



**Audited Financial Statements In Accordance  
With Government Auditing Standards**

**June 30, 2021**

# VALENCE COLLEGE PREPARATORY CHARTER SCHOOL

## Table of Contents

	<b><u>Page</u></b>
Independent Auditor's Report	1 – 2
Statement of Financial Position	3
Statement of Activities	4
Statement of Functional Expenses	5
Statement of Cash Flows	6
Notes to Financial Statements	7 – 13
Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	14 – 15
Schedule of Findings and Questioned Costs	16

## **Independent Auditor's Report**

To the Board of Trustees of  
Valence College Preparatory Charter School

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of Valence College Preparatory Charter School (the "School"), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

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

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

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

## ***Opinion***

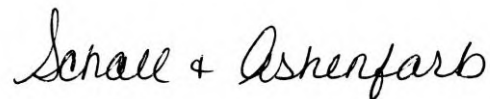
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Valence College Preparatory Charter School as of June 30, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Report on Summarized Comparative Information***

We have previously audited the School's 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 20, 2020. In our opinion, the summarized comparative information presented herein as of and for the period from inception through June 30, 2020 is consistent, in all material respects, with the audited financial statements from which it has been derived.

## ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 19, 2021 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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.



Schall & Ashenfarb  
Certified Public Accountants, LLC

October 19, 2021

**VALENCE COLLEGE PREPARATORY CHARTER SCHOOL**  
**STATEMENT OF FINANCIAL POSITION**  
**AS OF JUNE 30, 2021**  
( With comparative totals as of June 30, 2020)

	<u>6/30/21</u>	<u>6/30/20</u>
<b>Assets</b>		
Cash and cash equivalents	\$1,251,543	\$807,513
Government grants receivable - other	235,330	71,636
Prepaid expenses	180,965	105,416
Security deposit	337,750	87,750
Restricted cash (Note 3)	50,007	25,002
Fixed assets, net (Note 4)	<u>454,614</u>	<u>218,549</u>
Total assets	<u><u>\$2,510,209</u></u>	<u><u>\$1,315,866</u></u>
<b>Liabilities and Net Assets</b>		
Liabilities:		
Accounts payable and accrued expenses	\$271,743	\$288,731
Government grant advance - per pupil funding (Note 5)	<u>1,661</u>	<u>0</u>
Total liabilities	<u>273,404</u>	<u>288,731</u>
Net assets:		
Without donor restrictions	<u>2,236,805</u>	<u>1,027,135</u>
Total net assets	<u>2,236,805</u>	<u>1,027,135</u>
Total liabilities and net assets	<u><u>\$2,510,209</u></u>	<u><u>\$1,315,866</u></u>

*The attached notes and auditor's report are an integral part of these financial statements.*

**VALENCE COLLEGE PREPARATORY CHARTER SCHOOL  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2021**

(With comparative totals for the period from inception through June 30, 2020)

	<u>6/30/21</u>	<u>6/30/20*</u>
<b>Without donor restrictions:</b>		
Public support and revenue:		
Public school district revenue: (Note 5)		
Resident student enrollment	\$3,599,556	\$1,866,375
Students with special education services	474,618	209,929
Subtotal public school district revenue	4,074,174	2,076,304
New York City rental assistance (Note 5)	1,052,000	539,000
Government grant - Paycheck Protection Program (Note 6)	140,692	0
Other government grants	227,814	871,963
Contributions	30,085	342,979
Other income	6	2,118
Total public support and revenue	5,524,771	3,832,364
Expenses:		
Program services:		
Regular education	3,008,078	1,750,618
Special education	562,648	311,039
Total program services	3,570,726	2,061,657
Supporting services:		
Management and general	744,375	743,572
Total expenses	4,315,101	2,805,229
Change in net assets	1,209,670	1,027,135
Net assets - beginning	1,027,135	0
Net assets - ending	\$2,236,805	\$1,027,135

\* - Reclassified for comparative purposes

*The attached notes and auditor's report are an integral part of these financial statements.*

**VALENCE COLLEGE PREPARATORY CHARTER SCHOOL  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2021**

(With comparative totals for the period from inception through June 30, 2020)

	<u>Program Services</u>			<u>Supporting Services</u>	<u>Total Expenses 6/30/21</u>	<u>Total Expenses 6/30/20</u>
	<u>Regular Education</u>	<u>Special Education</u>	<u>Total Program Services</u>	<u>Management and General</u>		
Salaries	\$1,423,295	\$266,221	\$1,689,516	\$191,976	\$1,881,492	\$1,277,923
Payroll taxes and benefits	312,955	58,537	371,492	42,212	413,704	233,951
<b>Total personnel costs</b>	<b>1,736,250</b>	<b>324,758</b>	<b>2,061,008</b>	<b>234,188</b>	<b>2,295,196</b>	<b>1,511,874</b>
Professional fees	26,503	4,957	31,460	303,895	335,355	259,728
Curriculum and classroom expenses	71,455	13,365	84,820		84,820	107,444
Occupancy and facility costs	934,512	174,796	1,109,308		1,109,308	586,907
Non-capitalized equipment and furnishings	57,021	10,666	67,687	10,121	77,808	78,797
Office expense	3,554	665	4,219	66,673	70,892	42,323
Professional development	26,882	5,028	31,910	115,435	147,345	97,246
Insurance	45,508	8,512	54,020	9,533	63,553	39,485
Student and staff recruitment	36,283	6,787	43,070		43,070	42,411
Other expenses			0	4,530	4,530	7,985
Depreciation	70,110	13,114	83,224		83,224	31,029
<b>Total other than personnel costs</b>	<b>1,271,828</b>	<b>237,890</b>	<b>1,509,718</b>	<b>510,187</b>	<b>2,019,905</b>	<b>1,293,355</b>
<b>Total expenses</b>	<b>\$3,008,078</b>	<b>\$562,648</b>	<b>\$3,570,726</b>	<b>\$744,375</b>	<b>\$4,315,101</b>	<b>\$2,805,229</b>

*The attached notes and auditor's report are an integral part of these financial statements.*

**VALENCE COLLEGE PREPARATORY CHARTER SCHOOL**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

(With comparative totals for the period from inception through June 30, 2020)

	6/30/21	6/30/20
Cash flows from operating activities:		
Change in net assets	\$1,209,670	\$1,027,135
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	83,224	31,029
Changes in assets and liabilities:		
Government grants receivable - other	(163,694)	(71,636)
Prepaid expenses	(75,549)	(105,416)
Security deposit	(250,000)	(87,750)
Accounts payable and accrued expenses	(16,988)	288,731
Government grant advance - per pupil funding	1,661	0
Total adjustments	(421,346)	54,958
Net cash flows provided by operating activities	788,324	1,082,093
Cash flows from investing activities:		
Purchases of furniture and equipment	(319,289)	(249,578)
Net cash used for investing activities	(319,289)	(249,578)
Net increase in cash, cash equivalents and restricted cash	469,035	832,515
Cash, cash equivalents and restricted cash - beginning	832,515	0
Cash, cash equivalents and restricted cash - ending	\$1,301,550	\$832,515
Cash, cash equivalents and restricted cash:		
Cash and cash equivalents	\$1,251,543	\$807,513
Restricted cash	50,007	25,002
Total cash, cash equivalents and restricted cash	\$1,301,550	\$832,515
Supplemental disclosures:		
Interest and taxes paid	\$0	\$0

*The attached notes and auditor's report are an integral part of these financial statements.*

**VALENCE COLLEGE PREPARATORY CHARTER SCHOOL**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**Note 1 - Organization**

Valence College Preparatory Charter School (the "School"), located in Queens, New York, is a not-for-profit education corporation chartered by the Board of Trustees of the State University of New York. The School equips all scholars in grades five through eight with the academic skills, professional habits, and strength of character to graduate from college and lead lives of opportunity. The School completed the 2020-2021 fiscal year with an average enrollment of approximately 220 students. The School is a publicly funded, privately managed school, which is independent of the New York City Department of Education ("NYCDOE").

On October 23, 2018, the School was granted a provisional charter for a term up to and including June 2023.

The School has been notified by the Internal Revenue Service that it is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been reflected in the accompanying financial statements. They have not been designated as a private foundation.

The School is affiliated with Friends of Valence College Preparatory Charter School ("Friends") through the use of shared members of their respective Boards of Directors. Friends is a not-for-profit corporation established to support the School and function as the fundraising arm of the School. Friends does not meet the requirements for consolidation.

**Note 2 - Summary of Significant Accounting Policies**

a. Basis of Accounting

The financial statements have been prepared using the accrual basis of accounting, which is the process of recognizing revenue and expenses when earned or incurred rather than received or paid.

b. Basis of Presentation

Net assets are classified based upon the existence or absence of donor-imposed restrictions as follows:

- *Net Assets Without Donor Restrictions* – represents those resources for which there are no restrictions by donors as to their use.
- *Net Assets With Donor Restrictions* – represents those resources, the uses of which have been restricted by donors to specific purposes or the passage of time and/or must remain intact, in perpetuity. The release from restrictions results from the satisfaction of the restricted purposes specified by the donor. The School did not have any net assets with donor restrictions at June 30, 2021 or June 30, 2020.

c. Revenue Recognition

The School follows the requirements of the Financial Accounting Standards Board's ("FASB") Accounting Standards Update ("ASU") No. 2018-08 ("Topic 605") for recording contributions, which are recognized at the earlier of when cash is received or at the time a pledge becomes unconditional in nature.

Contributions are recorded in the net asset classes referred to above depending on the existence and/or nature of any donor-imposed restriction. When a restriction expires, that is, when a stipulated time restriction ends, or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions. If donor restricted contributions are satisfied in the same period they were received, they are classified as without donor restrictions.

The School's public-school district revenue and other government grants are primarily conditional, non-exchange transactions and fall under Topic 605. Revenue from these transactions is recognized when performance related outcomes are achieved and other conditions under the agreements are met.

The School records grants as revenue in the period they become unconditional. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Long-term pledges are recorded at fair value using an interest-free discount rate, when deemed material. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

The School reviews receivables for collectability using factors such as historical experience and a review of activity subsequent to the date of the statement of financial position. Based on knowledge of specific funders and factoring in historical experience, no allowance for doubtful accounts exists as of June 30, 2021 and June 30, 2020.

d. Cash and Cash Equivalents

The School considers all liquid investments purchased with a maturity of three months or less to be cash and cash equivalents. Restricted cash has been classified separately.

The School follows ASU 2016-18, *Statement of Cash Flows (Topic 230): Restricted Cash*. This requires that restricted cash and cash equivalents be included as components of total cash and cash equivalents as presented on the statement of cash flows.

e. Concentration of Credit Risk

Financial instruments which potentially subject the School to concentration of credit risk consist of checking accounts, which have been placed with a financial institution that management deems to be creditworthy. At various times of the year, cash balances may be in excess of insurance levels. At year end, there was a significant uninsured balance; however, the School has not experienced any losses due to bank failure.

f. Capitalization Policy

Computer hardware, furniture and equipment are capitalized at cost or at the fair value at the date of gift, if donated. The School capitalizes fixed assets in excess of \$5,000 that have a useful life of more than one year. Depreciation was computed using the straight-line method over the estimated useful life of each asset, which generally is between 3 and 5 years.

g. Donated Services

Donated services are recognized in circumstances where those services create or enhance non-financial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased, if not provided in-kind.

Board members and other individuals volunteer their time and perform a variety of services that assist the School. These services do not meet the criteria outlined above and have not been recorded in the financial statements.

h. Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the financial statements. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the School.

Salaries were allocated using time and effort as the basis. The following costs were allocated using the salary allocation as the basis:

- Payroll taxes and benefits
- Insurance

Certain program expenses have been allocated between Regular Education and Special Education based on student FTE rates. All other expenses have been charged directly to the applicable program or supporting services.

i. Use of Estimates

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

j. Contingencies

Government contracts are subject to audit by the grantor. Management does not believe that any audits, if they were to occur, would result in material disallowed costs, and has not established any reserves. Any disallowed costs would be recorded in the period notified.

k. Accounting for Uncertainty of Income Taxes

The School does not believe its financial statements include any material, uncertain tax positions. Tax filings for periods ending June 30, 2020, the School's initial filing, and later are subject to examination by applicable taxing authorities.

l. Summarized Comparative Financial Information

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the School's financial statements for the period from inception through June 30, 2020, from which the summarized information was derived.

m. New Accounting Pronouncements

FASB issued ASU No. 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, which becomes effective for the June 30, 2022 year with early adoption permitted. This ASU focuses on improving transparency in the reporting of contributed nonfinancial assets and requires a separate line-item presentation on the statement of activities and additional disclosures.

FASB issued ASU No. 2016-02, *Leases*. The ASU which becomes effective for the June 30, 2023 year, requires the full obligation of long-term leases to be recorded as a liability with a corresponding "right to use asset" on the statement of financial position.

The School is in the process of evaluating the impact these standards will have on future financial statements.

**Note 3 - Restricted Cash**

An escrow account has been established to meet the requirement of the charter agreement. The purpose of this account is to ensure sufficient funds are available for an orderly dissolution or transition process in the event of termination of the charter or school closure.

**Note 4 - Fixed Assets**

Fixed assets consist of the following:

	<u>6/30/21</u>	<u>6/30/20</u>
Furniture and fixtures	\$157,238	\$78,433
Computers and equipment	<u>411,629</u>	<u>171,145</u>
	568,867	249,578
Less: accumulated depreciation	<u>(114,253)</u>	<u>(31,029)</u>
Total fixed assets, net	<u>\$454,614</u>	<u>\$218,549</u>

**Note 5 - Government Grant Advance - Per Pupil Funding**

Activity related to the contract with the NYCDOE can be summarized as follows:

	<u>6/30/21</u>	<u>6/30/20</u>
Beginning receivable/(advance)	\$0	\$0
Per pupil funding:		
Funding based on allowable FTE's	4,074,174	2,076,304
Advances received	<u>(4,075,835)</u>	<u>(2,076,304)</u>
Ending receivable/(advance)	<u>(\$1,661)</u>	<u>\$0</u>

In addition to per pupil funding, the School was entitled to receive a rent subsidy, that is calculated at the lower of 30 percent of the per pupil amount or actual lease costs as approved by the Department of Education ("DOE"). During the year ended June 30, 2021 and the period from inception through June 30, 2020, the School recognized revenue of \$1,052,000 and \$539,000, respectively.

**Note 6 - Forgiveness of Paycheck Protection Program Loan**

During the year ended June 30, 2021, the School obtained a loan from the Small Business Administration ("SBA") through the Paycheck Protection Program ("PPP"). Terms of the loan indicated that if certain conditions were met, which included maintaining average work forces during periods subsequent to receipt of the loan funds that are not less than pre-determined historical periods, that the loan, or a portion thereof, could be forgiven.

The School accounts for the PPP loan as a conditional grant in accordance with Topic 605. The School met all conditions during the year, and this was recognized as revenue in 2021. In addition, the School was notified that full forgiveness was approved by the SBA.

**Note 7 - Significant Concentrations**

The School is dependent upon grants from the NYCDOE to carry out its operations. Approximately 93% and 68% of the School's total public support and revenue was from the NYCDOE for the year ended June 30, 2021 and the period from inception through June 30, 2020, respectively. If the NYCDOE were to discontinue funding, it would have a severe economic impact on the School's ability to operate.

**Note 8 - Commitments and Contingencies**

Commitments

During the year ended June 30, 2021, the School occupied space under a lease that expired at the end of the year. The School incurred rent expense of \$1,052,000 during 2021 and moved out of the space on June 30, 2021.

The School entered into a non-cancellable lease with Friends, the related party referred to in Note 1. Per the terms of this lease, the School paid a deposit of \$250,000 at the inception of the lease, with additional security deposits of \$150,000 due before the first anniversary of the lease and \$200,000 due before the second anniversary of the lease.

The lease started on July 1, 2021 and expires on June 30, 2052. Minimum future rental payments under this lease are as follows:

Year ending:	June 30, 2022	\$1,730,000
	June 30, 2023	2,170,250
	June 30, 2024	2,224,506
	June 30, 2025	2,280,119
	June 30, 2026	2,337,122
	Thereafter	<u>86,375,845</u>
Total		<u>\$97,117,842</u>

**Note 9 - Retirement Plan**

The School has a retirement plan (“Plan”) under Section 403(b) of the Internal Revenue Code. All employees are eligible to participate. Employees may elect to defer a portion of their salary and contribute to the Plan up to statutory amounts and receive a discretionary employer-based contribution. Both employee and employer contributions are 100% vested.

The School contributed \$32,000 and \$19,000 to the Plan for the year ended June 30, 2021 and for the period from inception through June 30, 2020, respectively.

**Note 10 - Availability and Liquidity**

At June 30, 2021, the School’s financial assets available to meet cash needs for general expenditures within one year are \$1,486,873, which consist of cash and cash equivalents of \$1,251,543 and grants receivable due within one year of \$235,330. There are no external or internal limits imposed on these balances. As part of its liquidity management, the School operates its programs within a board approved budget and relies on grants and contributions to fund its operations and program activities.

**Note 11 - Subsequent Events**

Management has evaluated for potential recognition and disclosure events subsequent to the date of the statement of financial position through October 19, 2021, the date the financial statements were available to be issued. All events that have occurred subsequent to the statement of financial position date through our evaluation date that would require adjustment to or disclosure in the financial statements have been made.

**Note 12 - Other Matters**

On January 30, 2020, the World Health Organization declared a novel coronavirus (COVID-19) outbreak a “Public Health Emergency of International Concern” and on March 10, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, quarantines in certain areas, and forced closures of certain types of public places and businesses. The coronavirus and actions taken to mitigate it have had, and are expected to continue to have, an adverse impact on the economies and financial markets of many countries, including the geographical area in which the School operates. As of the date of these financial statements, many of the travel restrictions and stay at home orders have been lifted, however supply chains remain impacted. Management continues to monitor the outbreak, however as of the date of these financial statements, the potential impact cannot be quantified.

**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***

Independent Auditor's Report

To the Board of Trustees of  
Valence College Preparatory Charter School

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Valence College Preparatory Charter School (the "School"), which comprise the statement of financial position as of June 30, 2021, 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 October 19, 2021.

***Internal Control over Financial Reporting***

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

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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.

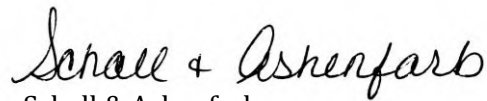
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

### ***Compliance and Other Matters***

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

### ***Purpose of this Report***

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

  
Schall & Ashenfarb  
Certified Public Accountants, LLC

October 19, 2021

**VALENCE COLLEGE PREPARATORY CHARTER SCHOOL  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
JUNE 30, 2021**

Current Year:

None

Prior Year:

None - There were no findings in the prior year.