



## Peak Prep Pleasant Valley

### Board Meeting Agenda—Reg Board Meeting Wednesday April 13th, 2022 4pm

#### Teleconference Locations:

In accordance with Government Code Section 54953(e)(1)(B), if the Charter School Board of Directors determines, that meeting in person would present imminent risks to the health or safety of attendees and in pursuant to Government Code Section 54953(e)(3), the Board has also reconsidered the circumstances of the State of Emergency declared by the Governor on March 4, 2020, and finds the State of Emergency continues to directly impact the ability of the Directors to meet safely in person and/or that State or local officials continue to impose or recommend measures to promote social distancing, the Charter school may hold public meetings via teleconferencing and make public meetings accessible telephonically or otherwise electronically to all members of the public seeking to observe and to address the local legislative body. Charter schools still need to comply with the timelines for posting agendas, including putting the agenda as a direct link on their website. The agenda must give notice of the means by which members of the public may observe and participate (e.g., conference call dial-in number, etc.). The agenda does not need to list the address from where each Board member will be calling in, agendas do not need to be posted at those locations, and the charter school does not need to make those locations accessible to the public or ensure that members of the public may address the body at those locations. A quorum of the Board does not need to participate from locations within the boundaries of the territory over which the charter school exercises jurisdiction. These changes only apply during the period in which state or local public health officials have imposed or recommended social distancing measures.

#### **virtual meeting.**

Topic: April Board Meeting

Time: Apr 13, 2022 04:00 PM Pacific Time (US and Canada)

Join Zoom Meeting

<https://us02web.zoom.us/j/82999544566?pwd=TUFBNXZkVEFWTDZJall3Tm45dENHQT09>

**Meeting ID: 829 9954 4566**  
**Passcode: PeakPrep**

One tap mobile

+19292056099,,82999544566#,,,,\*38656472# US (New York)

+13017158592,,82999544566#,,,,\*38656472# US (Washington DC)

Dial by your location

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+1 253 215 8782 US (Tacoma)

+1 346 248 7799 US (Houston)

**Meeting ID: 829 9954 4566**  
**Passcode: 38656472**

Find your local number: <https://us02web.zoom.us/j/kdp8a1VzR0>

This legislative body conducts business under the meeting requirements of the Ralph M. Brown Act.

#### MEETING AGENDA & RELATED MATERIALS

Agendas for regular board meetings as defined by the Brown Act will be posted physically within the Charter School's jurisdiction, and on the legislative body's website 72 hours prior to the start of the meeting. Agendas for special meetings as defined by the Brown Act will be posted physically within the Charter School's jurisdiction, and on the legislative body's website 24 hours prior to the start of the meeting. Materials relating to an agenda topic that is a matter of public record in open session, will be made available for public.

#### THE ORDER OF BUSINESS MAY BE CHANGED WITHOUT NOTICE

Notice is hereby given that the order of consideration of matters on this agenda may be changed without prior notice.

#### REASONABLE LIMITATIONS MAY BE PLACED ON PUBLIC TESTIMONY

The Governing Board's presiding officer reserves the right to impose reasonable time limits on public testimony to ensure that the agenda is completed.

#### REASONABLE ACCOMMODATION WILL BE PROVIDED FOR ANY INDIVIDUAL WITH A DISABILITY

Pursuant to the Rehabilitation Act of 1973 and the Americans with Disabilities Act of 1990, any individual with a disability who requires reasonable accommodation to attend or participate in this meeting may request assistance by contact Superintendent, Dr. Shalen Bishop at [Shalen.Bishop@peak-prep.org](mailto:Shalen.Bishop@peak-prep.org)

FOR MORE INFORMATION

For more information concerning this agenda or for materials relating to this meeting, please contact the Head of School's Office: Dr. Shalen Bishop at Shalen.Bishop@peak-prep.org.

**I. PRELIMINARY MATTERS**

***A. Call to Order:***

Meeting was called to order by Board Director at: \_\_\_\_\_

***B. Roll Call***

Board Member	Present	Absent
Marlo Hartsuyker		
Natalie Adams		
Sandra Taylor		
Alana Miller		

***C. Preliminary Action Item***

Board findings pursuant to Government Code Section 54953(e)

The Charter School Board of Directors determines, in accordance with Government Code Section 54953(e)(1)(B), that meeting in person would present imminent risks to the health or safety of attendees. Pursuant to Government Code Section 54953(e)(3), the Board has also reconsidered the circumstances of the State of Emergency declared by the Governor on March 4, 2020, and finds the State of Emergency continues to directly impact the ability of the Directors to meet safely in person and/or that State or local officials continue to impose or recommend measures to promote social distancing.

Board Member	Motion to Move	Second	Yes	No	Abstain	Absent
Marlo Hartsuyker						
Natalie Adams						
Sandra Taylor						
Alana Miller						

***D. Motion to adopt the agenda was moved by*** \_\_\_\_\_

Roll Call Vote:

Board Member	Motion to Move	Second	Yes	No	Abstain	Absent
Marlo Hartsuyker						
Natalie Adams						
Sandra Taylor						
Alana Miller						

## **II. PUBLIC COMMENT**

The public may comment on any item that is on the agenda or any other item that is in the Board's jurisdiction. No presentation shall be more than two (2) minutes. Individuals desiring to address the Board are requested to email Dr. Bishop (Shalen.Bishop@peak-prep.org) prior to the start of the meeting. Board members are prohibited from responding to or commenting on matters raised by the public that are not on the agenda. (Gov. Code § 54954.2(a))

Public comments may be presented through our zoom link to the meeting:  
<https://us02web.zoom.us/j/82999544566?pwd=TUFBNXZkVEFWTDZJall3Tm45dENHQT09>

(Same as zoom link above, For Phone access see agenda information above)

## **III. Public Hearing—Local Control and Accountability Plan (LCAP) & Universal Prekindergarten Plan (UPK).**

### ***A. The board will conduct a public hearing to allow members of the public to make comments on the Local Control and Accountability Plan (LCAP).***

The LCAP is a three-year plan that describes the goals, actions, services, and expenditures to support positive student outcomes that address state and local priorities. The LCAP provides an opportunity for local educational agencies (LEAs) to share their stories of how, what, and why programs and services are selected to meet their local needs (CDE, 2021).

### ***B. The board will conduct a public hearing to allow members of the public to make comments on the Universal Prekindergarten (UPK) Plan.***

The UPK Plan

Under the provisions of California Education Code (EC) Section 8281.5, grant funds are allocated to school districts, charter schools, and county offices of education (COEs) with kindergarten enrollment in specific years, according to a specified formula. In addition, funds are allocated to COEs to support countywide planning and capacity building around UPK. As a condition of receiving grant funds, state law requires each LEA to create a plan. Under state law, the plan must be developed for consideration by the LEA's governing board or body at a public meeting on or before June 30, 2022, after which the LEA must provide data, as specified by the State Superintendent of Public Instruction, to the CDE. The CDE must encumber funds by June 30, 2024. LEAs will have until June 30, 2025, to use the funds.

### ***Public Hearing Closed:***

## **IV. Information, Discussion and Action items**

***A) Approval of Consent Agenda.*** Agenda items presented in this section compose the Consent Agenda and are routine of nature. Unless an item is moved to the

Action section at the request of a board member, they will be approved by the board as a group as the first action on the agenda. Each item approved shall be deemed to have been read in full and adopted as recommended.

**1. Approval of Financial Statement.** The Chief Business Official recommends that the Board of Directors approve the revenue and expenditures as listed on the March 1st, 2022 through March 31st, 2022 Financial Statements.

**2. Approval of Board Report of Commercial Checks**  
The Chief Business Official recommends that the Board of Directors approve the commercial payments as listed on the March 1st, 2022 through March 31st, 2022 Board Report of Checks.

**3. Approval of Board Report of Purchase Orders**  
The Chief Business Official recommends that the Board of Directors approve the purchase orders as listed on the March 1st, 2022 through March 31st, 2022 Board Reports.

**4. Approve Minutes from 3/09/2022 Board Meeting.**

Board Member	Motion to Move	Second	Yes	No	Abstain	Absent
Marlo Hartsuyker						
Natalie Adams						
Sandra Taylor						
Alana Miller						

**B) Superintendent Report (No Action, just reporting out different aspects of the school program)**

- a. Highlights
- b. Programs/Academic Resources updates, if any.
- c. Upcoming Compliance Date

**C. The Board shall review, discuss and approve the 2020-2021 School Year Audit.**

Completed by the district approved auditor the completed 2020-2021 school year audit is a yearly requirement for examining fiscal and state compliances regarding Peak’s independent study and non-classroom state requirements.

Board Member	Motion to Move	Second	Yes	No	Abstain	Absent
Marlo Hartsuyker						
Natalie Adams						
Sandra Taylor						
Alana Miller						

**D. The Board will review, discuss and consider the approval of the renewal of CLA Auditors.** Peak Prep continues to use the auditors, CliftonLarsen Auditors, that also serve the school district. Annually, Peak must renew it's agreement with CLA. CLA will conduct the audit and Form 990.

Board Member	Motion to Move	Second	Yes	No	Abstain	Absent
Marlo Hartsuyker						
Natalie Adams						
Sandra Taylor						
Alana Miller						

**E. The Board will review, discuss and consider approving the Superintendent vacation days payout.** Gearing up for a new employment agreement that would place the superintendent on contract days and provide sick leave, the school will pay out any remaining vacation days within the superintendent's previous agreement.

Board Member	Motion to Move	Second	Yes	No	Abstain	Absent
Marlo Hartsuyker						
Natalie Adams						
Sandra Taylor						
Alana Miller						

**G. The Board will review, discuss and consider approving** the proposal for Peak Prep to partner with the Pleasant Valley School District (PVSD) and transition from an independently governed charter school to a dependent charter school. The school has had a School Site Committee meeting and Public Hearing on this agenda item.

Board Member	Motion to Move	Second	Yes	No	Abstain	Absent
Marlo Hartsuyker						
Natalie Adams						
Sandra Taylor						
Alana Miller						

**V. Board Members Remarks and Announcements**

***VI. ADJOURNMENT***

MOTION FOR ADJOURNMENT Motion to Adjourn

Roll Call Vote:

Board Member	Motion to Move	Second	Yes	No	Abstain	Absent
Marlo Hartsuyker						
Natalie Adams						
Sandra Taylor						
Alana Miller						

Adjourned at \_\_\_\_\_

Checks Dated 03/01/2022 through 03/31/2022					
Check Number	Check Date	Pay to the Order of	Fund-Object	Expensed Amount	Check Amount
5038800323	03/01/2022	Kenzie, Sara M	620-5220		550.00
5038800324	03/01/2022	VanHorn, Lara J	620-5220		695.00
5038800325	03/03/2022	Bishop, Shalen	620-4300	4,841.76	
			620-5901	656.45	
			620-5903	17.90	5,516.11
5038800326	03/07/2022	Amazon Capital Services Inc ACCOUNT NUMBER A2ANLA6W681S3Q	620-4300		869.72
5038800327	03/07/2022	Lakeshore Learning Materials	620-4300		294.82
5038800328	03/07/2022	Jessica Beusterien Lane	620-5800		500.00
5038800329	03/07/2022	Learning Plus Associates	620-4100		3,695.00
5038800330	03/07/2022	Young Minney & Corr, LLP	620-5899		7,903.05
5038800331	03/08/2022	Weisz Linehan, Karin	620-5220		565.68
5038800332	03/08/2022	Anthem Blue Cross	620-9534		18,963.87
5038800333	03/08/2022	Kaiser Foundation Health Plan	620-9534		972.68
5038800334	03/15/2022	Bishop, Shalen	620-5901		823.33
5038800335	03/15/2022	Accelerate Education Inc	620-4100	1,093.95	
			Unpaid Tax	73.95-	1,020.00
5038800336	03/15/2022	WEX Health Inc.	620-9539		135.00
5038800337	03/17/2022	Ciolino, Sabrina N	620-5220		438.76
5038800338	03/17/2022	Bishop, Shalen	620-5220	641.76	
			620-5903	17.90	659.66
5038800339	03/17/2022	Lakeshore Learning Materials	620-4300		244.40
5038800340	03/17/2022	Smekens Education Solutions	620-5220		1,196.00
5038800341	03/22/2022	T-Mobil USA Inc	620-5902		640.00
5038800342	03/23/2022	Ciolino, Sabrina N	620-5220		199.00
5038800343	03/23/2022	Amazon Capital Services Inc ACCOUNT NUMBER A2ANLA6W681S3Q	620-4300		101.77
5038800344	03/23/2022	The Lincoln National Life Insurance Company	620-9539		603.27
5038800345	03/29/2022	CliftonLarsonAllen LLP	620-5801		3,370.50
5038800346	03/30/2022	Bishop, Shalen	620-4300	162.44	
			620-5903	144.90	307.34
5038800347	03/30/2022	Amazon Capital Services Inc ACCOUNT NUMBER A2ANLA6W681S3Q	620-4300		70.28
5038800348	03/31/2022	Cordero, Allison B	620-5220		536.96
5038800349	03/31/2022	Fox-McLean, Molly A	620-5903		21.50
5038800350	03/31/2022	Amazon Capital Services Inc ACCOUNT NUMBER A2ANLA6W681S3Q	620-4300		120.98
			<b>Total Number of Checks</b>	<b>28</b>	<b>51,014.68</b>

### Fund Recap

Fund	Description	Check Count	Expensed Amount
620	Peak Prep	28	51,088.63

The preceding Checks have been issued in accordance with the District's Policy and authorization of the Board of Trustees. It is recommended that the preceding Checks be approved.

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**Checks Dated 03/01/2022 through 03/31/2022**

Check Number	Check Date	Pay to the Order of	Fund-Object	Expensed Amount	Check Amount
		Total Number of Checks	28	51,088.63	
		Less Unpaid Tax Liability		73.95-	
		<b>Net (Check Amount)</b>		<b>51,014.68</b>	

The preceding Checks have been issued in accordance with the District's Policy and authorization of the Board of Trustees. It is recommended that the preceding Checks be approved.

**Includes Purchase Orders dated 03/01/2022 - 03/31/2022**

PO Number	Vendor Name	Order Location	Object Description	Resource Description	Account Amount
P3822-00074	Jessica Beusterien Lane	Peak Prep	Prof/ConslServ	Unrestricted	500.00
P3822-00075	Accelerate Education Inc	Peak Prep	Txtbk	Supp/Conc	1,093.95
P3822-00076	Smekens Education Solutions	Peak Prep	StffDvlpmnt	NCLBllprtA	1,196.00
P3822-00077	NCS Pearson Inc	Peak Prep	Mtrls&Spls	SpEd ADR	977.32
<b>Total Number of POs</b>			<b>4</b>	<b>Total</b>	<b>3,767.27</b>

**Fund Recap**

Fund	Description	PO Count	Amount
620	Peak Prep	4	3,767.27

**PO Changes**

	New PO Amount	Fund/ Object	Description	Change Amount
B3822-00007	30,280.00	620-5899	Peak Prep/LglSrvcsBx14	2,623.05-
<b>Total PO Changes</b>				<b>2,623.05-</b>

The preceding Purchase Orders have been issued in accordance with the District's Purchasing Policy and authorization of the Board of Trustees. It is recommended that the preceding Purchase Orders be approved and that payment be authorized upon delivery and acceptance of the items ordered.

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**Fund 620 - Peak Prep** **Fiscal Year 2021/22 Through April 2022**

Object	Description	Adopted Budget	Revised Budget	Revenue	Balance	% Rcvd
<b>Revenue Detail</b>						
<b>LCFF Revenue Sources</b>						
8011	Revenue Limit State Aid Curr	1,446,268.00	1,383,823.00	979,972.00	403,851.00	70.82
8012	Education Protection Act	58,136.00	58,136.00	32,942.00	25,194.00	56.66
8019	Revenue Limit State Aid Prior			47,268.00-	47,268.00	NO BDGT
8096	Trs In-Lieu from Property Tax	1,054,366.00	1,077,501.00	672,218.00	405,283.00	62.39
	<b>Total LCFF Revenue Sources</b>	<b>2,558,770.00</b>	<b>2,519,460.00</b>	<b>1,637,864.00</b>	<b>881,596.00</b>	<b>65.01</b>
<b>Federal Revenue</b>						
8181	Special Education Entitlement	48,407.00	43,080.00		43,080.00	
8290	All Other Federal Revenue	368,612.00	292,708.00	139,441.44	153,266.56	47.64
	<b>Total Federal Revenue</b>	<b>417,019.00</b>	<b>335,788.00</b>	<b>139,441.44</b>	<b>196,346.56</b>	<b>41.53</b>
<b>Other State Revenues</b>						
8550	Mandated Cost Reimbursements	10,206.00	10,417.00	10,417.00		100.00
8560	State Lottery Grant	48,844.00	75,323.00	1,287.73	74,035.27	1.71
8590	Other State		86,845.00	72,779.00	14,066.00	83.80
	<b>Total Other State Revenues</b>	<b>59,050.00</b>	<b>172,585.00</b>	<b>84,483.73</b>	<b>88,101.27</b>	<b>48.95</b>
<b>Other Local Revenue</b>						
8660	Interest	5,000.00	5,000.00	2,596.22	2,403.78	51.92
8699	All Other Local Revenue		5,641.00	5,641.21	.21-	100.00
8792	Transfers of Apportionments Fr	174,931.00	207,043.00		207,043.00	
	<b>Total Other Local Revenue</b>	<b>179,931.00</b>	<b>217,684.00</b>	<b>8,237.43</b>	<b>209,446.57</b>	<b>3.78</b>
	<b>Total Year To Date Revenues</b>	<b>3,214,770.00</b>	<b>3,245,517.00</b>	<b>1,870,026.60</b>	<b>1,375,490.40</b>	<b>57.62</b>

Object	Description	Adopted Budget	Revised Budget	Encumbrance	Actual	Balance	% Used
<b>Expenditure Detail</b>							
<b>Certificated Salaries</b>							
1100	Teacher	1,248,100.00	1,248,413.00	388,883.23	833,442.11	26,087.66	66.76
1130	Certificated Stipends	30,000.00	62,500.00	23,750.00	28,750.00	10,000.00	46.00
1140	Certificated Extra Duty				118.29	118.29-	NO BDGT
1200	Certificated Pupil Support Sal	177,500.00	210,000.00	66,818.19	143,181.75	.06	68.18
1230	Cert Pupil Support Stipend	5,000.00	5,000.00			5,000.00	
1300	Certificated Administrators	260,000.00	260,000.00	75,833.38	184,166.78	.16-	70.83
1330	Administration Stipend	2,500.00	2,500.00			2,500.00	
1900	Other Certificated Salaries			2,500.00	8,005.00	10,505.00-	NO BDGT
	<b>Total Certificated Salaries</b>	<b>1,723,100.00</b>	<b>1,788,413.00</b>	<b>557,784.80</b>	<b>1,197,663.93</b>	<b>32,964.27</b>	<b>66.97</b>

Selection Grouped by Account Type - Sorted by Org, Fund, Object, Filtered by (Org = 638, Starting Period = 1, Ending Account Period = 0, Stmt Option? = , Zero Amounts? = N, SACS? = N, Restricted? = Y)

Fund 620 - Peak Prep

Fiscal Year 2021/22 Through April 2022

Object	Description	Adopted Budget	Revised Budget	Encumbrance	Actual	Balance	% Used
<b>Expenditure Detail (continued)</b>							
<b>Classified Salaries</b>							
2100	Instructional Aides	20,062.00	20,062.00			20,062.00	
2400	Clerical & Office Salaries	112,844.00	112,844.00	33,287.94	79,555.74	.32	70.50
<b>Total Classified Salaries</b>		<b>132,906.00</b>	<b>132,906.00</b>	<b>33,287.94</b>	<b>79,555.74</b>	<b>20,062.32</b>	<b>59.86</b>
<b>Employee Benefits</b>							
3301	OASDI/Medicare Certificated	124,709.00	130,307.00	40,994.18	87,201.54	2,111.28	66.92
3302	OASDI/Medicare Classified	10,114.00	10,168.00	2,546.53	6,086.11	1,535.36	59.86
3401	Health/Dental/Vision Cert	244,171.00	220,254.00	66,557.75	142,772.59	10,923.66	64.82
3402	Health/Dental/Vision Class	20,460.00	19,047.00	6,666.59	12,380.81	.40-	65.00
3501	SUI Certificated	20,096.00	8,544.00	2,679.41	5,727.14	137.45	67.03
3502	SUI Classified	1,626.00	664.00	166.46	397.85	99.69	59.92
3601	Workers' Comp Certificated	28,433.00	29,486.00	9,203.68	19,761.96	520.36	67.02
3602	Workers' Comp Classified	2,193.00	2,193.00	549.22	1,312.63	331.15	59.86
3901	403B and OtherBenCert	4,325.00	4,989.00	1,639.34	3,348.78	.88	67.12
3902	403B and OtherBen Class	220.00	282.00	95.69	186.73	.42-	66.22
<b>Total Employee Benefits</b>		<b>456,347.00</b>	<b>425,934.00</b>	<b>131,098.85</b>	<b>279,176.14</b>	<b>15,659.01</b>	<b>65.54</b>
<b>Books and Supplies</b>							
4100	Textbooks	278,593.00	278,593.00	6,435.00	216,116.80	56,041.20	77.57
4300	Materials and Supplies	45,450.00	61,235.00	19,913.32	61,478.34	20,156.66-	100.40
4400	Non-Capitalized Equipment		1,883.00		3,280.91	1,397.91-	174.24
<b>Total Books and Supplies</b>		<b>324,043.00</b>	<b>341,711.00</b>	<b>26,348.32</b>	<b>280,876.05</b>	<b>34,486.63</b>	<b>82.20</b>
<b>Services and Other Operating Expenditures</b>							
5200	Travel and Conference	5,050.00	5,050.00		272.56	4,777.44	5.40
5220	Staff Development	18,079.00	21,741.00		35,553.48	13,812.48-	163.53
5300	Dues and Memberships	3,030.00	3,030.00		385.00	2,645.00	12.71
5450	Other Insurance	13,668.00	20,413.00		20,413.00		100.00
5600	Repair, Maintenance Building	18,540.00	18,540.00		3,093.96	15,446.04	16.69
5800	Professional/Consultion Serv	186,573.00	230,782.00	27,994.58	140,169.64	62,617.78	60.74
5801	Audit Services	13,181.00	13,181.00	13,550.00	17,881.50	18,250.50-	135.66
5803	Business Services Authority	216,659.00	218,354.00	144,439.34	72,219.66	1,695.00	33.07
5899	Legal Services Box 14	30,000.00	30,000.00	3.38	30,276.62	280.00-	100.92
5901	Communication Services-Phone	4,040.00	5,500.00		7,533.33	2,033.33-	136.97
5902	Internet Services	404.00	3,500.00	560.00	3,626.60	686.60-	103.62
5903	Postage	909.00	5,000.00		3,148.93	1,851.07	62.98
<b>Total Services and Other Operating Expenditures</b>		<b>510,133.00</b>	<b>575,091.00</b>	<b>186,547.30</b>	<b>334,574.28</b>	<b>53,969.42</b>	<b>58.18</b>

Selection Grouped by Account Type - Sorted by Org, Fund, Object, Filtered by (Org = 638, Starting Period = 1, Ending Account Period = 0, Stmt Option? = , Zero Amounts? = N, SACS? = N, Restricted? = Y)

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Fund 620 - Peak Prep

Fiscal Year 2021/22 Through April 2022

Total Year To Date Expenditures	3,146,529.00	3,264,055.00	935,067.21	2,171,846.14	157,141.65	66.54
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Fund 620 - Peak Prep		Fiscal Year 2021/22 Through April 2022		
Object	Description	Beginning Balance	Year to Date Activity	Ending Balance
<b>Fund Reconciliation</b>				
<b>Assets</b>				
9110	Cash in County Treasury	1,577,951.84	43,827.38-	1,534,124.46
9120	Cash in Bank Account	5,915.79	5,915.79-	
9200	Accounts Receivable	564,937.28	517,669.28-	47,268.00
9201	Accounts Receivable-Payroll	2,751.85		2,751.85
9290	Due From Other Governments	769,542.28	769,542.28-	
9330	Prepaid Rent	43,981.93	43,981.93-	
	<b>Total Assets</b>	<b>2,965,080.97</b>	<b>1,380,936.66-</b>	<b>1,584,144.31</b>
<b>Liabilities</b>				
9510	Accounts Payable	306,431.24	306,431.24-	
9530	Summer Pay Liability		21,521.37	21,521.37
9534	Health & Welfare Ins Payable	19,007.93	46,918.86-	27,910.93-
9535	State Unemployment Insurance	1,066.37	1,724.97	2,791.34
9536	Workers' Comp Ins Payable	99.60-		99.60-
9539	Miscellaneous Deductions	3,022.58	1,978.15-	1,044.43
9552	Sales Tax Payable	1,084.60	968.75-	115.85
9590	Due to Other Governments	944,613.00	3,933.54	948,546.54
9669	Other General Long-Term Liab		850,000.00	850,000.00
	<b>Total Liabilities</b>	<b>1,275,126.12</b>	<b>520,882.88</b>	<b>1,796,009.00</b>
	<b>Calculated Fund Balance</b>	<b>1,689,954.85</b>	<b>1,901,819.54-</b>	<b>211,864.69-</b>
<b>Beginning Fund Balance</b>				
9791	Beginning Fund Balance	1,689,954.85		1,689,954.85
9795	Other Restatements		1,600,000.00-	1,600,000.00-
	<b>Total Beginning Fund Balance</b>	<b>1,689,954.85</b>	<b>1,600,000.00-</b>	<b>89,954.85</b>
	<b>Beginning Fund Balance Proof</b>	<b>.00</b>	<b>301,819.54-</b>	<b>301,819.54-</b>
<b>Change in Fund Balance - Excess Revenues ( Expenditures )</b>			<b>(301,819.54)</b>	

**Memo Only - Ending Fund Balance Accounts**

	Adopted	Revised
<b>Reserves</b>		
9720	Reserve for Encumbrances	935,067.21
<b>Other Designations</b>		
9790	Undesignated/Unappropriated	589,464.00
<b>9796 - 9799</b>		
9796	Capital Assets Net of Debt	163,203.00
9797	Restricted Net Assets	168,750.00

Selection Grouped by Account Type - Sorted by Org, Fund, Object, Filtered by (Org = 638, Starting Period = 1, Ending Account Period = 0, Stmt Option? = , Zero Amounts? = N, SACS? = N, Restricted? = Y)

Fund 620 - Peak Prep

Fiscal Year 2021/22 Through April 2022

Description	Adopted Budget	Revised Budget	Encumbrance	Actual	Budget Balance	% of Budget
<b>Memo Only - Ending Fund Balance Accounts (continued)</b>						
	Adopted Total 9796 - 9799	Revised .00		Actual .00	Budget Balance .00	

Fund 620 - Peak Prep		Fiscal Year 2021/22 Through April 2022				
Description	Adopted Budget	Revised Budget	Encumbrance	Actual	Budget Balance	% of Budget
<b>Revenues, Expenditures, and Changes in Fund Balance</b>						
A. Revenues	3,214,770.00	3,245,517.00		1,870,026.60	1,375,490.40	57.62
B. Expenditures	3,146,529.00	3,264,055.00	935,067.21	2,171,846.14	157,141.65	66.54
C. Subtotal (Revenue LESS Expense)	68,241.00	18,538.00-		301,819.54-	1,218,348.75	
D. Other Financing Sources and Uses						
Sources						
LESS Uses						
E. Net Change in Fund Balance	68,241.00	18,538.00-		301,819.54-	1,218,348.75	
F. Fund Balance:						
Beginning Balance (9791)	1,290,021.00	1,689,955.00		1,689,954.85		
Audit Adjustments (9793)						
Other Restatements (9795)		750,000.00-		1,600,000.00-		
Adjusted Beginning Balance	1,290,021.00	939,955.00		89,954.85		
G. Calculated Ending Balance	1,358,262.00	921,417.00		211,864.69-		
*Components of Ending Fund Balance						
Legally Restricted (9740)						
Other Designations (9780)						
Undesig/Unapprop (9790)	20,412.00	589,464.00				
Other	1,337,850.00	331,953.00		935,067.21		





**CliftonLarsonAllen LLP**

2210 East Route 66  
Glendora, CA 91740

**phone** 626.857.7300 **fax** 626.857.7302  
**CLAAconnect.com**

March 29, 2022

Board of Directors and Management  
Peak Prep Pleasant Valley Charter School  
2150 Pickwick Drive, Suite 304  
Camarillo, CA 93010

Dear Members of the Board and Management:

We are pleased to confirm our understanding of the terms and objectives of our engagement and the nature and limitations of the audit and nonaudit services CliftonLarsonAllen LLP (“CLA,” “we,” “us,” and “our”) will provide for Peak Prep Pleasant Valley Charter School (“you,” “your,” or “the entity”) for the year ended June 30, 2022.

Taylor Ulrich is responsible for the performance of the audit engagement.

#### **Scope of audit services**

We will audit the financial statements of the Organization, which comprise the statement of financial position as of June 30, 2022, and the related statements of activities, functional expenses, and cash for the year then ended, and the related notes to the financial statements.

We will also evaluate and report on the presentation of the supplementary information accompanying the financial statements in relation to the financial statements as a whole.

#### **Nonaudit services**

We will also provide the following nonaudit services:

- Preparation of your financial statements and related notes.
- Preparation of adjusting journal entries.
- Preparation of the informational tax return

## **Audit objectives**

The objectives of our audit 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 auditors' report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP). 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 auditing standards generally accepted in the United States of America (U.S. GAAS) will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and 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.

Our audit will be conducted in accordance with U.S. GAAS and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require us to be independent of the entity and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. Our audit will include tests of your accounting records and other procedures we consider necessary to enable us to express such an opinion.

We will issue a written report upon completion of our audit of your financial statements. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinion, add an emphasis-of-matter or other-matter paragraph to our auditors' report, or if necessary, withdraw from the engagement. If our opinion on the financial statements is other than unmodified, we will discuss the reasons with you in advance. If circumstances occur related to the condition of your records, the availability of sufficient, appropriate audit evidence, or the existence of a significant risk of material misstatement of the financial statements caused by error, fraudulent financial reporting, or misappropriation of assets, which in our professional judgment prevent us from completing the audit or forming an opinion on the financial statements, we retain the right to take any course of action permitted by professional standards, including declining to express an opinion or issue a report, or withdrawing from the engagement.

We will also provide a report (which does not include an opinion) on internal control over financial reporting and on compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements, as required by *Government Auditing Standards*. The report on internal control over financial reporting and on compliance and other matters will include a paragraph that states (1) that the purpose of the 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, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that the entity is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit conducted in accordance with U.S. GAAS and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

### **Auditor responsibilities, procedures, and limitations**

We will conduct our audit in accordance with U.S. GAAS and the standards for financial audits contained in *Government Auditing Standards*. Those standards require that we exercise professional judgment and maintain professional skepticism throughout the planning and performance of the audit. As part of our audit, we will:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. 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.
- 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 entity's internal control. However, we will communicate to you in writing any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.
- 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, including the amounts and disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the entity's ability to continue as a going concern for a reasonable period of time.

There is an unavoidable risk, because of the inherent limitations of an audit, together with the inherent limitations of internal control, that some material misstatements may not be detected, even though the audit is properly planned and performed in accordance with U.S. GAAS and *Government Auditing Standards*. Because we will not perform a detailed examination of all transactions, material misstatements, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity, may not be detected. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not require auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management and those charged with governance of any material errors, fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management and those charged with governance of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential.

Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting fraud or errors that are material to the financial statements and to preventing and detecting misstatements resulting from noncompliance with provisions of laws, regulations, contracts, and grant agreements that have a material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*. An audit is not designed to provide assurance on internal control or to identify deficiencies, significant deficiencies, or material weaknesses in internal control. However, we will communicate to you in writing significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we identify during the audit that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the entity's compliance with the provisions of laws, regulations, contracts, and grant agreements that have a material effect on the financial statements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

We will include in our report on internal control over financial reporting and on compliance relevant information about any identified or suspected instances of fraud and any identified or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements that may have occurred that are required to be communicated under *Government Auditing Standards*.

Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

### **Management responsibilities**

Our audit will be conducted on the basis that you (management and, when appropriate, those charged with governance) acknowledge and understand that you have certain responsibilities that are fundamental to the conduct of an audit.

You are responsible for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP. Management's responsibilities include the selection and application of accounting principles; recording and reflecting all transactions in the financial statements; determining the reasonableness of significant accounting estimates included in the financial statements; adjusting the financial statements to correct material misstatements; and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. 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 entity's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

You are responsible for the design, implementation, and maintenance of effective internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including evaluating and monitoring ongoing activities and safeguarding assets to help ensure that appropriate goals and objectives are met. You are responsible for the design, implementation, and maintenance of internal controls to prevent and detect fraud; assessing the risk that the financial statements may be materially misstated as a result of fraud; and for informing us about all known or suspected fraud affecting the entity involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for implementing systems designed to achieve compliance with applicable laws and regulations and the provisions of contracts and grant agreements; identifying and ensuring that the entity complies with applicable laws, regulations, contracts, and grant agreements; and informing us of all instances of identified or suspected noncompliance whose effects on the financial statements should be considered. You are responsible for taking timely and appropriate steps to remedy any fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we may report.

You are responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, including amounts and disclosures, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters, and for the accuracy and completeness of that information (including information from within and outside of the general and subsidiary ledgers), and for ensuring management information and financial information is reliable and properly reported; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence. You agree to inform us of events occurring or facts discovered subsequent to the date of the financial statements that may affect the financial statements.

Management is responsible for the preparation of the supplementary information in accordance with U.S. GAAP. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon or make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. You agree to provide us written representations related to the presentation of the supplementary information.

Management is responsible for providing us with a written confirmation concerning representations made by you and your staff to us in connection with the audit. During our engagement, we will request information and explanations from you regarding, among other matters, the entity's activities, internal control, future plans, specific transactions, and accounting systems and procedures. The procedures we will perform during our engagement and the conclusions we reach as a basis for our report will be heavily influenced by the representations that we receive in the representation letter and otherwise from you. Accordingly, inaccurate, incomplete, or false representations could cause us to expend unnecessary effort or could cause a material fraud or error to go undetected by our procedures. In view of the foregoing, you agree that we shall not be responsible for any misstatements in the entity's financial statements that we may fail to detect as a result of misrepresentations made to us by you.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for us previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the “Audit objectives” section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other engagements or studies. You are also responsible for providing management’s views on our current findings, conclusions, and recommendations, as well as your planned corrective actions for the report, and for the timing and format for providing that information.

### **Responsibilities and limitations related to nonaudit services**

For all nonaudit services we may provide to you, management agrees to assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, and/or experience to understand and oversee the services; evaluate the adequacy and results of the services; and accept responsibility for the results of the services. Management is also responsible for ensuring that your data and records are complete and that you have received sufficient information to oversee the services.

The responsibilities and limitations related to the nonaudit services performed as part of this engagement are as follows:

- We will prepare a draft of your financial statements and related notes. Since the preparation and fair presentation of the financial statements is your responsibility, you will be required to acknowledge in the representation letter our assistance with preparation of the financial statements and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for those financial statements. You have a responsibility to be in a position in fact and appearance to make an informed judgment on those financial statements.
- We will propose adjusting journal entries as needed. You will be required to review and approve those entries and to understand the nature of the changes and their impact on the financial statements.
- We will prepare the organization’s federal Form 990 and applicable state filings in accordance with the applicable tax laws. We will use our judgment in resolving questions where the law is unclear, and where there is reasonable authority, we will resolve questions in your favor whenever possible. We will not audit or independently verify the accuracy or completeness of the information we receive from you for the preparation of the returns and filings, and our engagement cannot be relied upon to uncover errors or irregularities in the underlying information.

These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*.

### **Use of financial statements**

The financial statements and our report thereon are for management's use. If you intend to reproduce and publish the financial statements and our report thereon, they must be reproduced in their entirety. Inclusion of the audited financial statements in a document, such as an annual report or an offering document, should be done only with our prior approval of the document. You are responsible to provide us the opportunity to review such documents before issuance.

If the parties (i.e., you and CLA) agree that CLA will not be involved with your official statements related to municipal securities filings or other offering documents, we will require that any official statements or other offering documents issued by you with which we are not involved clearly indicate that CLA is not involved with the contents of such documents. Such disclosure should read as follows:

CliftonLarsonAllen LLP, our independent auditor, has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. CliftonLarsonAllen LLP also has not performed any procedures relating to this offering document.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website or submitted on a regulator website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in those sites or to consider the consistency of other information in the electronic site with the original document.

We may issue preliminary draft financial statements to you for your review. Any preliminary draft financial statements should not be relied on or distributed.

### **Engagement administration and other matters**

We expect to begin our audit in May 2022.

We understand that your employees will prepare all confirmations, account analyses, and audit schedules we request and will locate any documents or invoices selected by us for testing. A list of information we expect to need for our audit and the dates required will be provided in a separate communication.

We will provide copies of our reports to the entity; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing confidential or sensitive information, copies of our reports are to be made available for public inspection.

We are available to perform additional procedures with regard to fraud detection and prevention, at your request, as a separate engagement, subject to completion of our normal engagement acceptance procedures. The terms and fees of such an engagement would be documented in a separate engagement letter.

The audit documentation for this engagement is the sole and exclusive property of CLA and constitutes confidential and proprietary information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the regulator, or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of CLA personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of seven years after the report release date or for any additional period requested by the regulator. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

CLA will not disclose any confidential, proprietary, or privileged information of the entity to any persons without the authorization of entity management or unless required by law. This confidentiality provision does not prohibit us from disclosing your information to one or more of our affiliated companies in order to provide services that you have requested from us or from any such affiliated company. Any such affiliated company shall be subject to the same restrictions on the use and disclosure of your information as apply to us.

Professional standards require us to be independent with respect to you in the performance of these services. Any discussion that you have with our personnel regarding potential employment with you could impair our independence with respect to this engagement. Therefore, we request that you inform us prior to any such discussions so that we can implement appropriate safeguards to maintain our independence and objectivity. Further, any employment offers to any staff members working on this engagement without our prior knowledge may require substantial additional procedures to ensure our independence. You will be responsible for any additional costs incurred to perform these procedures.

Our relationship with you is limited to that described in this letter. As such, you understand and agree that we are acting solely as independent accountants. We are not acting in any way as a fiduciary or assuming any fiduciary responsibilities for you. We are not responsible for the preparation of any report to any governmental agency, or any other form, return, or report or for providing advice or any other service not specifically recited in this letter.

Our engagement ends on delivery of our signed report. Any additional services that might be requested will be a separate, new engagement. The terms and conditions of that new engagement will be governed by a new, specific engagement letter for that service.

*Government Auditing Standards* require that we make our most recent external peer review report publicly available. The report is posted on our website at [www.CLAconnect.com/Aboutus/](http://www.CLAconnect.com/Aboutus/).



**Mediation**

Any disagreement, controversy, or claim (“Dispute”) that may arise out of any aspect of our services or relationship with you, including this engagement, shall be submitted to non-binding mediation by written notice (“Mediation Notice”) to the other party. In mediation, we will work with you to resolve any differences voluntarily with the aid of an impartial mediator.

The mediation will be conducted as specified by the mediator and agreed upon by the parties. The parties agree to discuss their differences in good faith and to attempt, with the assistance of the mediator, to reach an amicable resolution of the Dispute.

Each party will bear its own costs in the mediation. The fees and expenses of the mediator will be shared equally by the parties.

Any Dispute will be governed by the laws of the state of Minnesota, without giving effect to choice of law principles.

**Time limitation**

The nature of our services makes it difficult, with the passage of time, to gather and present evidence that fully and fairly establishes the facts underlying any Dispute that may arise between the parties. The parties agree that, notwithstanding any statute or law of limitations that might otherwise apply to a Dispute, including one arising out of this agreement or the services performed under this agreement, for breach of contract or fiduciary duty, tort, fraud, misrepresentation or any other cause of action or remedy, any action or legal proceeding by you against us must be commenced within twenty-four (24) months (“Limitation Period”) after the date when we deliver our final audit report under this agreement to you, regardless of whether we do other services for you relating to the audit report, or you shall be forever barred from commencing a lawsuit or obtaining any legal or equitable relief or recovery.

The Limitation Period applies and begins to run even if you have not suffered any damage or loss, or have not become aware of the existence or possible existence of a Dispute.

**Fees**

	<b>June 30, 2022</b>
Audit services *	\$ 10,800
Information tax return services	2,200
Technology and Client Service Fee (5%)	<u>650</u>
<b>Total Fees</b>	<b><u>\$ 13,550</u></b>

\* Should federal expenditures exceed \$750,000, a change in scope and fee will be required.

These fees are based on anticipated cooperation from your personnel and their assistance with preparing confirmations and requested schedules. If the requested items are not available on the dates required or are not accurate, the fees and expenses will likely be higher. If unexpected circumstances require significant additional time, we will advise you before undertaking work that would require a substantial increase in the fee and expense estimates. Our invoices, including applicable state and local taxes, will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed even if we have not issued our reports. You will be obligated to compensate us for all time expended and related fees and to reimburse us for all out-of-pocket expenditures through the date of termination.

***Changes in accounting and audit standards***

Standard setters and regulators continue to evaluate and modify standards. Such changes may result in new or revised financial reporting and disclosure requirements or expand the nature, timing, and scope of the activities we are required to perform. To the extent that the amount of time required to provide the services described in this letter increases due to such changes, our fee may need to be adjusted. We will discuss such circumstances with you prior to performing the additional work.

***Other fees***

You also agree to compensate us for any time and expenses, including time and expenses of legal counsel, we may incur in responding to discovery requests or participating as a witness or otherwise in any legal, regulatory, or other proceedings that we are asked to respond to on your behalf.

***Finance charges and collection expenses***

You agree that if any statement is not paid within 30 days from its billing date, the unpaid balance shall accrue interest at the monthly rate of one and one-quarter percent (1.25%), which is an annual percentage rate of 15%. In the event that any collection action is required to collect unpaid balances due us, reasonable attorney fees and expenses shall be recoverable.

***Consent***

***Consent to use information for benchmarking analysis***

In an effort to better serve the needs of our clients, we develop a variety of benchmark, performance indicator, and predictive analysis reports, using anonymized client data obtained from our audit, tax, and other engagements. Business and financial information that you provide to us may be combined with information from other clients and included within the aggregated data that we use in these reports. While some of these analytical reports will be published and released publicly, please be assured that the separate information that we obtain from you will remain confidential, as required by the AICPA Code of Professional Conduct.

***Subcontractors***

CLA may, at times, use subcontractors to perform services under this agreement, and they may have access to your information and records. Any such subcontractors will be subject to the same restrictions on the use of such information and records as apply to CLA under this agreement.

**Agreement**

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. This letter constitutes the entire agreement regarding these services and supersedes all prior agreements (whether oral or written), understandings, negotiations, and discussions between you and CLA. If you have any questions, please let us know. Please sign, date, and return this letter to us to indicate your acknowledgment and understanding of, and agreement with, the arrangements for our audit of your financial statements including the terms of our engagement and the parties' respective responsibilities.

Sincerely,

**CliftonLarsonAllen LLP**

Taylor Ulrich, CPA  
Signing Director  
626-857-7300  
Taylor.Ulrich@CLAconnect.com

**Response:**

This letter correctly sets forth the understanding of Peak Prep Pleasant Valley Charter School.

Authorized governance signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Authorized management signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



CliftonLarsonAllen LLP  
2210 East Route 66  
Glendora, CA 91740

phone 626.857.7300 fax 626.857.7302  
CLAAconnect.com

March 29, 2022

Board of Directors and Management  
Peak Prep Pleasant Valley Charter School  
2150 Pickwick Drive, Suite 304  
Camarillo, CA 93010

Re: June 30, 2022 Tax Exempt Returns and State Filings

Dear Members of the Board and Management:

We are pleased that Peak Prep Pleasant Valley Charter School (“you,” “your,” or “the organization”) has engaged CliftonLarsonAllen LLP (“CLA,” “we,” “us,” and “our”) to prepare the organization’s federal Form 990 and applicable state filings. This letter confirms the scope, limitations, and related terms of our engagement for the year ended June 30, 2022.

#### **Our responsibility to you**

We will prepare the organization’s federal Form 990 and applicable state filings in accordance with the applicable tax laws. We will use our judgment in resolving questions where the law is unclear, and where there is reasonable authority, we will resolve questions in your favor whenever possible. We will not audit or independently verify the accuracy or completeness of the information we receive from you for the preparation of the returns and filings, and our engagement cannot be relied upon to uncover errors or irregularities in the underlying information.

#### **Your responsibilities**

It is your responsibility to provide us with all of the information needed to prepare complete and accurate returns and filings. We will have no obligation to prepare the returns and filings until you have provided such information to us. We will prepare filings for the same states where the organization filed last year unless organization personnel notify us to the contrary or other information clearly indicates the need for an additional return or state filing. It is your responsibility to comply with all foreign jurisdiction filing requirements. We have no obligation to prepare returns for foreign jurisdictions

The United States Supreme Court ruled in *South Dakota versus Wayfair* (6/21/18) that physical presence is no longer required to establish nexus for sales tax. This ruling may have broad implications, even beyond sales tax, as to where an organization is subject to tax. Please note that if the organization had a taxable presence in more than one jurisdiction, such as an employee or agent within the jurisdiction, any tangible property owned or rented within the jurisdiction, or if the organization exceeds any applicable economic nexus thresholds, the organization or related entities may be subject to state or local income, sales, use, franchise, or gross receipts tax in that jurisdiction depending upon the particular facts. It is the organization’s responsibility, not CLA’s, to determine if assistance is needed in deciding whether the organization or related entities may be liable for income, sales, use, franchise, or gross receipts tax, or have a filing requirement in the various state or local jurisdictions.



CLA is an independent member of Nexia International, a leading, global network of independent accounting and consulting firms. See [nexia.com/member-firm-disclaimer](http://nexia.com/member-firm-disclaimer) for details.

It is important for you to identify any ownership OR signature authority over a foreign bank account or other foreign financial assets which includes but is not limited to foreign: stocks, mutual funds, partnerships, bonds, retirement accounts, estates, trusts, annuities, swaps, and derivatives. Failure to disclose penalties can be significant, starting at \$10,000 and can be upwards of 50 percent of the value of the asset. Please provide account statements if you have any foreign account ownership or signature authority. Note that these rules do not apply to foreign investments held by U.S. mutual funds. In addition, ownership in a foreign business entity (association, corporation, disregarded entity, or partnership) could trigger additional U.S. foreign informational reporting requirements. These reporting requirements require the disclosure of ownership, financial information, and related-party transactions. Failure to properly disclose ownership and the required information could trigger a \$10,000 penalty per filing. We cannot be held responsible if you fail to identify or provide such information to us.

For all nonattest services we may provide to you, including the preparation of the federal Form 990 and applicable state filings, management agrees to assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, and/or experience to understand and oversee the services; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. Management is also responsible for ensuring that your data and records are complete and that you have received sufficient information to oversee the services. You are responsible to carefully review the federal Form 990 and state filings that we prepare on your behalf before signing and submitting them to tax authorities. We will advise you with regard to tax positions taken in the preparation of the federal Form 990 and state filings, but the responsibility for the federal Form 990 and state filings remains with you.

### **Tax examinations**

All returns and filings are subject to potential examination by the IRS and state authorities. In the event of an examination, we will be available, at your request, to assist or represent the organization and its directors or officers. Services in connection with tax examinations are not included in our fee for preparation of the federal Form 990 and state filings. Our fee for such services will be billed to you separately, along with any direct costs.

### **Record retention**

You are responsible for retaining all documents, records, canceled checks, receipts, or other evidence in support of information and amounts reported on the federal Form 990 and state filings. These items may be necessary in the event the taxing or other authority examines or challenges your federal Form 990 and state filings. These records should be kept for at least seven years. Your copy of the federal Form 990 and state filings should be retained indefinitely.

If carryover item(s) exist (e.g., capital loss, net operating loss, tax credits, etc.), you should retain the supporting records related to the carryover item(s) until the item has either been utilized (and the statute of limitations associated with the year of utilization has expired) or the carryforward period has expired.

In preparing the federal Form 990 and state filings, we rely on your representation that organization personnel and its directors or officers understand and have complied with these documentation requirements. The management of the organization is responsible for the proper recording of transactions in the books of accounts, for the safeguarding of assets, and for the substantial accuracy of the organization's financial records.

All of the records that you provide to us to prepare your federal Form 990 and state filings will be returned to you after our use. Our working papers, including any copies of your records that we chose to make, are our property and will be retained by us in accordance with our established records retention policy. This policy states, in general, that we will retain our working papers for a period of seven years. After this period expires, our working papers and files will be destroyed. Furthermore, physical deterioration or catastrophic events may shorten the time our records are available. The working papers and files of our firm are not a substitute for the records of the organization.

### **Tax consulting services**

This engagement letter also covers tax consulting services that may arise for which the organization seeks our consultation and advice, both written and oral, that are not the subject of a separate engagement letter. These additional services are not included in our fees for the preparation of the federal Form 990 and state filings.

We will base our tax analysis and conclusions on the facts you provide to us, and will not independently verify those facts. We will review the applicable tax law, tax regulations, and other tax authorities, all of which are subject to change. At your request, we will provide a memorandum of our conclusions. Written advice provided by us is for the organization's information and use only and is not to be provided to any third party without our express written consent.

Unless we are separately engaged to do so, we will not continuously monitor and update our advice for subsequent changes or modifications to the tax law and regulations, or to the related judicial and administrative interpretations.

### **Communications and confidentiality**

The Internal Revenue Code contains a limited privilege for confidentiality of tax advice between you and our firm. In addition, the laws of some states likewise recognize a confidentiality privilege for some accountant-client communications. You understand that CLA makes no representation, warranty or promise, and offers no opinion with respect to the applicability of any confidentiality privilege to any information supplied or communications you have with us, and, to the extent that we follow instructions from you to withhold such information or communications in the face of a request from a third party (including a subpoena, summons or discovery demand in litigation), you agree to hold CLA harmless should the privilege be determined not to apply to particular information or communications.

CLA will not disclose any confidential, proprietary, or privileged information of the entity to any persons without the authorization of entity management or unless required by law. This confidentiality provision does not prohibit us from disclosing your information to one or more of our affiliated companies in order to provide services that you have requested from us or from any such affiliated company. Any such affiliated company shall be subject to the same restrictions on the use and disclosure of your information as apply to us.

### **Consent to send you publications and other materials**

For your convenience, CLA produces a variety of publications, hard copy and electronic, to keep you informed about pertinent business and personal financial issues. This includes published articles, invitations to upcoming seminars, webinars and webcasts, newsletters, surveys, and press releases. To determine whether these materials may be of interest to you, CLA will need to use your federal Form 990 and state filings information. Such information includes the organization name and address as well as the business and financial information you provided to us.

By signing and dating this engagement letter, you authorize CLA to use the information that you provide to CLA during the preparation of your federal Form 990 and state filings to determine whether to offer you relevant materials. Your consent is valid until further notice. If you do not wish to authorize such use, please strike out this paragraph prior to signing the engagement letter.

### **Consent to use tax information for benchmarking analyses**

In an effort to better serve the needs of our clients, we develop a variety of benchmark, performance indicator, and predictive analysis reports, using anonymized client data obtained from our audit, tax, and other engagements. Business and financial information that you provide to us may be combined with information from other clients and included within the aggregated data that we use in these reports. While some of these analytical reports will be published and released publicly, please be assured that the separate information that we obtain from you will remain confidential, as required by the AICPA Code of Professional Conduct.

Unless authorized by law or the client consents, we cannot use a client's tax return information for purposes other than the preparation and filing of the client's tax return. By signing and dating this engagement letter, you authorize CLA to use any and all information furnished to CLA for or in connection with the preparation of the tax returns under this engagement letter, for a period of up to six (6) years from the date of this engagement letter, in connection with CLA's preparation of the types of reports described in the foregoing paragraph. If you do not wish to authorize such use, please strike out this section prior to signing the engagement letter.

### **Limitations**

You agree that it is appropriate to limit the liability of CLA, its partners, principals, directors, officers, employees, and agents (each a "CLA party") and that this limitation of remedies provision is governed by the laws of the state of Minnesota, without giving effect to choice of law principles.

The exclusive remedy available to you shall be the right to pursue claims for actual damages that are directly caused by acts or omissions that are breaches by a CLA party of our duties owed under this engagement agreement, but any recovery on any such claim shall not exceed the portion of the total fees actually paid by you to CLA that corresponds to the particular service(s) that give(s) rise to the claim (i.e., the specific service(s) that a CLA party performed in such a manner as to cause CLA to be liable to you).

The nature of our services makes it difficult, with the passage of time, to gather and present evidence that fully and fairly establishes the facts underlying any dispute that may arise between you and any CLA party. The parties (you and CLA) agree that, notwithstanding any statute or law of limitations that might otherwise apply to a dispute, including one arising out of this agreement or the services performed under this agreement, for breach of contract or fiduciary duty, tort, fraud, misrepresentation or any other cause of action or remedy, any action or legal proceeding by you against any CLA party must be commenced as provided below, or you shall be forever barred from commencing a lawsuit or obtaining any legal or equitable relief or recovery. An action to recover on a dispute shall be commenced within the shorter of these periods ("Limitation Period"):

- For federal Form 990 and state filing preparation, separately within thirty-six (36) months after the date when we deliver the tax returns and filings under this agreement to you on which the dispute is based, regardless of whether any CLA party provides other services for you or relating to said returns and filings.
- For tax consulting engagements, separately within thirty-six (36) months from the date of our last billing for services on each consultation on which the dispute is based.
- For all tax return, state filing, and tax consulting engagements, within twelve (12) months from the date when you terminate this or any other engagement of our services.

The applicable Limitation Period applies and begins to run even if you have not suffered any damage or loss, or have not become aware of the existence or possible existence of a dispute.

### **Fees**

Our professional fees will be billed based on the time involved and skills required. We will also bill for expenses (including internal and administrative charges) plus a technology and client support fee of five percent (5%) of all professional fees billed. Fees and expenses for this work will be invoiced separately. Our invoices, including applicable state and local taxes, will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed even if we have not issued the tax returns and filings. You will be obligated to compensate us for all time expended and related fees and to reimburse us for all out-of-pocket expenditures through the date of termination.

### ***Other fees***

You also agree to compensate us for any time and expenses, including time and expenses of legal counsel, we may incur in responding to discovery requests or participating as a witness or otherwise in any legal, regulatory, or other proceedings that we are asked to respond to on your behalf.

### ***Finance charges and collection expenses***

You agree that if any statement is not paid within 30 days from its billing date, the unpaid balance shall accrue interest at the monthly rate of one and one-quarter percent (1.25%), which is an annual percentage rate of 15%. In the event that any collection action is required to collect unpaid balances due us, reasonable attorney fees and expenses shall be recoverable.



**Termination of agreement**

Either party may terminate this agreement at any time by giving written notice to the other party. In that event, the provisions of this agreement shall continue to apply to all services rendered prior to termination.

**Agreement**

Please sign and date this letter to confirm your agreement and return it to us at your earliest convenience.

We are looking forward to working with you.

Sincerely,

**CliftonLarsonAllen LLP**



Taylor Ulrich, CPA  
Signing Director  
626-857-7300  
Taylor.Ulrich@CLAconnect.com

Enclosure

**Response:**

This letter correctly sets forth the understanding of Peak Prep Pleasant Valley Charter School.

Authorized governance signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Authorized management signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_