3,065,000	506,078	3,571,078
2057	3,200,000	369,031	3,569,031
2058	3,345,000	225,859	3,570,859
2059	3,490,000	76,344	3,566,344
Total	\$ 64,160,000	\$ 64,143,036	\$ 128,303,036

Compliance and Internal Control



uplifteducation



**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**

To the Board of Governors of
Uplift Education
Dallas, Texas

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Uplift Education (the School), which comprise the statement of financial position as of June 30, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 17, 2023.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Weaver and Tidwell, L.L.P.
2300 North Field Street, Suite 1000 | Dallas, Texas 75201
Main: 972.490.1970

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To the Board of Governors of
Uplift Education

Purpose of this Report

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

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas
November 17, 2023



Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance in Accordance with the Uniform Guidance

To the Board of Governors of
Uplift Education
Dallas, Texas

Report on Compliance for Each Major Federal Program

Opinion on Compliance for Each Major Federal Program

We have audited Uplift Education's (the School's) compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023. The School's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the School complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States (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 School and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the School's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to each of the School's major 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 School's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, Government Auditing Standards, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the School's compliance with the requirements of each of its major federal programs.

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

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

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

Report on Internal Control over Compliance

A *deficiency* in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness* in internal control over compliance is a deficiency, or 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.

To the Board of Governors of
Uplift Education

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

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

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

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas
November 17, 2023

Uplift Education

Schedule of Findings and Questioned Costs For the Year Ended June 30, 2023

Section I - Summary of Auditor's Results

Financial Statements:

An unmodified opinion was issued on the financial statements.

Internal control over financial reporting:

- Material weakness(es) identified? ___Yes √No
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? ___Yes √None reported

Noncompliance material to financial statements noted? ___Yes √No

Federal Awards:

Internal control over major programs:

- Material weakness(es) identified? ___Yes √No
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? ___Yes √None reported

An unmodified opinion was issued on compliance for major programs.

Any audit findings disclosed that are required to be reported in accordance with section 510(a) or Uniform Guidance? ___Yes √No

Identification of major programs:

<u>Federal Assistance Listing Number(s)</u>	<u>Name of Federal Programs or Cluster</u>
84.425D	Elementary & Secondary School Emergency Relief Fund (ESSER I and ESSER II)
84.425U	Elementary & Secondary School Emergency Relief Fund (ESSER III)
Threshold for distinguishing Type A and B programs:	\$1,801,682
Auditee qualified as a low- risk auditee?	<u>√</u> Yes ___No

Uplift Education

Schedule of Findings and Questioned Costs – Continued For the Year Ended June 30, 2023

Section II - Financial Statement Findings

None noted.

Uplift Education

Schedule of Findings and Questioned Costs – Continued
For the Year Ended June 30, 2023

Section III - Federal Award Findings and Questioned Costs

None noted.

Uplift Education

Schedule of Findings and Questioned Costs – Continued
For the Year Ended June 30, 2023

Section IV – Summary Schedule of Prior Year Findings

No Prior Year Findings

Uplift Education

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2023

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Assistance Listing Number	Pass Through Entity ID Number	Federal Expenditures
United States Department of Education			
<u>Direct Funding</u>			
COVID-19 ARP ESSER III	84.425U	21528001057803	\$ 4,377,333
COVID-19 CRRSA ESSER II	84.425D	21521001057803	23,233,287
ESEA, Pre-K grant	84.184H	S184H220125	39,779
Education Innovation And Research	84.411C	S411C210122	552,154
Total Direct Funding			28,202,553
<u>Passed Through State Department of Education</u>			
ESEA, Title I, Part A	84.010A	23610101057803	8,106,811
ESEA, Title I, Part A	84.010A	22610101057803	354,503
Total ESEA, Title I, Part A			8,461,314
ESEA, Title II, Part A	84.367A	23694501057803	943,283
ESEA, Title II, Part A	84.367A	22694501057803	7,108
Total ESEA, Title II, Part A			950,391
ESEA, Title III, Part A, ELA	84.365A	23671001057803	774,029
ESEA, Title III, Part A, ELA	84.365A	22671001057803	6,332
ESEA, Title III, Part A, ELA	84.365A	22671003057803	25,237
Total ESEA, Title III, Part A, ELA			805,598
LEP Summer School	84.369A	S369A210045	35,138
ESEA, Title IV, Part A, Subpart 1	84.424A	23680101057803	327,821
ESEA, Title IV, Part A, Subpart 1	84.424A	22680101057803	61,273
Total ESEA, Title IV, Part A, Subpart 1			389,094
IDEA - Part B, Formula	84.027A	226600010578036610	4,111,994
COVID-19 IDEA B (ARP) Planned for PY23	84.027A	225350020578035350	1,001,561
COVID-19 IDEA B (ARP) Planned for PY23	84.027A	225350010578035350	18,881
COVID-19 IDEA B (ARP) Planned for PY23	84.027A	225360020578035360	47,930
IDEA - Part B, Preschool	84.173A	236610010578036610	6,103
Total Special Education Cluster			5,186,470
Career and Technical Education	84.048A	23420006057803	339,186
Career and Technical Education	84.048A	22420006057803	148,151
Total Career and Technical Education			487,337
COVID-19 TCLAS ESSER III	84.425U	21528042057803	2,056,145
COVID-19 Emergency Relief Fund ESSER	84.425D	205211001057803	460,542
Total Passed through State Department of Education			18,832,029
Total United States Department of Education			47,034,582
United States Department of Agriculture			
<u>Passed Through State Department of Agriculture</u>			
National School Breakfast and Lunch Programs	10.553	236TX332N1099	12,464,506
Summer Food Service Program for Children	10.559	236TX332N1099	117,552
Total Child Nutrition Cluster			12,582,058
Total Passed Through State Department of Agriculture			12,582,058
Total United States Department of Agriculture			12,582,058
Federal Communications Commission			
<u>Passed through Universal Service Administration Company</u>			
COVID-19 Emergency Connectivity Fund	32.009	FRN# ECF2190025794	439,440
Total Passed through Universal Service Administration Company			439,440
Total Federal Communications Commission			439,440
Total Expenditures of Federal Awards			\$ 60,056,080

Uplift Education

Notes to Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2023

Note 1: General

The accompanying Schedule of Expenditures of Federal Awards (Schedule) presents the expenditures for all federal award programs received by the School for the fiscal year ended June 30, 2023.

Note 2: Basis of Accounting

The accompanying Schedule is presented using the accrual basis of accounting. The information in the Schedule is presented in accordance with the requirements of the U.S. Office of Management and Budget's OMB Compliance Supplement. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements. The School has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.