

IDEA Public Schools

Consolidated Financial Statements
and Independent Auditors' Report
for the years ended June 30, 2022 and 2021

IDEA Public Schools

Table of Contents

	Page
Board of Directors	1
Certificate of Board	2
Independent Auditors' Report	3
Financial Statements:	
Consolidated Statements of Financial Position as of June 30, 2022 and 2021	6
Consolidated Statement of Activities for the year ended June 30, 2022	8
Consolidated Statement of Activities for the year ended June 30, 2021	10
Consolidated Statements of Cash Flows for the years ended June 30, 2022 and 2021	12
Consolidated Statement of Functional Expenses for the year ended June 30, 2022	14
Consolidated Statement of Functional Expenses for the year ended June 30, 2021	15
Notes to Consolidated Financial Statements for the years ended June 30, 2022 and 2021	16
Supplementary Information:	
Consolidating Statement of Financial Position as of June 30, 2022	43
Consolidating Statement of Activities for the year ended June 30, 2022	45
Consolidating Statement of Cash Flows for the year ended June 30, 2022	47
Schedule of Activities for Individual Charter School for the years ended June 30, 2022 and 2021	49
Schedule of Expenses for Individual Charter School for the years ended June 30, 2022 and 2021	51
Schedule of Capital Assets for Individual Charter School for the year ended June 30, 2022	52
Use of Funds Report – Select State Allotment Programs for the year ended June 30, 2022	53
Schedule of Related Party Transactions for the year ended June 30, 2022	54
Schedule of Related Party Compensation and Benefits for the year ended June 30, 2022	55
Budgetary Comparison Schedule for Individual Charter School for the year ended June 30, 2022	60
Budgetary Variance Explanations for the year ended June 30, 2022 (unaudited)	62
Schedule of Real Property Ownership Interest for the year ended June 30, 2022 (unaudited)	63

Board of Directors

Collin Sewell, Board Chair

Ed Rivera, Treasurer

Anthony Ryan Vaughan, Secretary

Reba Cardenas McNair, Member

David Earl, Member

Xenia Garza, Member

Erich Holmsten, Member

Dr. Saam Zarrabi, Member

Michael Adams, Member

Gary Lindgren, Member

Ovidio Vitas, Member

Acting Chief Executive Officer

Collin Sewell

Superintendent

Dr. Jeffrey Cottrill

Chief Financial Officer

Leanne Hernandez

Certificate of Board

We, the undersigned, certify that the attached financial and compliance report of IDEA Public Schools, Inc. was reviewed and (check one) approved disapproved for the year ended June 30, 2022, at a meeting of the governing body of the charter holder on the 18th day of November 2022.

DocuSigned by:
Anthony Vaughan
386517788D7A4C2...
Signature of Board Secretary

DocuSigned by:
Collin Sewell
A8886D3FBA1D4A8...
Signature of Board President

If the governing body of the charter holder disapproved the independent auditors' report, the reason(s) for disapproving it is (are): (attach list as necessary).

Independent Auditors' Report

To the Board of Directors of
IDEA Public Schools:

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of IDEA Public Schools (IDEA), which comprise the consolidated statements of financial position as of June 30, 2022 and 2021, and the related consolidated statements of activities, of cash flows, and of functional expenses for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of IDEA as of June 30, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of IDEA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about IDEA's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Supplementary Information

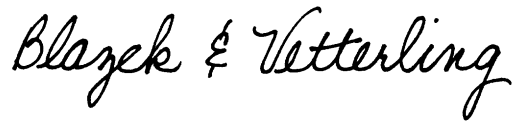
Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. Supplementary information in the consolidating statement of financial position as of June 30, 2022, consolidating statement of activities and consolidating statement of cash flows for the year then ended is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying supplementary information on pages 49 through 60 is presented for purposes of additional analysis as required by the Texas Education Agency and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in our audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Unaudited Information

Our audit was conducted for the purpose of forming an opinion on the basic financial statements as a whole. The Budget Variance Explanations and Schedule of Real Property Ownership Interest on pages 62 through 63 is presented for purposes of additional analysis as required by the Texas Education Agency and is not a required part of the basic financial statements. These schedules have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Report Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 18, 2022 on our consideration of IDEA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of IDEA'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 IDEA's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Blazek & Vetterling". The signature is written in a cursive, flowing style.

November 18, 2022

IDEA Public Schools

Consolidated Statements of Financial Position as of June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 212,797,060	\$ 215,021,093
Cash and cash equivalents – held in trust	74,435,959	61,239,145
Government grant receivables	210,555,078	141,917,724
Contributions receivable, net	5,777,777	6,295,240
Accounts receivable	42,004,568	4,968,228
Investments – operating	32,455,444	60,593,266
Prepaid expenses	3,215,350	3,587,827
Other current assets	<u>1,008,322</u>	<u>723,674</u>
Total current assets	<u>582,249,558</u>	<u>494,346,197</u>
Fixed assets:		
Right-of-use asset – operating leases	11,284,218	17,269,102
Right-of-use asset – finance leases, net	9,820,178	8,709,146
Property and equipment, net	<u>1,386,428,026</u>	<u>1,270,176,133</u>
Total fixed assets	<u>1,407,532,422</u>	<u>1,296,154,381</u>
Other noncurrent assets:		
Cash and cash equivalents – held in trust	70,701,489	35,698,972
Contributions receivable, net	2,729,132	7,010,429
Investments – held in trust	<u>6,889,328</u>	<u>1,016,231</u>
Total other noncurrent assets	<u>80,319,949</u>	<u>43,725,632</u>
TOTAL ASSETS	<u>\$ 2,070,101,929</u>	<u>\$ 1,834,226,210</u>

(continued)

IDEA Public Schools

Consolidated Statements of Financial Position as of June 30, 2022 and 2021

(continued)

	<u>2022</u>	<u>2021</u>
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable	\$ 48,806,584	\$ 49,996,395
Accrued wages, benefits, and taxes	73,901,392	64,107,173
Accrued interest payable	22,095,619	19,056,310
Accrued expenses	9,366,282	21,655,753
Refundable advances	4,949,822	14,209,172
Other liabilities	33,543,327	7,320,267
Bonds payable – current portion	23,505,000	19,720,000
Notes payable – current portion	56,237,583	12,026,179
Operating lease payable – current portion	5,552,443	7,956,534
Finance leases payable – current portion	<u>2,323,943</u>	<u>1,793,495</u>
Total current liabilities	<u>280,281,995</u>	<u>217,841,278</u>
Long-term liabilities:		
Bonds payable, net	1,210,663,073	1,135,171,910
Notes payable, net	202,267,192	141,354,689
Operating leases payable	5,587,354	9,348,118
Finance leases payable	<u>8,724,319</u>	<u>7,809,292</u>
Total long-term liabilities	<u>1,427,241,938</u>	<u>1,293,684,009</u>
TOTAL LIABILITIES	<u>1,707,523,933</u>	<u>1,511,525,287</u>
Commitments and contingencies		
Net assets:		
Without donor restrictions	(3,162,578)	(1,997,567)
With donor restrictions	<u>365,740,574</u>	<u>324,698,490</u>
Total net assets	<u>362,577,996</u>	<u>322,700,923</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 2,070,101,929</u>	<u>\$ 1,834,226,210</u>

See accompanying notes to consolidated financial statements.

IDEA Public Schools

Consolidated Statement of Activities for the year ended June 30, 2022

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
REVENUE AND OTHER SUPPORT:			
Local support:			
Grants	\$ 299,245	\$ 24,079,630	\$ 24,378,875
Contributions	14,087	1,490,320	1,504,407
In-kind contributions	-	1,277,388	1,277,388
Management fees	51,754,207	-	51,754,207
Net investment return	85	572,864	572,949
Other revenue	<u>12,591,560</u>	<u>5,273,231</u>	<u>17,864,791</u>
Total local support	<u>64,659,184</u>	<u>32,693,433</u>	<u>97,352,617</u>
State program revenue:			
Foundation School Program	-	706,251,431	706,251,431
Other state aid	<u>-</u>	<u>26,181,236</u>	<u>26,181,236</u>
Total state program revenue	<u>-</u>	<u>732,432,667</u>	<u>732,432,667</u>
Federal program revenue:			
ESEA Title I – Part A	-	21,194,189	21,194,189
ESEA Title II – Part A Teacher/ Principal Training	-	1,018,231	1,018,231
ESEA Title III – Part A Language Acquisition	-	1,538,478	1,538,478
IDEA B Formula – Special Education	-	6,805,678	6,805,678
IDEA B Preschool – Special Education	-	49,628	49,628
ESEA Title V – Part B Charter Schools	-	11,306,024	11,306,024
Teacher Incentive Fund	-	1,601,144	1,601,144
Lone Star STEM Cycle 2 Year 1	-	36,170	36,170
Instructional Continuity	-	1,335	1,335
ELC Reopening Schools	-	600,721	600,721
Twenty-First Century Community Learning Centers	-	1,620,606	1,620,606
Education Innovation and Research	-	1,145,280	1,145,280
ESEA Title IV – Part A	-	1,186,330	1,186,330
Elementary and Secondary School Emergency Relief Fund	-	7,142,493	7,142,493
Elementary and Secondary School Emergency Relief Fund II	-	50,201,530	50,201,530
Elementary and Secondary School Emergency Relief Fund III	-	16,478,820	16,478,820
Child Nutrition – (including \$1,766,214 of in-kind contributions)	-	62,574,300	62,574,300
IDEA Comprehensive Health Professions SSA, Title XIX – School Health and Related Services	<u>-</u>	<u>11,666,175</u>	<u>11,666,175</u>
Total federal program revenue	<u>-</u>	<u>200,514,819</u>	<u>200,514,819</u>
Net assets released for purpose restrictions	<u>924,598,835</u>	<u>(924,598,835)</u>	<u>-</u>
Total revenue and other support	<u>989,258,019</u>	<u>41,042,084</u>	<u>1,030,300,103</u>

(continued)

IDEA Public Schools

Consolidated Statement of Activities for the year ended June 30, 2022

(continued)

	WITHOUT DONOR <u>RESTRICTIONS</u>	WITH DONOR <u>RESTRICTIONS</u>	<u>TOTAL</u>
EXPENSES:			
Program services:			
Instructional and instructional-related services	\$ 465,894,635	\$ -	\$ 465,894,635
Instructional and school leadership	156,968,130	-	156,968,130
Support services – student (pupil)	167,821,090	-	167,821,090
Support services – nonstudent based	103,023,828	-	103,023,828
Ancillary services	<u>1,770,843</u>	-	<u>1,770,843</u>
Total program services	<u>895,478,526</u>	-	<u>895,478,526</u>
Support services:			
Administrative support services	61,505,668	-	61,505,668
Support services – nonstudent based	23,897,488	-	23,897,488
Fundraising	<u>8,979,913</u>	-	<u>8,979,913</u>
Total support services	<u>94,383,069</u>	-	<u>94,383,069</u>
Total expenses	<u>989,861,595</u>	-	<u>989,861,595</u>
Loss on disposal of assets	(37,960)	-	(37,960)
Unrealized loss on investments	<u>(523,475)</u>	-	<u>(523,475)</u>
CHANGE IN NET ASSETS	(1,165,011)	41,042,084	39,877,073
Net assets, beginning of year	<u>(1,997,567)</u>	<u>324,698,490</u>	<u>322,700,923</u>
Net assets, end of year	<u>\$ (3,162,578)</u>	<u>\$ 365,740,574</u>	<u>\$ 362,577,996</u>

See accompanying notes to consolidated financial statements.

IDEA Public Schools

Consolidated Statement of Activities for the year ended June 30, 2021

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
REVENUE AND OTHER SUPPORT:			
Local support:			
Grants	\$ 228,221	\$ 27,765,658	\$ 27,993,879
Grant reversion	-	(4,933,059)	(4,933,059)
Contributions	453,252	1,549,766	2,003,018
Management fees	33,222,721	-	33,222,721
Net investment return	3	1,469,270	1,469,273
Other revenue	<u>4,020,925</u>	<u>4,149,663</u>	<u>8,170,588</u>
Total local support	<u>37,925,122</u>	<u>30,001,298</u>	<u>67,926,420</u>
State program revenue:			
Foundation School Program	-	653,738,802	653,738,802
Other state aid	<u>-</u>	<u>2,490,216</u>	<u>2,490,216</u>
Total state program revenue	<u>-</u>	<u>656,229,018</u>	<u>656,229,018</u>
Federal program revenue:			
ESEA Title I – Part A	-	18,949,137	18,949,137
ESEA Title II – Part A Teacher/ Principal Training	-	2,110,132	2,110,132
ESEA Title III – Part A Language Acquisition	-	1,522,503	1,522,503
IDEA B Formula – Special Education	-	6,406,239	6,406,239
IDEA B Preschool – Special Education	-	1,611	1,611
ESEA Title V – Part B Charter Schools	-	21,174,213	21,174,213
Teacher Incentive Fund	-	658,647	658,647
Lone Star STEM Cycle 2 Year 1	-	25,140	25,140
Instructional Continuity	-	9,085	9,085
Twenty-First Century Community Learning Centers	-	2,454,309	2,454,309
Education Innovation and Research	-	895,944	895,944
ESEA Title IV – Part A Elementary and Secondary School Emergency Relief Fund	-	4,967,612	4,967,612
Child Nutrition – (including \$1,327,540 of in-kind contributions)	-	58,678,796	58,678,796
Food and Nutrition Service	-	15,852	15,852
IDEA Comprehensive Health Professions SSA, Title XIX – School Health and Related Services	<u>-</u>	<u>4,175,821</u>	<u>4,175,821</u>
Total federal program revenue	<u>-</u>	<u>126,493,176</u>	<u>126,493,176</u>
Net assets released for purpose restrictions	<u>733,226,556</u>	<u>(733,226,556)</u>	<u>-</u>
Total revenue and other support	<u>771,151,678</u>	<u>79,496,936</u>	<u>850,648,614</u>

(continued)

IDEA Public Schools

Consolidated Statement of Activities for the year ended June 30, 2021

(continued)

	WITHOUT DONOR <u>RESTRICTIONS</u>	WITH DONOR <u>RESTRICTIONS</u>	<u>TOTAL</u>
EXPENSES:			
Program services:			
Instructional and instructional-related services	\$ 374,220,506	\$ -	\$ 374,220,506
Instructional and school leadership	107,511,775	-	107,511,775
Support services – student (pupil)	128,381,263	-	128,381,263
Support services – nonstudent based	80,073,391	-	80,073,391
Ancillary services	<u>738,225</u>	<u>-</u>	<u>738,225</u>
Total program services	<u>690,925,160</u>	<u>-</u>	<u>690,925,160</u>
Support services:			
Administrative support services	51,776,292	-	51,776,292
Support services – nonstudent based	24,928,947	-	24,928,947
Fundraising	<u>4,505,616</u>	<u>-</u>	<u>4,505,616</u>
Total support services	<u>81,210,855</u>	<u>-</u>	<u>81,210,855</u>
Total expenses	<u>772,136,015</u>	<u>-</u>	<u>772,136,015</u>
Gain on disposal of assets	432,340	913,109	1,345,449
Realized gain on investments	-	35,452	35,452
Unrealized loss on investments	<u>-</u>	<u>(843,276)</u>	<u>(843,276)</u>
CHANGE IN NET ASSETS	<u>(551,997)</u>	<u>79,602,221</u>	<u>79,050,224</u>
Net assets, beginning of year, as originally reported	(1,426,764)	245,983,357	244,556,593
Prior period adjustment due to change in accounting principle	<u>(18,806)</u>	<u>(887,088)</u>	<u>(905,894)</u>
Net assets, beginning of year, as restated	<u>(1,445,570)</u>	<u>245,096,269</u>	<u>243,650,699</u>
Net assets, end of year	<u>\$ (1,997,567)</u>	<u>\$ 324,698,490</u>	<u>\$ 322,700,923</u>

See accompanying notes to consolidated financial statements.

IDEA Public Schools

Consolidated Statements of Cash Flows for the years ended June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 39,877,071	\$ 79,050,224
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	63,643,472	43,091,093
Amortization of premium and debt issuance costs	(6,197,278)	(5,421,822)
Bad debt expense	792,419	916,612
Unrealized gain/(loss) on investments	523,475	800,566
(Gain)/loss on disposal of property and equipment	37,960	(1,345,451)
Changes in current assets and liabilities:		
Government grant receivables	(68,637,354)	(58,619,062)
Contributions receivable	4,798,760	(2,267,626)
Accounts receivable	(41,169,945)	2,056,344
Prepaid expenses	372,477	(2,452,429)
Other current assets	(284,648)	484,772
Accounts payable	(1,189,811)	10,260,196
Accrued wages, benefits, and taxes	9,794,219	19,347,733
Accrued interest payable	3,039,310	918,908
Accrued expenses	(12,289,471)	11,295,115
Refundable advances	(9,259,350)	(4,485,161)
Other liabilities	<u>30,356,667</u>	<u>3,364,390</u>
Net cash provided (used) by operating activities	<u>14,207,973</u>	<u>96,994,402</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Construction and purchase of property and equipment	(180,791,189)	(253,339,456)
Proceeds from disposal of property and equipment	2,923,464	11,393,406
Purchase of certificates of deposit	(86,981,871)	(47,375,562)
Proceeds from maturity of certificates of deposit	86,981,718	48,156,178
Purchases of investments	(16,955,226)	(34,644,579)
Proceeds from sale of investments	38,696,629	72,393,454
Investments in notes receivable from graduates	<u>(792,419)</u>	<u>(916,612)</u>
Net cash used by investing activities	<u>(156,918,894)</u>	<u>(204,333,171)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from borrowings of long-term debt	472,770,969	401,904,026
Principal payments on long-term debt	(250,600,412)	(164,459,305)
Payment of debt issuance costs	(31,573,208)	(8,686,306)
Payments on finance leases	<u>(1,911,130)</u>	<u>(10,706,799)</u>
Net cash provided by financing activities	<u>188,686,219</u>	<u>218,051,616</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	45,975,298	110,712,847
Cash and cash equivalents, beginning of year	<u>311,959,210</u>	<u>201,246,363</u>
Cash and cash equivalents, end of year	<u>\$ 357,934,508</u>	<u>\$ 311,959,210</u>

(continued)

IDEA Public Schools

Consolidated Statements of Cash Flows for the years ended June 30, 2022 and 2021 *(continued)*

	<u>2022</u>	<u>2021</u>
<i>Reconciliation of cash and cash equivalents:</i>		
Cash and cash equivalents	\$ 212,797,060	\$ 215,021,093
Cash and cash equivalents – held in trust	74,435,959	61,239,145
Cash and cash equivalents – noncurrent – held in trust	<u>70,701,489</u>	<u>35,698,972</u>
Total cash and cash equivalents	<u>\$ 357,934,508</u>	<u>\$ 311,959,210</u>
 <i>Supplemental disclosure of cash flow information:</i>		
Cash paid for interest	\$46,585,513	\$45,169,266
Right-of-use assets obtained in exchange for new lease obligations:		
Operating lease obligations	\$13,781,586	\$15,634,110
Finance lease obligations	\$3,356,603	\$3,346,588

See accompanying notes to consolidated financial statements.

IDEA Public Schools

Consolidated Statement of Functional Expenses for the year ended June 30, 2022

	PAYROLL COSTS	PROFESSIONAL AND CONTRACTED SERVICES	SUPPLIES AND MATERIALS	OTHER OPERATING COSTS	DEBT	TOTAL
Program services:						
Instructional and instructional-related services	\$ 347,152,854	\$ 39,380,598	\$ 32,957,849	\$ 5,073,961	\$ 41,329,373	\$ 465,894,635
Instructional and school leadership	125,242,885	5,570,652	4,421,167	21,733,426	-	156,968,130
Support services – student (pupil)	105,636,090	7,311,210	43,499,139	11,374,651	-	167,821,090
Support services – nonstudent based	24,523,015	29,805,168	7,108,723	41,586,922	-	103,023,828
Ancillary services	<u>716,569</u>	<u>521,985</u>	<u>149,070</u>	<u>383,219</u>	<u>-</u>	<u>1,770,843</u>
Total program services	<u>603,271,413</u>	<u>82,589,613</u>	<u>88,135,948</u>	<u>80,152,179</u>	<u>41,329,373</u>	<u>895,478,526</u>
Support services:						
Administrative support services	30,901,348	23,111,369	1,462,368	2,976,098	3,054,485	61,505,668
Support services – nonstudent based	12,584,568	6,502,322	1,518,573	3,292,025	-	23,897,488
Fundraising	<u>3,978,829</u>	<u>700,658</u>	<u>128,211</u>	<u>4,172,215</u>	<u>-</u>	<u>8,979,913</u>
Total support services	<u>47,464,745</u>	<u>30,314,349</u>	<u>3,109,152</u>	<u>10,440,338</u>	<u>3,054,485</u>	<u>94,383,069</u>
Total expenses	<u>\$ 650,736,158</u>	<u>\$ 112,903,962</u>	<u>\$ 91,245,100</u>	<u>\$ 90,592,517</u>	<u>\$ 44,383,858</u>	<u>\$ 989,861,595</u>

See accompanying notes to consolidated financial statements.

IDEA Public Schools

Consolidated Statement of Functional Expenses for the year ended June 30, 2021

	PAYROLL <u>COSTS</u>	PROFESSIONAL AND CONTRACTED <u>SERVICES</u>	SUPPLIES AND <u>MATERIALS</u>	OTHER OPERATING <u>COSTS</u>	<u>DEBT</u>	<u>TOTAL</u>
Program services:						
Instructional and instructional-related services	\$ 269,567,745	\$ 22,111,170	\$ 44,699,255	\$ 2,837,638	\$ 35,004,698	\$ 374,220,506
Instructional and school leadership	94,024,722	6,296,562	4,958,220	2,232,271	-	107,511,775
Support services – student (pupil)	74,529,288	6,419,513	39,905,962	7,526,500	-	128,381,263
Support services – nonstudent based	16,761,206	22,911,676	5,306,617	35,093,892	-	80,073,391
Ancillary services	<u>297,588</u>	<u>232,152</u>	<u>38,020</u>	<u>170,465</u>	-	<u>738,225</u>
Total program services	<u>455,180,549</u>	<u>57,971,073</u>	<u>94,908,074</u>	<u>47,860,766</u>	<u>35,004,698</u>	<u>690,925,160</u>
Support services:						
Administrative support services	22,948,502	21,756,057	934,837	2,527,998	3,608,898	51,776,292
Support services – nonstudent based	8,329,172	7,067,456	6,380,228	3,152,091	-	24,928,947
Fundraising	<u>3,391,331</u>	<u>647,344</u>	<u>100,772</u>	<u>366,169</u>	-	<u>4,505,616</u>
Total support services	<u>34,669,005</u>	<u>29,470,857</u>	<u>7,415,837</u>	<u>6,046,258</u>	<u>3,608,898</u>	<u>81,210,855</u>
Total expenses	<u>\$ 489,849,554</u>	<u>\$ 87,441,930</u>	<u>\$ 102,323,911</u>	<u>\$ 53,907,024</u>	<u>\$ 38,613,596</u>	<u>\$ 772,136,015</u>

See accompanying notes to consolidated financial statements.

IDEA Public Schools

Notes to Consolidated Financial Statements for the years ended June 30, 2022 and 2021

NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Organization: IDEA Public Schools (charter holder known as IDEA Academy, Inc.) is a nonprofit Texas corporation formed in June 2000. IDEA Public Schools (the School) operates and does business as Individuals Dedicated to Excellence and Achievement (IDEA) Public Schools. The School is a state authorized, open enrollment charter school. The Contract for the Charter granted by the State Board of Education of the State of Texas pursuant to Chapter 12 of the Texas Education Code is effective until July 2025. The School provides educational services to students in grades Pre-K through 12, with total enrollment of approximately 80,000 students at 143 schools.

The School operates as a single charter school and conducts other noncharter activities with and through IPS Enterprises, Inc. (IPS), a Texas nonprofit corporation whose sole member is the School. Prior to January 1, 2020, IPS was a separate domestic single-member nonprofit limited liability company, whose sole member was the School. IPS is consolidated since the School has a direct controlling interest in IPS through ownership.

The School also operates an in-district charter school in the Midland Independent School District. The Contract for Charter granted by the State Board of Education of the State of Texas pursuant to Chapter 12 of the Texas Education Code will continue to be in effect for an initial ten-year school term and may be renewed for three successive five-year terms (or longer). The School provides educational services to students in grades K through 6.

Adoption of accounting standard: The School adopted Accounting Standards Update (ASU) No. 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. This required contributed nonfinancial assets to be presented as a separate line item in the statement of activities, apart from contributions of cash and other financial assets, and required disclosure about the measurement and use of types of contributed nonfinancial assets. The School adopted this ASU retrospectively. Adoption did not have any impact on previously reported amounts on the statement of financial position or the statement of activities.

Basis of consolidation: The consolidated financial statements include the accounts of the School and IPS. All balances and transactions between the consolidated entities have been eliminated.

ACCOUNTING POLICIES:

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

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

NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and cash equivalents: The School considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. Cash held in trust is limited as to use under the terms of the bond indenture. Interest income earned on cash held in trust is limited as to use under the terms of the bond indenture.

Government grant receivables and state and federal program revenue: The School considers all government grants to be conditional contributions, which are subject to one or more barriers that must be overcome before the School is entitled to receive or retain funding. The School recognizes revenue from government grants as performance requirements are met or eligible expenditures are incurred in compliance with specific grant provisions. Contributions received before conditions have been met are reported as refundable advances.

Contributions and contributions receivable: Contributions are recognized at fair value when an unconditional commitment is received from the donor. Contributions received with donor stipulations that limit their use are classified as restricted support. Conditional contributions are subject to one or more barriers that must be overcome before the School is entitled to receive or retain funding. Conditional contributions are recognized in the same manner when the conditions have been substantially met. Funding received before conditions are met is reported as refundable advances. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted revenue. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the School reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service. For long-lived assets purchased with federal or state contributions, the School reports expirations of donor restrictions over the estimated useful life, as stipulated by the donor.

Unconditional contributions that are expected to be collected within one year are reported at net realizable value. Amounts expected to be collected in future years are discounted to estimate the present value of future cash flows. Discounts are computed using risk-free interest rates applicable to the years in which the promises are received. Amortization of discounts is included in contribution revenue.

Donated services and assets: Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills that are provided by individuals possessing those skills and that would typically need to be purchased if not provided by donation are recognized at the estimated fair value as contributions when an unconditional commitment is received from the donor. Contributions of donated noncash assets are recorded at the estimated fair value in the period the unconditional commitment is received. The related expense is recognized as the item is used.

Allowance for doubtful accounts: An allowance for doubtful accounts is established on accounts receivable, contributions receivable, and other receivables when it is believed that the balances may not be collected in full. Losses are charged against the allowance when management believes the uncollectibility of a receivable is confirmed. Subsequent recoveries, if any, are credited to the allowance. The School considers accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts is recorded in these financial statements.

NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments: Marketable securities are stated at fair value. Non-negotiable certificates of deposit are stated at cost. Net investment return is reported in the statement of activities as an increase in net assets without donor restrictions unless the use of the income is limited by donor-imposed restrictions. Net investment return consists of interest and dividends net of external and direct internal investment expenses. Investments held in trust are limited as to use under the terms of the bond indenture and represent funds held for construction activity and debt service requirements. The related investment return is also limited as to use under the terms of the bond indenture.

Notes receivable: Notes receivable represent loans from nonpublic fund sources to graduates of the School who are enrolled in college. The loans are interest free with principal due six months after graduation from college or immediately upon withdrawal from college. Outstanding notes receivable at June 30, 2022 and 2021 totaled \$4,608,201 and \$3,815,782, respectively. The School considers notes receivable to be uncollectible; accordingly, an allowance for doubtful accounts of \$4,608,201 and \$3,815,782 at June 30, 2022 and 2021, respectively, is recorded in these financial statements.

Property and equipment and right-of-use assets – finance: Property and equipment are stated at cost or at fair value, if donated. The School capitalizes expenditures in excess of \$5,000 for property and equipment with an expected life greater than a year. Assets held under finance leases are recorded at present value of the lease payments at the inception of the lease.

Depreciation and amortization is computed using the straight-line method over the shorter of the estimated useful lives of the assets or the period of the related lease.

<u>ASSET CLASSIFICATION</u>	<u>ESTIMATED USEFUL LIVES</u>
Buildings and improvements	10-30 years
Leasehold improvements	5-15 years
Vehicles	5 years
Furniture and equipment	3-10 years

Right-of-use assets – operating: A right-of-use asset – operating is recognized at the present value of the lease payments at inception of the lease. Lease expense is recognized on a straight-line basis as rent expense in the statement of activities.

Impairment of long-lived assets: The School reviews the carrying value of property and equipment for impairment whenever events and circumstances indicate the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. In cases where undiscounted expected future cash flows are less than the carrying value, an impairment loss is recognized equal to an amount by which the carrying value exceeds the fair value of assets. The factors considered by management in performing this assessment include current operating results, trends and prospects and the effects of obsolescence, demand, competition and other economic factors. The School did not recognize an impairment loss during the years ended June 30, 2022 and 2021.

NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Debt issuance costs: Costs related to the issuance of bonds and notes payable are reported as a direct reduction of the related debt and are amortized as interest expense over the term of the bonds or notes using the effective interest method.

Revenue recognition: Revenue from contracts with customers is derived primarily from employee leasing, management and shared services fees, academic support fees, food service fees and other miscellaneous fees. Revenue is recognized as the services are provided to a customer in an amount that reflects the consideration the School expects to be entitled to in exchange for those services. Payment is due monthly for all services, except for the academic support services, which payment is due semi-annually. The nature of these services does not give rise to contract assets, contract liabilities, or any variable considerations, warranties, or other related obligations. Accounts receivable at June 30, 2022, 2021, and 2020 totaled \$42,004,568, \$4,968,228, and \$5,810,293, respectively.

Functional allocation of expenses: Expenses are reported by their functional classification. Program services are the direct conduct or supervision of activities that fulfill the purposes for which the organization exists. Fundraising activities include the solicitation of contributions of money, securities, materials, facilities, other assets, and time. Administrative support services and non-student based support services activities are not directly identifiable with specific program or fundraising activities. Expenses that are attributable to more than one activity are allocated among the activities benefitted. Salaries and related costs are charged directly either to program services, fundraising or administrative support services based on actual time worked in each area. Information technology costs, depreciation, interest expense, and occupancy costs are allocated based on whether the costs are associated with instructional campuses (program services) or with administrative buildings.

Federal income taxes: The School is a nonprofit organization and is exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code, except to the extent it has unrelated business income. The School files a Form 990 (Return of Organization Exempt from Income Tax) and, if applicable, unrelated business income (UBI) is reported on a Form 990-T. IPS is a Texas nonprofit corporation. The determination of tax exempt status is pending. Management has evaluated its material tax positions, which include such matters as the tax-exempt status of the School and, if applicable, potential sources of UBI. As of June 30, 2022 and 2021, there were no uncertain tax benefits. No such provision has been made in the accompanying financial statements.

Advertising: The School expenses advertising costs when they are incurred. Advertising costs for the years ended June 30, 2022 and 2021 are \$15,293,827 and \$12,429,044, respectively.

Estimates: Management must make estimates and assumptions to prepare financial statements in accordance with generally accepted accounting principles. These estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, the amounts of reported revenue and expenses, and the allocation of expenses among various functions. Actual results could vary from the estimates that were used.

Subsequent events: The School has evaluated subsequent events that occurred after June 30, 2022, through the date of this report on November 18, 2022, which is the date the financial statements were available for issuance. Any material subsequent events that occurred during this time have been properly recognized or disclosed in the financial statements.

NOTE 2 – CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash and cash equivalents consist of the following:

	<u>2022</u>	<u>2021</u>
Petty cash	\$ 301	\$ 301
Checking accounts	189,562,494	138,463,797
Money market mutual funds	<u>168,371,713</u>	<u>173,495,112</u>
Total cash and cash equivalents	<u>\$ 357,934,508</u>	<u>\$ 311,959,210</u>

Cash and cash equivalents held in trust are designated as follows:

	<u>2022</u>	<u>2021</u>
Debt service fund held in trust	\$ 57,606,856	\$ 42,319,084
Construction	<u>87,530,592</u>	<u>54,619,033</u>
Total	145,137,448	96,938,117
Less current cash and cash equivalents – held in trust	<u>74,435,959</u>	<u>61,239,145</u>
Total cash and cash equivalents – noncurrent – held in trust	<u>\$ 70,701,489</u>	<u>\$ 35,698,972</u>

The School maintains cash deposits at Regions Bank. At June 30, 2022, the carrying amount of the deposits was \$151,793,320 and the respective bank balance was \$152,547,897. The deposits are insured up to \$250,000 by the FDIC. Additionally, investment securities held by Regions Bank that had a carrying value at June 30, 2021 of \$158,278,160, were pledged as collateral to secure public funds on deposit.

The School maintains proceeds received from the sale of bonds in fiduciary accounts at Regions Bank, Corporate Trust Services, which have bank balances and carrying amounts of \$144,528,245 at June 30, 2022. The Office of the Comptroller of the Currency, Regulation 9, requires that banks collateralize uninvested cash in fiduciary accounts. At June 30, 2022, assets held by Regions Bank were pledged as collateral as a whole for all Regions Bank fiduciary accounts to secure fiduciary funds held in trust.

IPS maintains cash deposits at Regions Bank. At June 30, 2022, the carrying amount of the deposits was \$2,705,395 and the respective bank balance was \$2,641,500, which are insured up to \$250,000 by the FDIC.

The School has not experienced any losses on these accounts, and management believes it is not exposed to any significant credit risk.

NOTE 2 – CASH AND CASH EQUIVALENTS AND INVESTMENTS (continued)

Investments are as follows:

	<u>2022</u>	<u>2021</u>
Investments at fair value:		
U. S. Treasury securities	\$ 14,344,619	\$ 24,592,489
Government agency securities	-	11,515,265
Domestic corporate bonds	-	<u>501,743</u>
Total investments at fair value	14,344,619	36,609,497
Investments at cost – non-negotiable certificates of deposit	<u>25,000,153</u>	<u>25,000,000</u>
Total investments	39,344,772	61,609,497
Less current investments – held in trust	<u>(32,455,444)</u>	<u>(60,593,266)</u>
Total investments – noncurrent – held in trust	<u>\$ 6,889,328</u>	<u>\$ 1,016,231</u>

Investments are exposed to various risks such as interest rate, market and credit risks. Because of these risks, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement of financial position and statement of activities.

NOTE 3 – GOVERNMENT GRANT RECEIVABLES

Amounts due from government agencies consist of the following:

	<u>2022</u>	<u>2021</u>
Texas Department of Education, Texas Education Agency (TEA)	\$ 149,044,373	\$ 115,666,951
United States Department of Education	30,421,978	15,549,190
U. S. Department of Education passed through TEA	13,556,020	2,581,325
Texas Medicaid and Healthcare Partnership	9,213,035	3,898,504
Florida Department of Education	6,016,004	398,670
Universal Service Admin. Co. (USAC) E-Rate Program	1,090,721	115,999
U. S. Department of Agriculture passed through TEA	902,040	3,354,628
Texas Parks and Wildlife Department	310,907	337,957
U. S. Department of Agriculture	-	<u>14,500</u>
Total government grant receivables	<u>\$ 210,555,078</u>	<u>\$ 141,917,724</u>

All amounts due from government agencies at June 30, 2022 are expected to be collected in fiscal year 2022-2023.

NOTE 4 – LIQUIDITY AND AVAILABILITY OF RESOURCES

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

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

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

	<u>2022</u>	<u>2021</u>
Financial assets:		
Cash and cash equivalents	\$ 357,934,508	\$ 311,959,210
Investments	39,344,772	61,609,497
Government grant and contributions receivables	219,061,987	155,223,393
Accounts receivable	<u>42,004,568</u>	<u>4,968,228</u>
Total financial assets	658,345,835	533,760,328
Less financial assets not available for general expenditure:		
Contractually-obligated financial assets	(144,528,245)	(64,735,804)
Cash restricted for long-term purposes	(70,701,489)	(35,698,972)
Donor-restricted assets not expected to be satisfied in coming year	<u>(357,343,042)</u>	<u>(297,426,391)</u>
Total financial assets available for general expenditure	<u>\$ 85,773,059</u>	<u>\$ 135,899,161</u>

NOTE 5 – CONTRIBUTIONS RECEIVABLE

The School has unconditional promises to give from philanthropic organizations as follows:

	<u>2022</u>	<u>2021</u>
Contributions receivable	\$ 12,464,234	\$ 13,560,181
Allowance	(3,930,722)	(207,559)
Discount at interest rates ranging from 0.18% to 2.99%	<u>(26,603)</u>	<u>(46,953)</u>
Contributions receivable, net	<u>\$ 8,506,909</u>	<u>\$ 13,305,669</u>

Contributions receivable at June 30, 2022 are expected to be collected as follows:

2023	\$ 8,373,330
2024	2,620,430
2025	797,007
2026	623,467
2027	<u>50,000</u>
Total	<u>\$ 12,464,234</u>

NOTE 5 – CONTRIBUTIONS RECEIVABLE (continued)

The School has received conditional contributions contingent upon meeting certain criteria specified by donors, such as opening specific schools, starting construction of schools, implementation of specialized curriculum, or meeting enrollment targets. These amounts are not recorded in these financial statements as the conditions have not been met. As of June 30, 2022 and 2021, the amounts of conditional promises to give were \$42,032,193 and \$67,985,670, respectively. Refundable advances are recorded for amounts received in advance from those conditional promises to give, which totaled \$4,949,822 and \$14,209,172 at June 30, 2022 and 2021, respectively.

As of June 30, 2022, the School has received approximately \$225,825,133 of conditional contributions from various government agencies. The contributions will be recognized as revenue when the conditions, which include performance of allowable activities and incurring allowable expenses, are met. The School is party to other government awards for which the award amount is not specified by the grantor. The School will recognize these grants as qualifying grant expenditures are incurred and/or performance requirements are met.

NOTE 6 – PROPERTY AND EQUIPMENT

Property and equipment consists of the following:

	<u>2022</u>	<u>2021</u>
Land and improvements	\$ 180,630,650	\$ 166,346,552
Buildings and leasehold improvements	1,210,391,704	976,833,567
Furniture and equipment	38,003,823	32,343,709
Vehicles	11,952,189	11,136,533
Construction in progress	<u>172,596,864</u>	<u>263,559,313</u>
Total	1,613,575,230	1,450,219,674
Less accumulated depreciation and amortization	<u>(227,147,204)</u>	<u>(180,043,541)</u>
Property and equipment, net	<u>\$ 1,386,428,026</u>	<u>\$ 1,270,176,133</u>

Capitalized property and equipment acquired with public funds received by the School constitute public property pursuant to Chapter 12 of the Texas Education Code. At June 30, 2022 and 2021, these assets totaled approximately \$1,451,392,118 and \$1,370,352,063, respectively.

NOTE 7 – FAIR VALUE MEASUREMENTS

Generally accepted accounting principles require that certain assets and liabilities be reported at fair value and establish a hierarchy that prioritizes inputs used to measure fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The three levels of the fair value hierarchy are as follows:

- *Level 1* – Inputs are unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the reporting date.

NOTE 7 – FAIR VALUE MEASUREMENTS (continued)

- *Level 2* – Inputs are other than quoted prices included in Level 1, which are either directly observable or can be derived from or corroborated by observable market data at the reporting date.
- *Level 3* – Inputs are not observable and are based on the reporting entity’s assumptions about the inputs market participants would use in pricing the asset or liability.

Assets measured at fair value at June 30, 2022 are as follows:

	<u>LEVEL 1</u>	<u>LEVEL 2</u>	<u>LEVEL 3</u>	<u>TOTAL</u>
U. S. Treasury securities	\$ 14,344,619	\$ -	\$ -	\$ 14,344,619
Total investments at fair value	14,344,619	-	-	14,344,619
Cash and cash equivalents:				
Money market mutual funds	<u>168,371,713</u>	<u>-</u>	<u>-</u>	<u>168,371,713</u>
Total assets at fair value	<u>\$ 182,716,332</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 182,716,332</u>

Assets measured at fair value at June 30, 2021 are as follows:

	<u>LEVEL 1</u>	<u>LEVEL 2</u>	<u>LEVEL 3</u>	<u>TOTAL</u>
Government agency securities	\$ -	\$ 501,743	\$ -	\$ 501,743
U. S. Treasury securities	24,592,489	-	-	24,592,489
Domestic corporate bonds	<u>-</u>	<u>11,515,265</u>	<u>-</u>	<u>11,515,265</u>
Total investments at fair value	24,592,489	12,017,008	-	36,609,497
Cash and cash equivalents:				
Money market mutual funds	<u>173,495,112</u>	<u>-</u>	<u>-</u>	<u>173,495,112</u>
Total assets at fair value	<u>\$ 198,087,601</u>	<u>\$ 12,017,008</u>	<u>\$ -</u>	<u>\$ 210,104,609</u>

Valuation methods used for assets measured at fair value are as follows:

- *Government agency securities* and *domestic corporate bonds* are valued using prices obtained from independent quotation bureaus that use computerized valuation formulas which may include market-corroborated inputs for credit risk factors, interest rate and yield curves and broker quotes to calculate fair values.
- *Money market mutual funds* are valued at the reported net asset value of shares held.
- *U. S. Treasury securities* are valued using prices obtained from active markets and inter-dealer brokers on a daily basis.

These valuation methods may produce a fair value that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the School believes its valuation methods are appropriate, the use of different methods or assumptions could result in a different fair value measurement at the reporting date.

NOTE 7 – FAIR VALUE MEASUREMENTS (continued)

Financial instruments: The fair value of the School’s cash and cash equivalents due from government agencies, payables, prepaid expenses and other receivables approximates the carrying amounts of such instruments due to their short-term maturity. The fair value of debt approximates the carrying amount because the rate and terms currently available to the School approximate the rates and terms of the School’s existing debt. There have been no changes on valuation techniques used for any assets or valuations measured at fair value during the years ended June 30, 2022 and 2021.

NOTE 8 – BONDS PAYABLE

Bonds payable at June 30, 2022 consist of the following:

	OUTSTANDING		ISSUANCE	
	BALANCE	PREMIUM	COSTS	TOTAL
Series 2010	\$ 7,555,000	\$ -	\$ (42,273)	\$ 7,512,727
Series 2012	50,005,000	1,387,124	(950,727)	50,441,397
Series 2013	55,700,000	648,217	(1,020,366)	55,327,851
Series 2014	80,760,000	3,488,479	(1,105,339)	83,143,140
Series 2015	64,600,000	2,685,521	(983,079)	66,302,442
Series 2016 A	98,600,000	13,675,588	(1,259,947)	111,015,641
Series 2016 B	13,295,000	944,403	(393,917)	13,845,486
Series 2017	162,115,000	7,938,123	(2,368,628)	167,684,495
Series 2018	159,840,000	7,598,626	(5,417,407)	162,021,219
Series 2019	210,425,000	19,969,823	(7,367,758)	223,027,065
Series 2021 RMKT	171,555,000	26,265,134	(8,913,966)	188,906,168
Series 2022 A	<u>94,930,000</u>	<u>11,625,430</u>	<u>(1,614,988)</u>	<u>104,940,442</u>
Total	1,169,380,000	96,226,468	(31,438,395)	1,234,168,073
Less current portion	<u>23,505,000</u>	-	-	<u>23,505,000</u>
Net long-term bonds payable	<u>\$1,145,875,000</u>	<u>\$ 96,226,468</u>	<u>\$ (31,438,395)</u>	<u>\$ 1,210,663,073</u>

Bonds payable at June 30, 2021 consist of the following:

	OUTSTANDING		ISSUANCE	
	BALANCE	PREMIUM	COSTS	TOTAL
Series 2010	\$ 7,555,000	\$ -	\$ (61,808)	\$ 7,493,192
Series 2012	51,370,000	1,455,907	(998,460)	51,827,447
Series 2013	56,910,000	678,722	(1,068,384)	56,520,338
Series 2014	83,065,000	4,067,611	(1,154,891)	85,977,720
Series 2015	65,975,000	3,069,048	(1,025,286)	68,018,762
Series 2016 A	98,690,000	14,590,983	(1,311,904)	111,969,079
Series 2016 B	14,765,000	1,218,227	(410,150)	15,573,077
Series 2017	167,315,000	9,278,505	(2,462,745)	174,130,760
Series 2018	162,805,000	8,492,783	(5,759,604)	165,538,179
Series 2019	214,165,000	22,307,358	(7,821,763)	228,650,595
Series 2021	<u>196,750,000</u>	-	<u>(7,557,239)</u>	<u>189,192,761</u>
Total	1,119,365,000	65,159,144	(29,632,234)	1,154,891,910
Less current portion	<u>19,720,000</u>	-	-	<u>19,720,000</u>
Net long-term bonds payable	<u>\$1,099,645,000</u>	<u>\$ 65,159,144</u>	<u>\$ (29,632,234)</u>	<u>\$ 1,135,171,910</u>

NOTE 8 – BONDS PAYABLE (continued)

Interest cost, including amortization of debt issuance costs and premium incurred for the years ended June 30, 2022 and 2021, totaled \$45,920,741 and \$35,917,105, respectively, of which \$44,482,483 and \$35,373,054 was expensed and \$1,438,258 and \$544,051 was capitalized for the years ended June 30, 2022 and 2021, respectively. The effective interest rate on the bonds for fiscal year 2022 and fiscal year 2021 was 3.36% and 3.35%, respectively.

The Series 2010 Q bonds tax credit interest subsidy for the years ended June 30, 2022 and 2021, totaled \$623,288 and \$391,964, respectively, and is reflected in local support, other revenues in the consolidated statements of activities.

Series 2010 A and Q bonds: In December 2010, \$7,555,000 of Qualified School Construction Bonds – Direct Pay, Series Q. Proceeds of the bonds were used for construction and future debt service.

The Series 2010 A bonds mature serially each August 15, starting 2020 through 2024, with a stated interest rate ranging from 5.125% to 5.750%.

As part of the Series 2016 bonds issuance, the School called and defeased \$23,175,000 of Series 2010 A, Education Revenue Bonds. As part of the Series 2017 bonds issuance, the School called and defeased \$3,930,000 of Series 2010 A, Education Revenue Bonds.

The Series 2010 Q bonds mature August 15, 2029, with a stated interest rate of 8.25%. Interest on the Series 2010 A and Q bonds is due semiannually on February 15 and August 15.

The Series 2010 Q bonds have been designated as “qualified school’s construction bonds” pursuant to section 54F of the Internal Revenue Code of 1986, as amended (the Code) and are subject to an irrevocable election to treat such bonds as “specified tax credit bonds” pursuant to section 6431(f) of the Code.

Series 2012 bonds: In August 2012, the School issued \$59,730,000 of Education Revenue Bonds, Series 2012. Proceeds of the bonds were for construction and future debt service. The Series 2012 bonds mature serially each August 15, starting 2015 through 2042, with a stated interest rate ranging from 2.15% to 5.00%.

The Series 2012 bonds are subject to optional redemption in whole or in part by the School on August 15, 2022.

Series 2013 bonds: In October 2013, the School issued \$63,025,000 of Education Revenue Bonds, Series 2013. Proceeds of the bonds were for construction, future debt service, and repayment of the multiple draw term notes payable to Regions Bank. The Series 2013 bonds mature serially each August 15, starting 2015 through 2043, with a stated interest rate ranging from 5% to 6%.

The Series 2013 bonds are subject to optional redemption in whole or in part by the School on August 15, 2023.

NOTE 8 – BONDS PAYABLE (continued)

Series 2014 bonds: In October 2014, the School issued \$90,600,000 of Education Revenue and Refunding Bonds, Series 2014. Proceeds of the bonds were for construction, future debt service, and repayment of the multiple draw term notes payable to Regions Bank. The Series 2014 bonds mature serially each August 15, starting 2016 through 2044, with a stated interest rate ranging from 2% to 5%.

As part of this issuance, the School called and defeased \$29,340,000 of 2007 A, Education Revenue Bonds.

The Series 2014 bonds are subject to optional redemption in whole or in part by the School on August 15, 2024.

Series 2015 bonds: In October 2015, the School issued \$70,885,000 of Education Revenue Bonds, Series 2015. Proceeds of the bonds were for construction, future debt service, and repayment of the multiple draw term notes payable to Regions Bank. The Series 2015 bonds mature serially each August 15, starting 2017 through 2045, with a stated interest rate ranging from 3% to 5%.

The Series 2015 bonds are subject to optional redemption in whole or in part by the School on August 15, 2025.

Series 2016 A bonds: In September 2016, the School issued \$99,025,000 of Education Revenue and Refunding Bonds, Series 2016 A. Proceeds of the bonds were for construction, future debt service, and repayment of the multiple draw term notes payable to Regions Bank. The Series 2016 A bonds mature serially each August 15, starting 2017 through 2046, with a stated interest rate ranging from 2% to 5%.

As part of this issuance, the School called and defeased \$13,495,000 of Series 2009 A, Education Revenue Bonds and \$23,175,000 of Series 2010 A, Education and Revenue bonds.

The Series 2016 A bonds are subject to optional redemption in whole or in part by the School on August 15, 2026.

Series 2016 B bonds: In October 2016, the School issued \$18,190,000 of Education Revenue Bonds, Series 2016 B. Proceeds of the bonds were for construction and future debt service. The Series 2016 B bonds mature serially each August 15, starting 2018 through 2028, with a stated interest rate ranging from 2% to 5%.

The Series 2016 B bonds are subject to optional redemption in whole or in part by the School on August 15, 2026.

Series 2017 bonds: In August 2017, the School issued \$176,585,000 of Education Revenue and Refunding Bonds, Series 2017. Proceeds of the bonds were for construction, future debt service, and repayment of the multiple draw term notes payable to Regions Bank. The Series 2017 bonds mature serially each August 15, starting 2018 through 2047, with a stated interest rate ranging from 1.5% to 4.0%.

NOTE 8 – BONDS PAYABLE (continued)

As part of this issuance, the School called and defeased \$12,995,000 of Series 2009 A, Education Revenue Bonds, \$3,930,000 of Series 2010 A, Education and Revenue Bonds and \$24,565,000 of Series 2011 Education Revenue Bonds, which resulted in a noncash loss on extinguishment of debt of \$7,043,148 in fiscal year 2018. As a result of this defeasance, the School realized a total decrease in debt service payments of \$13,177,252, net of refunding expenses, which resulted in an economic gain of \$5,266,407.

The Series 2017 bonds are subject to optional redemption in whole or in part by the School on August 15, 2027.

Series 2018 bonds: In October 2018, the School issued \$165,680,000 of Education Revenue Bonds, Series 2018. Proceeds of the bonds were for construction and future debt service. The Series 2018 bonds mature serially each August 15, starting in 2020 through 2048, with a stated interest rate ranging from 3% to 5%.

The Series 2018 bonds maturing on or after August 15, 2029 are subject to optional redemption in whole or in part by the School on August 15, 2028.

Series 2019 bonds: In October 2019, the School issued \$214,165,000 of Education Revenue Bonds, Series 2019. Proceeds of the bonds were for construction and future debt service. The Series 2019 bonds mature serially each August 15, starting in 2021 through 2049, with a stated interest rate ranging from 3% to 5%.

The Series 2019 bonds maturing on or after August 15, 2030 are subject to optional redemption in whole or in part by the School on August 15, 2029.

Series 2021 bonds: In March 2021, the School issued \$196,750,000 of Education Revenue Bonds, Series 2021. Proceeds of the bonds were for construction and future debt service. The Series 2021 bonds mature serially each August 15, starting in 2022 through 2050, with a stated interest rate ranging from 0.75% to 2.80%.

The Series 2021 bonds maturing on or after August 15, 2031 are subject to optional redemption in whole or in part by the School on August 15, 2030.

Series 2021 bonds remarketed: In February 2022, the School remarketed \$177,555,000 of 2021 bonds. Proceeds of the bonds were used for construction of new campuses and improvement of existing campuses. The bonds are composed of \$102,555,000 of serial bonds and \$69,000,000 of term bonds. The serial bonds mature each August 15, starting in 2022 through 2024, with a stated interest rate ranging from 4.0% to 5.0%. The term bonds mature \$33,590,000 on August 15, 2047 at a stated interest rate of 4.0%, \$7,000,000 on August 15, 2047 at a stated interest rate of 2.85%, and \$28,410,000 on August 15, 2050 at a stated interest rate of 4.0%.

Series 2022 A bonds: In February 2022, the School issued \$94,930,000 of Education Revenue Bonds, Series 2022 A. Proceeds of the bonds were for construction of new campuses and improvement of existing campuses. The Series 2022 A bonds are composed of \$52,775,000 of serial bonds and \$42,155,000 of term bonds. The serial bonds mature each August 15, starting in 2023 and continuing

NOTE 8 – BONDS PAYABLE (continued)

through 2042, with a stated interest rate ranging from 4.0% to 5.0%. The term bonds mature \$21,610,000 on August 15, 2047 at a stated interest rate of 4.0%, \$13,795,000 on August 15, 2051 at a stated interest rate of 4.0% and \$6,750,000 on August 15, 2051 at a stated interest rate of 3.0%.

The Series 2014, 2015, 2016 A, 2017, 2018, 2019 and 2021 bonds are guaranteed by TEA under the Permanent School Fund Guarantee program.

All of the bond issuances require the School to maintain a debt reserve fund equal to the maximum annual principal and interest requirements of the respective bond issuance.

Covenants: All bond loan agreements establish a debt service coverage ratio, which stipulates that available revenues for each fiscal year (without excluding any discretionary expense actually incurred in such fiscal year) must be equal to 1.10 times the annual debt service requirements of the School as of the end of the fiscal year after the date of issuance of the bonds and thereafter until the bonds have been paid in full. Management believes the School was in compliance with this covenant and all other applicable covenants contained in the loan agreements during the years ended June 30, 2022 and 2021.

Debt service requirements for bonds payable for the year ended June 30, 2022 are as follows:

	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TAX CREDIT SUBSIDY</u>	<u>TOTAL</u>
2023	\$ 23,505,000	\$ 50,945,044	\$ (623,288)	\$ 73,826,756
2024	26,255,000	49,792,088	(623,288)	75,423,800
2025	27,590,000	48,452,969	(595,444)	75,447,525
2026	29,060,000	46,991,125	(513,975)	75,537,150
2027	30,610,000	45,442,125	(405,075)	75,647,050
Thereafter	<u>1,032,360,000</u>	<u>517,626,482</u>	<u>(530,888)</u>	<u>1,549,455,594</u>
Total bonds payable	<u>\$1,169,380,000</u>	<u>\$ 759,249,833</u>	<u>\$ (3,291,958)</u>	<u>\$ 1,925,337,875</u>

NOTE 9 – NOTES PAYABLE

Notes payable consist of the following:

	<u>2022</u>	<u>2021</u>
A multiple draw term note payable to BBVA USA, in the original amount equal to or less than \$100,000,000 during the draw period; requiring monthly payments of interest on the 14 th of each month; beginning December 14, 2020 at monthly LIBOR plus 1.20% (2.48% at June 30, 2022) until maturity on October 14, 2023. The note is secured by a first and prior lien and security interest on real property securing the Master Indenture of Trust and any other security pledged by the School.	\$ 66,984,360	\$ 54,533,604

NOTE 9 – NOTES PAYABLE (continued)

A multiple draw term note payable to CLI Capital, in the original amount equal to or less than \$25,000,000 during the draw period; requiring monthly payments of principal and interest on the 1st day of every month; beginning September 1, 2020 at monthly LIBOR plus 1.00% until November 2024 (5.75% at June 30, 2022). This note is secured by a subordinate interest in the corresponding land and School facility.

19,090,529 16,024,277

A multiple draw term note payable to CIT Bank, N.A., in the original amount equal to or less than \$18,960,000 during the draw period; requiring monthly payments of interest on the 10th day of every month beginning October 10, 2020 at the greater of 4.90% per annum or the 4.25% (plus) the 5-Year Treasury Rate (7.10% at June 30, 2022). Principal plus interest shall be due and payable in monthly installments commencing on October 10, 2021. The maturity date is October 31, 2025. This note is secured by a senior and first priority mortgage and Assignment of Rents and Security Agreement and Fixture Filing in favor of Holder, encumbering certain real property located in Louisiana.

18,199,007 16,803,655

A term note payable to Central Bank & Trust Co., in the original amount of \$10,125,000 maturing October 2, 2021. Borrower shall make payments of interest only on this note beginning on May 2, 2021 at a rate of 4.25% per annum. The outstanding principal and all accrued but unpaid interest thereon shall be due on the maturity date. This note is secured by a commercial mortgage and assignment of leases and tent and fixture filing from borrower on certain real property held in Hamilton County, Ohio.

- 10,125,000

A multiple draw term note payable to PNC Bank, National Association, in the original amount equal to or less than \$18,530,521 during the draw period; requiring monthly payments of interest on the 1st day of every month; beginning November 1, 2020 at monthly LIBOR plus 3.50% (4.95% at June 30, 2022). Principal plus interest shall be due and payable in monthly installments commencing on April 1, 2022. This note is secured by a subordinate interest in the corresponding land and School facility.

16,696,458 8,960,530

NOTE 9 – NOTES PAYABLE (continued)

A multiple draw term note payable to Regions Commercial Equipment Finance, LLC, in the original amount equal to or less than \$65,000,000 during the draw period; requiring semi-annual payments of interest on the 15 th of February and August of each calendar year; beginning August 15, 2017 at monthly LIBOR plus 1.30% until August 15, 2020 (3.70% at June 30, 2022). The note is secured by a first and prior lien and security interest on any real property securing the Master Indenture of Trust and any other security pledged by the School.	29,583,844	8,394,013
A term note payable to Building Hope Finance, in the original amount of \$7,969,479; maturing August 1, 2023; bearing interest at a rate per annum equal to 1.04% paid monthly until the maturity date when the entire amount hereof, principal and accrued interest then remaining unpaid, shall be then due and payable. The note is secured on a subordinate basis by pledged revenues under the Master Indenture of Trust dated as of September 1, 2020.	7,969,479	7,969,479
A multiple draw term note payable to Home Bank, N.A., in the original amount equal to or less than \$11,211,655 during the draw period; requiring monthly payments of interest on the 15 th day of every month at a rate equal to 4.25%; beginning November 15, 2020. The note is secured by a subordinate interest in the corresponding land and School facility.	11,100,565	1,673,257
A multiple draw term note payable to Regions Capital Advantage, in the original amount equal to or less than \$6,000,000 during the draw period; requiring quarterly payments of interest on the 1 st day of January, April, July and October of each calendar year; beginning October 1, 2017 at monthly interest of 3.48%; maturing July 1, 2029. The note is secured by any mortgage, lien, charge, encumbrance, pledge or other security interest upon property owned by the School.	4,243,902	4,829,268
A term note payable to BlueHub Loan Fund, Inc., in the original amount of \$4,913,034; maturing October 1, 2025; bearing interest on the outstanding and unpaid principal amount of the note at a rate per annum of 6.00%. All accrued and unpaid interest will be payable on the monthly payment date commencing January 15, 2021 until the conversion date of December 15, 2021. Commencing on the conversion date and thereafter on the 15 th day of each calendar month up to the maturity date, borrower shall pay to lender the monthly installments of principal plus interest. One final installment of all outstanding principal and unpaid interest shall be due and payable by the maturity date. This note is secured by a multiple indebtedness mortgage, security agreement and pledge of leases and rents for real property recorded with the mortgage records office in the parish of East Baton Rouge, State of Louisiana.	4,871,613	4,563,447

NOTE 9 – NOTES PAYABLE (continued)

A term note payable to BlueHub Loan Fund, Inc., in the original amount of \$4,131,000; maturing April 1, 2026; bearing interest on the outstanding and unpaid principal amount of the note at a rate per annum of 6.00%. This note is secured on a subordinate basis by a commercial mortgage and assignment of leases and tent and fixture filing from borrower on certain real property held in Hamilton County, Ohio.	-	3,055,376
A term note payable to Building Hope Finance, in the original amount of \$8,155,501; maturing March 1, 2028; bearing interest on the outstanding and unpaid principal amount of the note at a rate per annum equal to 1.09% paid monthly until the maturity date when the entire amount hereof, principal and accrued interest then remaining unpaid, shall be then due and payable. This note is secured by pledged revenues under the Master Indenture of Trust dated March 1, 2021.	8,155,501	3,374,261
A term note payable to Charter Fund, Inc., in the original amount of \$2,200,000; maturing June 30, 2021; with a \$2,200,000 balloon payment at the end of the term, including interest at 1.00% through June 30, 2021. This note is unsecured and subordinate to all other debt obligations of IPS.	2,200,000	2,200,000
A term note payable to BlueHub Loan Fund, Inc., in the original amount of \$2,000,000; maturing April 1, 2026; bearing interest on the outstanding and unpaid principal at a rate per annum equal to 6.00%. All accrued and unpaid interest will be payable monthly commencing November 1, 2020 until October 1, 2021. Commencing on October 1, 2021 and thereafter, borrower shall pay principal plus interest. One final installment of the entire outstanding principal balance and all accrued interest shall be due and payable by the maturity date. This note is secured by a multiple indebtedness mortgage, security agreement and pledge of leases and rents recorded with the Mortgage Records Office in the parish of East Baton Rouge, State of Louisiana, which relates to property located at 1500 North Airway Drive, Baton Rouge, Louisiana.	1,977,174	2,000,000
A term note payable to Frost Bank, in the original amount of \$1,600,000; requiring monthly payments of principal and interest at 4.83%, due on the 1 st day of each month starting April 1, 2019 until maturity on February 1, 2027. This loan is unsecured and subordinate to all other debt obligations of the School.	1,013,534	1,202,794

NOTE 9 – NOTES PAYABLE (continued)

A term note payable to CSGF Facility Fund III, in the original amount of \$1,800,000; maturing February 28, 2023; with a \$900,000 balloon payment on February 28, 2021 and \$900,000 at the end of the term, including interest at 3.00% through February 28, 2023. This note is unsecured and subordinate to all other debt obligations of IPS.	900,000	900,000
A multiple draw term note payable to Regions Commercial Equipment Finance, LLC, in the original amount equal to or less than \$10,000,000 during the draw period; requiring monthly payments of interest on the 15 th of each month; beginning July 15, 2019 at monthly LIBOR plus 1.40% until August 15, 2023 (3.80% at June 30, 2022). The note is secured by a first and prior lien and security interest on any real property securing the Master Indenture of Trust and any other security pledge by the School.	10,000,000	273,987
A term note payable to Building Hope Finance, in the original amount of \$8,152,777; maturing September 1, 2024; bearing interest on the outstanding and unpaid principal amount of the note at a rate per annum equal to 1.09% paid on each principal payment date until the maturity date when the entire amount hereof, principal and accrued interest then remaining unpaid, shall be then due and payable. This note is secured by pledged revenues and the mortgage.	8,152,777	8,152,777
A term note payable to Frost Bank, in the original amount of \$2,500,000; maturing February 1, 2027; requiring monthly payments of principal and interest, including interest at 4.83% through February 1, 2027. This note is unsecured and subordinate to all other debt obligations of the School.	-	131,043
A term note payable to Building Hope Finance, in the original amount of \$7,715,788; maturing April 1, 2029; bearing interest on the outstanding and unpaid principal amount of the note at a rate per annum equal to 1.15% paid on each principal payment date until the maturity date when the entire amount hereof, principal and accrued interest then remaining unpaid, shall be then due and payable. This note is secured by pledged revenues and the mortgage dated April 27, 2022.	2,664,601	-

NOTE 9 – NOTES PAYABLE (continued)

A term note payable to Building Hope Finance, in the original amount of \$9,280,594; maturing June 1, 2029; bearing interest on the outstanding and unpaid principal amount of the note at a rate per annum equal to 1.23% paid on each principal payment date until the maturity date when the entire amount hereof, principal and accrued interest then remaining unpaid, shall be then due and payable. This note is secured by pledged revenues and the mortgage dated June 24, 2022.	2,117,514	-
A term note payable to Building Hope Finance, in the original amount of \$8,155,501; maturing May 1, 2028; bearing interest on the outstanding and unpaid principal amount of the note at a rate per annum equal to 1.09% paid on each principal payment date until the maturity date when the entire amount hereof, principal and accrued interest then remaining unpaid, shall be then due and payable. This note is secured by pledged revenues under the Master Indenture of Trust dated July 15, 2021.	8,155,501	-
A term note payable to Building Hope Finance in the original amount of \$8,155,501; maturing February 28, 2029; bearing interest on the outstanding and unpaid principal amount of the note at a rate per annum equal to 1.09% paid on each principal payment date until the maturity date when the entire amount hereof, principal and accrued interest then remaining unpaid, shall be then due and payable. This note is secured by pledged revenues under the Master Indenture of Trust dated February 28, 2022.	1,469,406	-
A multiple draw term note payable to CLI Capital, in the original amount equal to or less than \$18,600,000; maturing December 1, 2026. The note shall bear interest at a rate of prime rate plus 1.00%; however, no less than 5.50% nor more than 8.00% on unpaid principal. On November 1, 2023, all unpaid accrued interest will be capitalized and added to the loan balance. Beginning December 1, 2023, monthly principal and interest payments will be payable and continue until December 1, 2026 when the entire balance of principal and interest is payable in full.	382,032	-
A term note payable to PNC Bank, National Association, in the original amount of \$17,308,316; maturing July 1, 2024. The outstanding and unpaid principal amount of the note shall bear interest at a rate per annum equal to LIBOR+ 350 basis points and shall be paid each payment date until July 1, 2024. This note is secured under the Master Indenture of Trust and Security agreement dated March 1, 2021.	3,311,281	-

NOTE 9 – NOTES PAYABLE (continued)

<p>A term note payable to Central Bank & Trust Co., in the original amount of \$16,912,500; maturing October 15, 2027. Borrower shall make payments of interest only on this note beginning on November 15, 2021 at a rate of 4.25% per annum. The outstanding principal and all accrued but unpaid interest thereon shall be due on the maturity date. This note is secured by a commercial mortgage and assignment of leases and rent and fixture filing from borrower on certain real property held in Hamilton County, Ohio.</p>	12,615,799	-
<p>A term note payable to BlueHub Loan Fund, Inc., in the original amount of \$11,000,000; maturing July 30, 2027; bearing interest on the outstanding and unpaid principal at a rate per annum equal to 6.00%. All accrued and unpaid interest will be payable monthly commencing November 1, 2021 until March 15, 2023. Commencing on March 15, 2023 and thereafter, borrower shall pay principal plus interest. One final installment of the entire outstanding principal balance and all accrued interest shall be due and payable by the maturity date. This note is secured on a subordinate basis by a commercial mortgage and assignment of leases and rent and fixture filing from borrower on certain real property held in Hamilton County Ohio.</p>	8,463,050	-
<p>A term note payable to Home Bank, NA, in the original amount of \$745,630; maturing September 29, 2028; requiring monthly payments of principal and interest, including interest at 5.00% commencing on September 29, 2021 and continuing until the note is paid in full. This note is secured by collateral.</p>	677,734	-
<p>A term note payable to Home Bank, NA, in the original amount of \$22,539; maturing October 18, 2028; requiring monthly payments of principal and interest, including interest at 5.00% commencing on October 18, 2021 and continuing until the note is paid in full. This note is secured by collateral.</p>	20,725	-
<p>A term note payable to PNC Bank, National Association, in the original amount of \$14,841,833; maturing March 1, 2024; the outstanding and unpaid principal shall bear interest at a rate per annum equal to LIBOR plus 4.50%. Principal plus interest shall be due and payable in monthly installments on each payment date until March 1, 2024. This note is secured under the Master Indenture and Security Agreement dated March 1, 2021.</p>	7,501,071	-

NOTE 9 – NOTES PAYABLE (continued)

A multiple draw term note payable to CLI Capital, in the original amount equal to or less than \$18,400,000; maturing January 18, 2027. The note shall bear interest at a rate per annum of 5.75%. The purpose of this loan is to finance the purchase, construction, renovation and equipment of certain educational facilities located at Lenox Avenue and Lane Avenue in the City of Jacksonville, Florida. The note is secured by any mortgage, rents, or other security interest upon the property owned.

	<u>2,782,420</u>	<u>-</u>
Total	261,299,877	155,166,768
Less current portion	(56,237,583)	(12,026,179)
Less debt issuance costs	<u>(2,795,102)</u>	<u>(1,785,900)</u>
Total notes payable – long-term	<u>\$ 202,267,192</u>	<u>\$ 141,354,689</u>

The future minimum payments for notes payable as of June 30, 2022 are as follows:

2023	\$ 55,721,739
2024	84,110,075
2025	33,826,566
2026	35,598,765
2027	7,094,560
Thereafter	<u>44,948,172</u>
Total	<u>\$ 261,299,877</u>

Interest cost, including amortization of debt issuance costs, incurred for the years ended June 30, 2022 and 2021 totaled \$6,678,586 and \$3,257,529, respectively, of which \$4,872,674 and \$1,997,603 was expensed and \$1,805,912 and \$1,259,926 was capitalized for the years ended June 30, 2022 and 2021, respectively.

NOTE 10 – LEASES

The School has 344 operating leases for office space and storage facilities, laptops, copiers, musical instruments, water dispensers, postage meters, and GPS trackers. The School has 23 finance leases for buildings and portable buildings, gym flooring, and vehicles.

The School evaluated its lease portfolio and did not identify any residual value guarantees related to its leases. Additionally, the School determined that it would not exercise the renewal options on copier leases. The office and storage facility leases contain renewal options which were evaluated individually in regard to the likelihood of renewal.

NOTE 10 – LEASES (continued)

The following table shows the components of lease cost for the years ended June 30:

	<u>2022</u>	<u>2021</u>
Finance lease cost:		
Amortization of right-of-use assets	\$ 2,245,573	\$ 1,753,203
Interest on lease liabilities	342,599	340,583
Operating lease cost	19,984,257	8,907,138
Short-term lease cost	148,752	140,904
Variable lease cost	3,587,954	1,951,589
Sublease income	<u>(273,294)</u>	<u>(664,543)</u>
Total lease cost	<u>\$ 26,035,841</u>	<u>\$ 12,428,874</u>

Other information for leases:

Cash paid for amounts included in the measurement of lease liabilities:

Operating cash flows for finance leases	\$342,599	\$340,583
Operating cash flows for operating leases	\$20,051,888	\$8,876,689
Financing cash flows for finance leases	\$1,911,130	\$2,070,137

The following table provides the weighted-average term and discount rates for both operating and finance leases outstanding as of June 30, 2022:

	<u>OPERATING</u>	<u>FINANCE</u>
Weighted-average remaining lease term	2.16 years	4.48 years
Weighted-average discount rate	2.27%	3.51%

Reconciliation of the undiscounted cash flows related to operating and finance leases to the discounted amount reported in the statement of financial position as of June 30, 2022:

<u>UNDISCOUNTED CASH FLOWS DUE</u>	<u>FINANCE</u>	<u>OPERATING</u>
2023	\$ 2,631,097	\$ 5,880,037
2024	2,447,583	3,845,583
2025	2,430,259	1,629,174
2026	1,910,247	32,850
2027	1,385,810	-
Thereafter	<u>420,657</u>	<u>-</u>
Total undiscounted cash flows	11,225,653	11,387,644
Less present value discount	<u>(177,391)</u>	<u>(247,847)</u>
Total present value of lease liabilities	<u>\$ 11,048,262</u>	<u>\$ 11,139,797</u>

NOTE 11 – NONFINANCIAL CONTRIBUTIONS

The School recognized the following nonfinancial contributions:

CONTRIBUTED NONFINANCIAL ASSET	MONETIZED OR UTILIZED IN PROGRAMS/ACTIVITIES	DONOR RESTRICTIONS	VALUATION TECHNIQUES AND INPUTS	2022	2021
Land	Utilized for future campus site.	Cannot be used for any purpose except for educational advancement and uses ancillary thereto for a period of 20 years.	Fair value estimated using a realtor appraisal.	\$1,173,000	
Other donated goods	Utilized for fundraising events.	None.	Fair value estimated using the donor's selling price or retail value.	66,682	\$15,521
School supplies	Utilized in classrooms.	None.	Fair value estimated using retail value.	1,040	234,932
Other donated goods	Utilized for El Paso Back to School Bash.	None.	Fair value estimated using the donor's selling price or retail value.	6,323	-
Athletic field maintenance services	Utilized for student events.	None.	Fair value estimated based on current rates for similar services.	-	7,200
Training services	Provided to Camp Rio staff.	None.	Fair value estimated based on current rates for similar services.	-	4,900
Food commodities	Provided to students.	Federal program.	Value provided by USDA.	1,766,214	1,327,540
Other donated goods	Utilized for construction.	None.	Fair value estimated on current rates for similar services.	30,343	-
Total contributed nonfinancial assets				<u>\$3,043,602</u>	<u>\$1,590,093</u>

NOTE 14 – GOVERNMENT GRANTS

Government grants include the following:

	<u>2022</u>	<u>2021</u>
Federal grants:		
U. S. Department of Education	\$ 125,673,615	\$ 63,622,707
U. S. Department of Agriculture	62,574,308	58,694,648
U. S. Department of Health and Human Services	600,721	-
Title XIX – School Health and Related Services	<u>11,666,175</u>	<u>4,175,821</u>
Total federal grants	<u>\$ 200,514,819</u>	<u>\$ 126,493,176</u>

Substantially all of the School’s state grants are from the TEA in fiscal years 2022 and 2021.

The grants from government funding sources require fulfillment of certain conditions as set forth in the grant contracts and are subject to review and audit by the awarding agencies. Such reviews and audits could result in the discovery of unallowable activities and unallowable costs. Consequently, any of the funding sources may, at their discretion, request reimbursement for expenses or return of funds as a result of non-compliance by the School with the terms of the contracts. As a condition of the federal awards received from the U. S. Department of Education, IDEA engaged an independent audit firm to conduct a program-specific audit and an examination of internal controls for the 2016 through 2021 fiscal years. Although IDEA has information indicating it is possible that a loss will result, IDEA is unable to assess the probability that a loss has been incurred or to reasonably estimate the amount of any potential loss.

NOTE 15 – REVENUE FROM CONTRACTS WITH CUSTOMERS

Performance obligations from contracts with customers are satisfied over time, other than food service fees, which are satisfied at a point in time. Revenue recognized over time is recognized ratably as services are rendered over the term of the agreement using the output method. Food service fees are recognized as meals are provided to students. The employee leasing and management fees are derived from agreements with other charter schools in Baton Rouge and New Orleans, Louisiana, and Tampa Bay, Florida. Academic support, shared service and food service fees are derived from customers in Texas. The revenue is included in management fees and other revenue in the statement of activities.

The following table disaggregates the School’s revenue based on the timing of satisfaction of performance obligations for the years ended June 30:

	<u>2022</u>	<u>2021</u>
Performance obligations satisfied over time:		
Management fees	\$ 43,255,502	\$ 23,201,195
Management and shared services fees	17,194,631	11,495,506
Academic support fees	97,068	365,340
Other	<u>368,029</u>	<u>74,875</u>
Total	60,915,230	35,136,916
Performance obligations satisfied at a point in time:		
Food service fees	<u>250,306</u>	<u>28,082</u>
Total revenue from contracts with customers	<u>\$ 61,165,536</u>	<u>\$ 35,164,998</u>

NOTE 15 – REVENUE FROM CONTRACTS WITH CUSTOMERS *(continued)*

The performance obligations related to the employee leasing services control is transferred to the customer over time and the revenue is recognized on the basis of reimbursement of actual costs incurred by IPS. Management and shared services fees, academic support fees, and food service fee revenue are recognized on the basis of negotiated contracts for these goods and services.

NOTE 16 – RETIREMENT PLANS

Plan description: The School's full-time employees participate in the Teacher Retirement System of Texas (TRS), a public employee retirement system. TRS is a cost-sharing, multiemployer, defined benefit pension plan. All risks and costs are not shared by the School, but are the liability of the State of Texas.

Funding policy: Plan members contributed 8.0% and 7.7% of their annual covered salary in 2022 and 2021, respectively. The School contributes 7.75% for new members the first 90 days of employment, and the State of Texas contributes 7.75%. Additionally, the School makes a 1.7% non-OASDI payment for all TRS eligible employees. The School's contributions do not represent more than 5% of the TRS' total contributions. For 2022 and 2021, the School contributed approximately \$26,683,000 and \$19,357,000, respectively, to TRS. There have been no significant changes that affected the comparability of the 2021 and 2020 contributions.

The risks of participating in a multiemployer, defined benefit plan are different from single-employer plans because (a) amounts contributed to a multiemployer plan by one employer may be used to provide benefits to employees of other participating employers and (b) if an employer stops contributing to TRS, unfunded obligations of TRS may be required to be borne by the remaining employers. There is no withdrawal penalty for leaving TRS.

Total TRS plan assets as of the most recent fiscal years ended for TRS of August 31, 2021 and 2020 were \$223.2 billion and \$184.4 billion, respectively. Accumulated benefit obligations as of August 31, 2021 and 2020 were \$227.3 billion and \$218.9 billion, respectively. The plan was 79.1% funded at August 31, 2021 and 76.8% funded at August 31, 2020.

Supplemental retirement payments: The School offers a voluntary section 403(b) plan for all employees to make elective contributions to the plan. The School is not required to match any employee contributions and made no matching contributions for the years June 30, 2022 and 2021.

The School has adopted an employer-paid section 403(b) plan for eligible employees in top management positions to make elective contributions to this plan. The School provides a 1-to-1 match on employee contributions up to 10% of the employee's annual salary. Employer contributions to the plan totaled \$1,020,203 and \$995,268 for the years ended June 30, 2022 and 2021, respectively.

NOTE 17 – COMMITMENTS AND CONTINGENCIES

At June 30, 2022, the School had outstanding construction commitments related to the construction of School facilities. The School has paid \$143,179,573 on contracts totaling \$247,732,654 as of June 30, 2021, leaving total remaining commitments of \$104,553,081.

NOTE 17 – COMMITMENTS AND CONTINGENCIES (continued)

At the discretion of the Board, IDEA engaged an independent audit firm to conduct agreed-upon procedures relating to philanthropic awards recognized in fiscal years prior to the fiscal year ended June 30, 2022. While it is possible that a loss could result from these procedures, at this time, management has no information indicating it is probable that a loss has been incurred as of June 30, 2022 and no amount of potential loss can be reasonably estimated at this time.

As a condition of the federal awards received from the U. S. Department of Education, IDEA engaged an independent audit firm to conduct a program-specific audit and an examination of internal controls for the 2016 through 2021 fiscal years. Although IDEA has information indicating it is possible that a loss will result, IDEA is unable to assess the probability that a loss has been incurred or to reasonably estimate the amount of any potential loss.

NOTE 18 – RELATED PARTIES

In the ordinary course of business, the School has entered into contracted service transactions with vendors affiliated with School employees. Related-party transactions consist of the following:

	<u>2022</u>	<u>2021</u>
Payments	\$14,598	\$2,119,911
Accounts payable	\$56,936	\$12,681

IDEA Public Schools

Consolidating Statement of Financial Position as of June 30, 2022

	IDEA CHARTER	MISD IN-DISTRICT CHARTER	ELIMINATIONS	TOTAL IDEA PUBLIC SCHOOLS, INC.	IPS ENTERPRISES, INC.	ELIMINATIONS	TOTAL
ASSETS							
Current assets:							
Cash and cash equivalents	\$ 208,746,767	\$ 1,408,790	\$ -	\$ 210,155,557	\$ 2,641,503	\$ -	\$ 212,797,060
Cash and cash equivalents – held in trust	73,826,756	-	-	73,826,756	609,203	-	74,435,959
Government grant receivables	204,088,692	-	-	204,088,692	6,466,386	-	210,555,078
Contributions receivable, net	5,483,856	293,921	-	5,777,777	-	-	5,777,777
Accounts receivable	9,206,679	294,700	(1,240,427)	8,260,952	38,800,589	(5,056,973)	42,004,568
Investments – operating	32,455,444	-	-	32,455,444	-	-	32,455,444
Prepaid expenses	2,871,589	-	-	2,871,589	343,761	-	3,215,350
Other current assets	<u>833,423</u>	<u>4,899</u>	<u>-</u>	<u>838,322</u>	<u>170,000</u>	<u>-</u>	<u>1,008,322</u>
Total current assets	<u>537,513,206</u>	<u>2,002,310</u>	<u>(1,240,427)</u>	<u>538,275,089</u>	<u>49,031,442</u>	<u>(5,056,973)</u>	<u>582,249,558</u>
Fixed assets:							
ROU asset – operating leases	11,050,874	233,014	-	11,283,888	330	-	11,284,218
ROU asset – finance leases, net	8,793,668	65,841	-	8,859,509	960,669	-	9,820,178
Property and equipment, net	<u>1,232,272,682</u>	<u>1,336,371</u>	<u>-</u>	<u>1,233,609,053</u>	<u>152,818,973</u>	<u>-</u>	<u>1,386,428,026</u>
Total fixed assets	<u>1,252,117,224</u>	<u>1,635,226</u>	<u>-</u>	<u>1,253,752,450</u>	<u>153,779,972</u>	<u>-</u>	<u>1,407,532,422</u>
Other noncurrent assets:							
Cash and cash equivalents – held in trust	70,701,489	-	-	70,701,489	-	-	70,701,489
Contributions receivable, net	2,663,132	66,000	-	2,729,132	-	-	2,729,132
Investments – held in trust	<u>6,889,328</u>	<u>-</u>	<u>-</u>	<u>6,889,328</u>	<u>-</u>	<u>-</u>	<u>6,889,328</u>
Total other noncurrent assets	<u>80,253,949</u>	<u>66,000</u>	<u>-</u>	<u>80,319,949</u>	<u>-</u>	<u>-</u>	<u>80,319,949</u>
TOTAL ASSETS	<u>\$1,869,884,379</u>	<u>\$ 3,703,536</u>	<u>\$ (1,240,427)</u>	<u>\$1,872,347,488</u>	<u>\$ 202,811,414</u>	<u>\$ (5,056,973)</u>	<u>\$2,070,101,929</u>

(continued)

IDEA Public Schools

Consolidating Statement of Financial Position as of June 30, 2022

(continued)

	IDEA CHARTER	MISD IN-DISTRICT CHARTER	ELIMINATIONS	TOTAL IDEA PUBLIC SCHOOLS, INC.	IPS ENTERPRISES, INC.	ELIMINATIONS	TOTAL
LIABILITIES AND NET ASSETS							
Current liabilities:							
Accounts payable	\$ 39,514,261	\$ 203,057	\$ -	\$ 39,717,318	\$ 9,089,266	\$ -	\$ 48,806,584
Accrued wages, benefits, and taxes	70,281,936	774,193	-	71,056,129	2,845,263	-	73,901,392
Accrued interest payable	21,611,463	-	-	21,611,463	484,156	-	22,095,619
Accrued expenses	7,283,278	231,828	-	7,515,106	1,851,176	-	9,366,282
Refundable advances	4,949,797	25	-	4,949,822	-	-	4,949,822
Other liabilities	706,249	947,724	(1,240,427)	413,546	38,186,754	(5,056,973)	33,543,327
Bonds payable – current portion	23,505,000	-	-	23,505,000	-	-	23,505,000
Notes payable – current portion	51,117,443	-	-	51,117,443	5,120,140	-	56,237,583
Operating leases payable – current portion	5,552,113	-	-	5,552,113	330	-	5,552,443
Finance leases payable – current portion	<u>2,062,354</u>	<u>13,559</u>	<u>-</u>	<u>2,075,913</u>	<u>248,030</u>	<u>-</u>	<u>2,323,943</u>
Total current liabilities	<u>226,583,894</u>	<u>2,170,386</u>	<u>(1,240,427)</u>	<u>227,513,853</u>	<u>57,825,115</u>	<u>(5,056,973)</u>	<u>280,281,995</u>
Long-term liabilities:							
Bonds payable, net	1,210,663,073	-	-	1,210,663,073	-	-	1,210,663,073
Notes payable, net	60,573,385	-	-	60,573,385	141,693,807	-	202,267,192
Operating leases payable	5,513,688	73,666	-	5,587,354	-	-	5,587,354
Finance leases payable	<u>7,840,536</u>	<u>62,130</u>	<u>-</u>	<u>7,902,666</u>	<u>821,653</u>	<u>-</u>	<u>8,724,319</u>
Total long-term liabilities	<u>1,284,590,682</u>	<u>135,796</u>	<u>-</u>	<u>1,284,726,478</u>	<u>142,515,460</u>	<u>-</u>	<u>1,427,241,938</u>
Net assets:							
Without donor restrictions	631,053	594,946	-	1,225,999	(4,388,577)	-	(3,162,578)
With donor restrictions	<u>358,078,750</u>	<u>802,408</u>	<u>-</u>	<u>358,881,158</u>	<u>6,859,416</u>	<u>-</u>	<u>365,740,574</u>
Total net assets	<u>358,709,803</u>	<u>1,397,354</u>	<u>-</u>	<u>360,107,157</u>	<u>2,470,839</u>	<u>-</u>	<u>362,577,996</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$1,869,884,379</u>	<u>\$ 3,703,536</u>	<u>\$ (1,240,427)</u>	<u>\$1,872,347,488</u>	<u>\$ 202,811,414</u>	<u>\$ (5,056,973)</u>	<u>\$2,070,101,929</u>

IDEA Public Schools

Consolidating Statement of Activities for the year ended June 30, 2022

	IDEA CHARTER	MISD IN-DISTRICT CHARTER	IPS ENTERPRISES, INC.	TOTAL
REVENUE AND OTHER SUPPORT:				
Local support:				
Grants	\$ 16,720,049	\$ 490,000	\$ 7,168,826	\$ 24,378,875
Contributions	1,490,320	2,891	11,196	1,504,407
In-kind contributions	1,247,045	-	30,343	1,277,388
Management fees	-	8,498,705	43,255,502	51,754,207
Net investment return	572,864	-	85	572,949
Other revenue	<u>7,642,602</u>	<u>124,377</u>	<u>10,097,812</u>	<u>17,864,791</u>
Total local support	<u>27,672,880</u>	<u>9,115,973</u>	<u>60,563,764</u>	<u>97,352,617</u>
State program revenue:				
Foundation School Program	706,251,431	-	-	706,251,431
Other state aid	<u>8,237,438</u>	<u>-</u>	<u>17,943,798</u>	<u>26,181,236</u>
Total state program revenue	<u>714,488,869</u>	<u>-</u>	<u>17,943,798</u>	<u>732,432,667</u>
Federal program revenue:				
ESEA Title I – Part A	21,194,189	-	-	21,194,189
ESEA Title II – Part A Teacher/ Principal Training	1,018,231	-	-	1,018,231
ESEA Title III – Part A Language Acquisition	1,538,478	-	-	1,538,478
IDEA B Formula – Special Education	6,805,678	-	-	6,805,678
IDEA B Preschool – Special Education	49,628	-	-	49,628
Corona Relief Fund – Part B Charter Schools	11,306,024	-	-	11,306,024
Teacher Incentive Fund	1,601,144	-	-	1,601,144
Lone Star STEM Cycle 2 Year 1	36,170	-	-	36,170
Instructional Continuity	1,335	-	-	1,335
ELC Reopening Schools	600,721	-	-	600,721
Twenty-First Century Community Learning Centers	1,620,606	-	-	1,620,606
Education Innovation and Research	520,942	-	624,338	1,145,280
ESEA Title IV – Part A Elementary and Secondary School Emergency Relief Fund	7,142,493	-	-	7,142,493
Elementary and Secondary School Emergency Relief Fund II	50,201,530	-	-	50,201,530
Elementary and Secondary School Emergency Relief Fund III	16,478,820	-	-	16,478,820
Child Nutrition	61,984,250	590,050	-	62,574,300
IDEA Comprehensive Health Professions	4,347,687	-	-	4,347,687
SSA, Title XIX – School Health and Related Services	<u>11,666,175</u>	<u>-</u>	<u>-</u>	<u>11,666,175</u>
Total federal program revenue	<u>199,300,431</u>	<u>590,050</u>	<u>624,338</u>	<u>200,514,819</u>
Total revenue and other support	<u>941,462,180</u>	<u>9,706,023</u>	<u>79,131,900</u>	<u>1,030,300,103</u>

(continued)

IDEA Public Schools

Consolidating Statement of Activities for the year ended June 30, 2022

(continued)

	IDEA CHARTER	MISD IN-DISTRICT CHARTER	IPS ENTERPRISES, INC.	TOTAL
EXPENSES:				
Program services:				
Instructional and instructional- related services	\$ 441,994,514	\$ 5,714,604	\$ 18,185,517	\$ 465,894,635
Instructional and school leadership	122,242,522	1,812,380	32,913,228	156,968,130
Support services – student (pupil)	157,070,319	1,187,236	9,563,535	167,821,090
Support services – nonstudent based	98,868,439	686,885	3,468,504	103,023,828
Ancillary services	<u>1,731,651</u>	<u>39,192</u>	-	<u>1,770,843</u>
Total program services	<u>821,907,445</u>	<u>9,440,297</u>	<u>64,130,784</u>	<u>895,478,526</u>
Support services:				
Administrative support services	52,749,396	23,457	8,732,815	61,505,668
Support services – nonstudent based	23,020,086	1,140	876,262	23,897,488
Fundraising	<u>8,444,675</u>	<u>8,660</u>	<u>526,578</u>	<u>8,979,913</u>
Total support services	<u>84,214,157</u>	<u>33,257</u>	<u>10,135,655</u>	<u>94,383,069</u>
Total expenses	<u>906,121,602</u>	<u>9,473,554</u>	<u>74,266,439</u>	<u>989,861,595</u>
Loss on disposal of assets	(37,960)	-	-	(37,960)
Unrealized loss on investments	<u>(523,475)</u>	-	-	<u>(523,475)</u>
CHANGE IN NET ASSETS	34,779,143	232,469	4,865,461	39,877,073
Net assets, beginning of year	<u>323,930,660</u>	<u>1,164,885</u>	<u>(2,394,622)</u>	<u>322,700,923</u>
Net assets, end of year	<u>\$ 358,709,803</u>	<u>\$ 1,397,354</u>	<u>\$ 2,470,839</u>	<u>\$ 362,577,996</u>

IDEA Public Schools

Consolidating Statement of Cash Flows for the year ended June 30, 2022

	IDEA CHARTER	MISD IN-DISTRICT CHARTER	IPS ENTERPRISES INC.	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES:				
Change in net assets	\$ 34,779,141	\$ 232,469	\$ 4,865,461	\$ 39,877,071
Adjustments to reconcile change in net assets to net cash provided by operating activities:				
Depreciation and amortization	61,123,252	253,454	2,266,766	63,643,472
Amortization of premium and debt issuance costs	(6,197,278)	-	-	(6,197,278)
Allowance for doubtful accounts	792,419	-	-	792,419
Unrealized loss on investments	523,475	-	-	523,475
Loss on disposal of property and equipment	37,960	-	-	37,960
Changes in current assets and liabilities:				
Government grant receivables	(62,647,617)	-	(5,989,737)	(68,637,354)
Contributions receivable	4,956,356	(157,596)	-	4,798,760
Accounts receivable	(6,924,263)	(267,562)	(33,978,120)	(41,169,945)
Prepaid expenses	(624,456)	-	996,933	372,477
Other current assets	(153,049)	(4,899)	(126,700)	(284,648)
Accounts payable	2,006,994	60,085	(3,256,890)	(1,189,811)
Accrued wages, benefits, and taxes	9,088,142	240,357	465,720	9,794,219
Accrued interest payable	3,770,705	(11)	(731,384)	3,039,310
Accrued expenses	(12,079,958)	182,038	(391,551)	(12,289,471)
Refundable advances	(9,259,375)	25	-	(9,259,350)
Other liabilities	541,443	746,280	29,068,944	30,356,667
Net cash provided (used) by operating activities	<u>19,733,891</u>	<u>1,284,640</u>	<u>(6,810,558)</u>	<u>14,207,973</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Construction and purchase of property and equipment	(118,290,285)	(850,297)	(61,650,607)	(180,791,189)
Proceeds from disposal of property and equipment	2,923,464	-	-	2,923,464
Purchase of certificates of deposit	(86,981,871)	-	-	(86,981,871)
Proceeds from maturity of certificates of deposit	86,981,718	-	-	86,981,718
Purchases of investments	(16,955,226)	-	-	(16,955,226)
Proceeds from sale of investments	38,696,629	-	-	38,696,629
Investment in notes receivable from graduates	(792,419)	-	-	(792,419)
Net cash used by investing activities	<u>(94,417,990)</u>	<u>(850,297)</u>	<u>(61,650,607)</u>	<u>(156,918,894)</u>

(continued)

IDEA Public Schools

Consolidating Statement of Cash Flows for the year ended June 30, 2022

(continued)

	IDEA CHARTER	MISD IN-DISTRICT CHARTER	IPS ENTERPRISES, INC.	TOTAL
CASH FLOWS FROM FINANCING ACTIVITIES:				
Proceeds from borrowings of long-term debt	\$ 396,007,263	\$ -	\$ 76,763,706	\$ 472,770,969
Principal payments on long-term debt	(236,361,268)	(2,794)	(14,236,350)	(250,600,412)
Debt issuance costs	(31,573,208)	-	-	(31,573,208)
Payments on finance leases	<u>(1,669,428)</u>	<u>(4,185)</u>	<u>(237,517)</u>	<u>(1,911,130)</u>
Net cash provided (used) by financing activities	<u>126,403,359</u>	<u>(6,979)</u>	<u>62,289,839</u>	<u>188,686,219</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	51,719,260	427,364	(6,171,326)	45,975,298
Cash and cash equivalents, beginning of year	<u>301,555,752</u>	<u>981,426</u>	<u>9422,032</u>	<u>311,959,210</u>
Cash and cash equivalents, end of year	<u>\$ 353,275,012</u>	<u>\$ 1,408,790</u>	<u>\$ 3,250,706</u>	<u>\$ 357,934,508</u>
<i>Reconciliation of cash and cash equivalents:</i>				
Cash and cash equivalents	\$ 208,746,766	\$ 1,408,790	\$ 2,641,503	\$ 212,797,059
Cash and cash equivalents – held in trust	73,826,756	-	609,203	74,435,959
Cash and cash equivalents – noncurrent – held in trust	<u>70,701,490</u>	<u>-</u>	<u>-</u>	<u>70,701,490</u>
Total cash and cash equivalents	<u>\$ 353,275,012</u>	<u>\$ 1,408,790</u>	<u>\$ 3,250,706</u>	<u>\$ 357,934,508</u>
<i>Supplemental disclosure of cash flow information:</i>				
Cash paid for interest	\$43,501,186	-	\$3,084,327	\$46,585,513
Operating lease obligations	\$13,781,586	-	-	\$13,781,586
Finance lease obligations	\$3,295,478	\$61,124	-	\$3,356,602

IDEA Public Schools

Schedule of Activities for Individual Charter School for the years ended June 30, 2022 and 2021

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	2022 TOTAL	2021 TOTAL
REVENUE AND OTHER SUPPORT:				
Local support:				
5730 Tuition and fees	\$ -	\$ 123,456	\$ 123,456	\$ 2,820
5740 Other revenue from local sources	1,987,060	25,213,020	27,200,080	30,541,953
5750 Other revenue from other activities	<u>-</u>	<u>349,344</u>	<u>349,344</u>	<u>28,682</u>
Total local support	<u>1,987,060</u>	<u>25,685,820</u>	<u>27,672,880</u>	<u>30,573,455</u>
State program revenue:				
5810 Foundation School Program Act revenue	-	706,251,431	706,251,431	653,738,802
5820 State program revenue distributed by the Texas Education Agency	-	8,237,438	8,237,438	2,027,140
5830 State revenues – other agencies	<u>-</u>	<u>-</u>	<u>-</u>	<u>463,076</u>
Total state program revenue	<u>-</u>	<u>714,488,869</u>	<u>714,488,869</u>	<u>656,229,018</u>
Federal program revenue:				
5920 Federal revenue distributed by the Texas Education Agency	-	168,178,464	168,178,464	95,261,542
5930 Federal revenue distributed by other State of Texas government agencies	-	13,346,170	13,346,170	4,175,821
5940 Federal revenue distributed directly from the federal government	<u>-</u>	<u>17,775,797</u>	<u>17,775,797</u>	<u>26,326,744</u>
Total federal program revenue	<u>-</u>	<u>199,300,431</u>	<u>199,300,431</u>	<u>125,764,107</u>
Net assets released for purpose restrictions	<u>904,959,071</u>	<u>(904,959,071)</u>	<u>-</u>	<u>-</u>
Total revenue and other support	<u>906,946,131</u>	<u>34,516,049</u>	<u>941,462,180</u>	<u>812,566,580</u>

(continued)

IDEA Public Schools

Schedule of Activities for Individual Charter School for the years ended June 30, 2022 and 2021 *(continued)*

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	2022 TOTAL	2021 TOTAL
EXPENSES:				
11 Instruction	\$ 392,572,602	\$ -	\$ 392,572,602	\$ 317,046,553
12 Instructional resources and media services	4,588,037	-	4,588,037	2,881,299
13 Curriculum and instructional staff development	5,911,182	-	5,911,182	6,485,846
21 Instructional leadership	30,309,351	-	30,309,351	21,074,964
23 School leadership	91,933,153	-	91,933,153	76,156,449
31 Guidance, counseling and evaluation services	34,429,974	-	34,429,974	26,230,059
32 Social work services	2,377,473	-	2,377,473	1,105,048
33 Health services	6,859,518	-	6,859,518	13,218,610
34 Student (pupil) transportation	30,909,995	-	30,909,995	22,762,012
35 Food services	71,793,424	-	71,793,424	56,379,299
36 Cocurricular/extracurricular activities	10,699,601	-	10,699,601	3,837,932
41 General administration	51,346,689	-	51,346,689	42,759,366
51 Plant maintenance and operations	96,431,796	-	96,431,796	78,086,479
52 Security and monitoring services	5,538,501	-	5,538,501	2,014,584
53 Data processing services	19,918,586	-	19,918,586	22,998,490
61 Community services	1,731,655	-	1,731,655	728,216
71 Debt service	40,325,395	-	40,325,395	37,104,768
81 Fundraising	<u>8,444,670</u>	-	<u>8,444,670</u>	<u>4,039,294</u>
Total expenses	<u>906,121,602</u>	-	<u>906,121,602</u>	<u>734,909,268</u>
Gain/(loss) on disposal of assets	(37,960)	-	(37,960)	912,040
Realized gain on investments	-	-	-	35,452
Unrealized loss on investments	<u>(523,475)</u>	-	<u>(523,475)</u>	<u>(843,276)</u>
CHANGE IN NET ASSETS	263,094	34,516,049	34,779,143	77,761,528
Net assets, beginning of year	<u>367,959</u>	<u>323,562,701</u>	<u>323,930,660</u>	<u>246,169,132</u>
Net assets, end of year	<u>\$ 631,053</u>	<u>\$ 358,078,750</u>	<u>\$ 358,709,803</u>	<u>\$ 323,930,660</u>

IDEA Public Schools

Schedule of Expenses for Individual Charter School for the years ended June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Expenses:		
6100 Payroll costs	\$ 597,133,212	\$ 459,813,852
6200 Professional and contracted services	110,413,159	80,551,491
6300 Supplies and materials	90,028,364	101,837,433
6400 Other operating costs	68,245,542	55,601,724
6500 Debt	<u>40,301,325</u>	<u>37,104,768</u>
Total expenses	<u>\$ 906,121,602</u>	<u>\$ 734,909,268</u>

IDEA Public Schools

Schedule of Capital Assets for Individual Charter School for the year ended June 30, 2022

ASSET CLASSIFICATION	OWNERSHIP INTEREST			TOTAL
	LOCAL	STATE	FEDERAL	
Property and equipment:				
1510 Land and improvements	\$ 23,789	\$ 157,551,222	\$ 18,900	\$ 157,593,911
1520 Building and improvements	52,792	1,144,876,293	32,929	1,144,962,014
1531 Vehicles	113,970	10,556,058	211,892	10,881,920
1539 Furniture and equipment	53,518	22,683,478	15,020,483	37,757,479
1580 Construction in progress	1,139,036	103,418,067	63,072	<u>104,620,175</u>
Total property and equipment	-	-	-	1,455,815,499
Accumulated depreciation	-	-	-	<u>(223,542,817)</u>
Property and equipment, net	-	-	-	<u>\$ 1,232,272,682</u>
Finance leases:				
1551 Building	-	1,818,092	-	\$ 1,818,092
1558 Vehicles	-	10,385,582	-	10,385,582
1559 Equipment	-	103,326	-	<u>103,326</u>
Total ROU asset	-	-	-	12,307,000
Accumulated amortization	-	-	-	<u>(3,513,332)</u>
ROU asset – finance leases, net	-	-	-	<u>\$ 8,793,668</u>
Total	<u>\$ 1,383,105</u>	<u>\$ 1,451,392,118</u>	<u>\$ 15,347,276</u>	

IDEA Public Schools

Charter #108807

Use of Funds Report – Select State Allotment Programs for the year ended June 30, 2022

Section A: Compensatory Education Programs	Responses
Did your LEA expend any state compensatory education program state allotment funds during the district’s fiscal year?	Yes
Does the LEA have written policies and procedures for its state compensatory education program?	Yes
List the total state allotment funds received for state compensatory education programs during the district’s fiscal year.	\$88,172,830
List the actual direct program expenditures for state compensatory education programs during the LEA’s fiscal year. (PICs 24, 26, 28, 29, 30, 34)	\$43,121,310
Section B: Bilingual Education Programs	Responses
Did your LEA expend any bilingual education program state allotment funds during the LEA’s fiscal year?	Yes
Does the LEA have written policies and procedures for its bilingual education program?	Yes
List the total state allotment funds received for bilingual education programs during the LEA’s fiscal year.	\$15,065,724
List the actual direct program expenditures for bilingual education programs during the LEA’s fiscal year. (PICs 25, 35)	\$10,381,985

IDEA Public Schools

Schedule of Related Party Transactions for the year ended June 30, 2022

<u>RELATED PARTY NAME</u>	<u>NAME OF RELATION TO THE RELATED PARTY</u>	<u>RELATIONSHIP</u>	<u>TYPE OF TRANSACTION</u>	<u>DESCRIPTION OF TERMS AND CONDITIONS</u>	<u>SOURCE OF FUNDS USED</u>	<u>PAYMENT FREQUENCY</u>	<u>TOTAL PAID DURING FISCAL YEAR</u>	<u>PRINCIPAL BALANCE DUE</u>
Security Max	Nora Eliz Perez	Brother	EFT	None	State/Local	Various	\$ 5,056	\$ 3,267
GT Goldsport	Radha Guajardo	Spouse	Check	None	State/Local	Various	<u>9,541</u>	<u>53,669</u>
Total							<u>\$ 14,597</u>	<u>\$ 56,936</u>

IDEA Public Schools

Schedule of Related Party Compensation and Benefits for the year ended June 30, 2022

<u>RELATED PARTY NAME</u>	<u>NAME OF RELATION TO THE RELATED PARTY</u>	<u>RELATIONSHIP</u>	<u>COMPENSATION OR BENEFIT</u>	<u>PAYMENT FREQUENCY</u>	<u>DESCRIPTION</u>	<u>SOURCE OF FUNDS USED</u>	<u>TOTAL PAID DURING FISCAL YEAR</u>
Adrian Hernandez	Rebecca Hernandez	Sister	Compensation	Monthly	Salary	Federal/State	\$ 63,445
Adrian Hernandez	Alex Hernandez	Brother	Compensation	Monthly	Salary	State	57,320
Adrianna Villarreal	Elizabeth Villarreal	Sister	Compensation	Bi-Weekly	Hourly	Federal/State	37,484
Adrianna Villarreal	Belinda Villarreal	Sister	Compensation	Bi-Weekly	Hourly	State	30,533
Adulfonso Garcia	Melissa Garcia	Spouse	Compensation	Monthly	Salary	State	121,005
Alex Anzaldua	Monica Araiza	Sister	Compensation	Monthly	Salary	State	112,498
Alyssa Vela	Armando Vela	Spouse	Compensation	Monthly	Salary	Federal/State	94,010
Alyssa Vela	Inez Vela	Brother-in-law	Compensation	Monthly	Salary	State	105,520
Amanda Canales	Alberto Cipriano Baez	Spouse	Compensation	Monthly	Salary	State	66,812
Amy Ysquierdo	Melissa Mendoza	Sister	Compensation	Monthly	Salary	State	86,895
Ana Garcia	Ana Gabriela Garcia	Sister	Compensation	Monthly	Salary	State/Local	75,196
Ana Garza	Janet Guerrero	Sister	Compensation	Monthly	Salary	Federal/State	98,793
Ana Garza	Monica Trevino	Sister-in-law	Compensation	Monthly	Salary	State	79,416
Antonio Garza	Amber Garza	Daughter	Compensation	Monthly	Salary	State	62,233
Antonio Garza	Kayla Garza	Daughter	Compensation	Monthly	Salary	State	64,664
Armando Perez	Priscilla Perez	Spouse	Compensation	Monthly	Salary	State	76,569
Armando Vela	Alyssa Vela	Spouse	Compensation	Monthly	Salary	State	94,637
Armando Vela	Inez Vela	Brother	Compensation	Monthly	Salary	State	105,520
Aybeth Martinez	Aaron Martinez	Brother	Compensation	Bi-Weekly	Hourly	State	50,472
Carlos Castaneda	Neovilt G. Castaneda	Spouse	Compensation	Monthly	Salary	State	73,306
Cassie Reyes	Julia Alvarez	Sister-in-law	Compensation	Monthly	Salary	State	97,572
Cassie Reyes	Lisa Reyes	Sister	Compensation	Monthly	Salary	Federal/State	64,214
Christina Cavazos- Escamilla	Darlene Espinoza	Sister	Compensation	Monthly	Salary	State	155,881

(continued)

IDEA Public Schools

Schedule of Related Party Compensation and Benefits for the year ended June 30, 2022

(continued)

<u>RELATED PARTY NAME</u>	<u>NAME OF RELATION TO THE RELATED PARTY</u>	<u>RELATIONSHIP</u>	<u>COMPENSATION OR BENEFIT</u>	<u>PAYMENT FREQUENCY</u>	<u>DESCRIPTION</u>	<u>SOURCE OF FUNDS USED</u>	<u>TOTAL PAID DURING FISCAL YEAR</u>
Christina Cavazos- Escamilla	Jasmine Cavazos	Sister	Compensation	Monthly	Salary	Federal/State	58,455
Christine Diaz	Ricardo Diaz	Spouse	Compensation	Monthly	Salary	State	57,898
Cristal Chapa Reyes	Rodolfo Reyes	Spouse	Compensation	Bi-Weekly	Hourly	State	57,883
Cristina Aguilar	Fernando Aguilar	Spouse	Compensation	Monthly	Salary	Federal/State	147,609
Cristina Aguilar	Denora Mercado	Sister-in-law	Compensation	Monthly	Salary	Federal/State	60,161
Cristina Ontiveros	Joan Alvarez	Brother	Compensation	Monthly	Salary	State	182,500
Cristina Ontiveros	Adriana Alvarez	Sister	Compensation	Monthly	Salary	Federal/State	82,105
Crystal Castellano	Edgar Castellano	Spouse	Compensation	Monthly	Salary	State	112,162
Damont Jones	Tierra Harris	Sister	Compensation	Bi-weekly	Hourly	Federal/State	43,926
Darlene Espinoza	Christina Escamilla	Sister	Compensation	Monthly	Salary	State	212,020
Darlene Espinoza	Jasmine Cavazos	Sister	Compensation	Monthly	Salary	Federal/State	58,455
Darlene Espinoza	Roberto Espinoza	Father-in-law	Compensation	Bi-Weekly	Hourly	State	32,879
David Wagner	Ruth Torres	Sister	Compensation	Monthly	Salary	Federal/State	83,465
Denisse Vargas	Isabel C Vargas	Mother	Compensation	Bi-weekly	Hourly	Federal/State	20,742
Dikla Medina	Cecilia Medina	Sister	Compensation	Monthly	Salary	Federal/State	88,041
Edgar Castellano	Crystal Castellano	Spouse	Compensation	Monthly	Salary	State	78,538
Elizabeth Garza	Anaisa Garza	Daughter	Compensation	Monthly	Salary	State	61,739
Elizabeth Rodriguez	Erica Matamoros	Aunt	Compensation	Monthly	Salary	State	198,956
Elsa Gomez	Horacio Gomez	Spouse	Compensation	Monthly	Salary	Federal/State	79,167
Erica Hilte	Jennessa Lopez	Sister	Compensation	Monthly	Salary	State	67,086
Erica Hilte	Christopher Hilte	Spouse	Compensation	Monthly	Salary	Federal/State	72,477
Erica Matamoros	Elizabeth Rodriguez	Niece	Compensation	Monthly	Salary	State	87,105
Erica Matamoros	Tania Matamoros	Niece	Compensation	Monthly	Salary	Federal/State	54,542

(continued)

IDEA Public Schools

Schedule of Related Party Compensation and Benefits for the year ended June 30, 2022

(continued)

<u>RELATED PARTY NAME</u>	<u>NAME OF RELATION TO THE RELATED PARTY</u>	<u>RELATIONSHIP</u>	<u>COMPENSATION OR BENEFIT</u>	<u>PAYMENT FREQUENCY</u>	<u>DESCRIPTION</u>	<u>SOURCE OF FUNDS USED</u>	<u>TOTAL PAID DURING FISCAL YEAR</u>
Erika Hernandez	Marioly Castenada	Sister	Compensation	Monthly	Salary	State	65,076
Ernesto Cantu	Ernesto E. Cantu	Son	Compensation	Monthly	Salary	State	57,977
Ernesto Cantu	Klarissa E Cantu	Daughter	Compensation	Bi-Weekly	Hourly	State	4,671
Eunice Canales	Erik Mariscal	Nephew	Compensation	Bi-Weekly	Hourly	State	28,649
Fernando Aguilar	Cristina Aguilar	Spouse	Compensation	Monthly	Salary	State	137,427
Fernando Aguilar	Jose Mercado	Father-in-law	Compensation	Bi-Weekly	Hourly	State	37,915
Frankie Gray	Denise Gray	Spouse	Compensation	Monthly	Salary	State	95,356
Freddie Martinez	Julia Arlene Alvarez	Sister-in-law	Compensation	Monthly	Salary	State	97,572
Freddie Martinez	Lisa Reyes	Sister-in-law	Compensation	Monthly	Salary	Federal/State	64,214
Gabriela Cepeda	Jonathan Godinez Paez	Spouse	Compensation	Monthly	Salary	Federal/State	66,692
Garrett Enriquez	Troy Enriquez	Brother	Compensation	Monthly	Salary	State	115,425
Griselda Lopez	Jose Luis Lopez Jr.	Brother-in-law	Compensation	Monthly	Salary	State	82,483
Guadalupe Hinojosa	Ricardo N. Hinojosa Jr.	Spouse	Compensation	Monthly	Salary	State	53,098
Hosanna Diaz	Guadalupe Diaz	Mother	Compensation	Monthly	Salary	State	174,247
Inez Vela	Armando Vela	Brother	Compensation	Monthly	Salary	Federal/State	94,010
Irma Martinez	Melissa Mendez	Sister	Compensation	Bi-Weekly	Hourly	State	43,752
Israel Ybarra	Nereida Ybarra	Spouse	Compensation	Monthly	Salary	State	100,999
Israel Ybarra	Lily Alvarez	Sister-in-law	Compensation	Monthly	Salary	State	64,271
Jana Carter	Sidney Lee	Niece	Compensation	Monthly	Salary	Federal/State	48,260
Janet Guerrero	Ana Garza	Sister	Compensation	Monthly	Salary	State	172,510
Janet Guerrero	Monica Trevino	Sister-in-law	Compensation	Monthly	Salary	Federal/State	63,977
Jeannette Idol	Trenton Idol	Spouse	Compensation	Monthly	Salary	State	79,705
Joan Alvarez	Cristina Ontiveros	Sister	Compensation	Monthly	Salary	Federal/State	87,085
Joan Alvarez	Diana Alvarez	Sister	Compensation	Bi-Weekly	Hourly	State	26,026

(continued)

IDEA Public Schools

Schedule of Related Party Compensation and Benefits for the year ended June 30, 2022

(continued)

<u>RELATED PARTY NAME</u>	<u>NAME OF RELATION TO THE RELATED PARTY</u>	<u>RELATIONSHIP</u>	<u>COMPENSATION OR BENEFIT</u>	<u>PAYMENT FREQUENCY</u>	<u>DESCRIPTION</u>	<u>SOURCE OF FUNDS USED</u>	<u>TOTAL PAID DURING FISCAL YEAR</u>
Jorge Mejia Chavez	Erika Mejia	Spouse	Compensation	Monthly	Salary	State	59,355
Jose Aguilar	Fernando Aguilar	Brother	Compensation	Monthly	Salary	Federal/State	147,609
Jose Aguilar	Cristina Aguilar	Sister-in-law	Compensation	Monthly	Salary	State	137,427
Kenieka Francis	Renaldo Francis	Spouse	Compensation	Monthly	Salary	State	77,770
Kenieka Francis	Sarah Francis	Sister-in-law	Compensation	Monthly	Salary	State	84,608
Larhonda May	Sybil Mason	Aunt	Compensation	Monthly	Salary	State	103,575
Lindsey Campbell	Gerard Martinez	Spouse	Compensation	Monthly	Salary	State	55,279
Lizet Cortez	Maria Gonzalez	Sibling	Compensation	Monthly	Salary	Federal/State	66,847
Maria Elena Gonzalez	Rosa Diana Garcia	Sister	Compensation	Monthly	Salary	State	81,320
Maria Saenz	Nancy Veronica Nerio	Sister	Compensation	Monthly	Salary	Federal/State	77,933
Maria Saenz	Jose Luis Nerio II	Brother	Compensation	Bi-Weekly	Hourly	State	39,077
Marisol Flores Garza	Marycarmen Quintanilla	Sister	Compensation	Monthly	Salary	State	81,850
Mary Arrezola	Vanessa Arrezola	Daughter	Compensation	Monthly	Salary	State	36,530
Mary Arrezola	Karina Arrezola	Daughter	Compensation	Bi-weekly	Hourly	Federal/State	30,268
Melinda Pedroza	Daniel Pedroza	Spouse	Compensation	Monthly	Salary	State	81,405
Melissa Garcia	Adulfonso Garcia	Spouse	Compensation	Monthly	Salary	State	93,026
Melissa Mendoza	Amy Ysquierdo	Sister	Compensation	Monthly	Salary	State	82,912
Nancy Bethencourt	Benjamin Bethencourt	Spouse	Compensation	Monthly	Salary	State	42,539
Nancy Mance	Howard Mance	Spouse	Compensation	Monthly	Salary	State	54,940
Norma Rodriguez	Victoria Ramirez	Aunt	Compensation	Monthly	Salary	Federal/State	81,540
Pablo Mejia	Sylvia Mejia	Spouse	Compensation	Monthly	Salary	State	141,788
Patrick Frank	Mark Frank	Brother	Compensation	Monthly	Salary	State	63,593
Rachel King	James King	Spouse	Compensation	Monthly	Salary	State	73,722
Rebecca Cobian	John Quiet	Son	Compensation	Bi-weekly	Hourly	Federal/State	31,172

(continued)

IDEA Public Schools

Schedule of Related Party Compensation and Benefits for the year ended June 30, 2022

(continued)

<u>RELATED PARTY NAME</u>	<u>NAME OF RELATION TO THE RELATED PARTY</u>	<u>RELATIONSHIP</u>	<u>COMPENSATION OR BENEFIT</u>	<u>PAYMENT FREQUENCY</u>	<u>DESCRIPTION</u>	<u>SOURCE OF FUNDS USED</u>	<u>TOTAL PAID DURING FISCAL YEAR</u>
Rebecca Cobian	John Cobian	Nephew	Compensation	Monthly	Salary	State	58,972
Reynaldo Flores	Christina Flores	Spouse	Compensation	Monthly	Salary	State	103,129
Richel Raich-Cantu	David Cantu	Brother-in-law	Compensation	Monthly	Salary	State	63,856
Rigoberto Rodriguez	Alexis Rodriguez	Brother	Compensation	Monthly	Salary	Federal/State	57,260
Rigoberto Rodriguez	Marissa Requenez	Spouse	Compensation	Monthly	Salary	Federal/State	49,590
Rodrigo Wong	Adriana Wong	Spouse	Compensation	Bi-Weekly	Hourly	State	33,185
Rolando Posado	Elizabeth Marie Posado	Daughter	Compensation	Bi-Weekly	Hourly	State	11,319
Rolando Salas	Alicia Salas	Mother	Compensation	Bi-Weekly	Hourly	Federal/State	27,600
Rolando Salas	Eduardo Gonzalez	Spouse's Uncle	Compensation	Bi-Weekly	Hourly	State	54,968
Rose Marques	Justin Marques	Son	Compensation	Monthly	Salary	Federal/State	52,513
Sandy Abrego	Estefania Abrego	Sister	Compensation	Monthly	Salary	State	81,632
Saron Mata	Ezequiel Mata	Spouse	Compensation	Bi-Weekly	Hourly	State	68,426
Saron Mata	Mayra Salinas	Spouse's Niece	Compensation	Monthly	Salary	State	29,971
Saron Mata	Paola Martinez	Spouse's Niece	Compensation	Monthly	Salary	State	55,821
Trena Valdez	Jessica Parson	Sister	Compensation	Monthly	Salary	State/Local	57,544
Troy Enriquez	Garrett Enriquez	Brother	Compensation	Monthly	Salary	State	87,490
Veronica Flores	Samantha Espinosa	Daughter	Compensation	Bi-Weekly	Hourly	State	38,491
Victoria Stockstill	Tim Brewer	Spouse	Compensation	Monthly	Salary	State	33,901
Virginia Callaway	Lester H Callaway IV	Brother	Compensation	Monthly	Salary	State	55,274
Viviane Castillo-Manzo	Ulises Manzano	Spouse	Compensation	Monthly	Salary	State	77,323
Yadhira Flores	Sharai O. Flores	Spouse	Compensation	Monthly	Salary	State	56,462
Total							<u>\$ 8,714,115</u>

IDEA Public Schools

Budgetary Comparison Schedule for Individual Charter School for the year ended June 30, 2022

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
REVENUE:				
Local support:				
5730 Tuition and fees	\$ -	\$ 113,580	\$ 123,456	\$ 9,876
5740 Other revenue from local sources	36,956,455	25,742,392 (1)	27,200,080	1,457,688
5750 Other revenue from other activities	<u>310,605</u>	<u>354,853 (2)</u>	<u>349,344</u>	<u>(5,509)</u>
Total local support	<u>37,267,060</u>	<u>26,210,825</u>	<u>27,672,880</u>	<u>1,462,055</u>
State program revenue:				
5810 Foundation School Program Act revenue	717,939,527	762,318,628	706,251,431	(56,067,197)
5820 State program revenue distributed by the Texas Education Agency	<u>5,643,175</u>	<u>8,835,935 (3)</u>	<u>8,237,438</u>	<u>(598,497)</u>
Total state program revenue	<u>723,582,702</u>	<u>771,154,563</u>	<u>714,488,869</u>	<u>(56,665,694)</u>
Federal program revenue:				
5920 Federal revenue distributed by the Texas Education Agency	139,166,453	176,306,891 (4)	168,178,464	(8,128,427)
5930 Federal revenue distributed by other State of Texas government agencies	2,500,000	14,238,423 (5)	13,346,170	(892,253)
5940 Federal revenue distributed directly from the federal government	<u>63,612,661</u>	<u>19,394,554 (6)</u>	<u>17,775,797</u>	<u>(1,618,757)</u>
Total federal program revenue	<u>205,279,114</u>	<u>209,939,868</u>	<u>199,300,431</u>	<u>(10,639,437)</u>
Total revenue	<u>966,128,876</u>	<u>1,007,305,256</u>	<u>941,462,180</u>	<u>(65,843,076)</u>

(continued)

IDEA Public Schools

Budgetary Comparison Schedule for Individual Charter School for the year ended June 30, 2022(continued)

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
EXPENSES:				
11 Instruction	\$ 357,636,636	\$ 394,443,842 (7)	\$392,572,602	\$ 1,871,240
12 Instructional resources and media services	7,399,224	5,021,940 (8)	4,588,037	433,903
13 Curriculum and instructional staff development	1,617,512	5,415,440 (9)	5,911,182	(495,742)
21 Instructional leadership	56,906,766	33,375,310 (10)	30,309,351	3,065,959
23 School leadership	83,677,657	90,822,547	91,933,153	(1,110,606)
31 Guidance, counseling and evaluation services	33,677,610	36,405,837	34,429,974	1,975,863
32 Social work services	2,061,782	2,615,224 (11)	2,377,473	237,751
33 Health services	7,499,717	7,559,081	6,859,518	699,563
34 Student (pupil) transportation	35,295,445	33,719,801	30,909,995	2,809,806
35 Food services	84,616,977	78,951,584	71,793,424	7,158,160
36 Cocurricular/extracurricular activities	5,400,507	11,771,410 (12)	10,699,601	1,071,809
41 General administration	68,226,080	56,173,855 (13)	51,346,689	4,827,166
51 Plant maintenance and operations	85,471,416	95,038,692 (14)	96,431,796	(1,393,104)
52 Security and monitoring services	2,365,019	5,773,065 (15)	5,538,501	234,564
53 Data processing services	40,650,444	22,006,561 (16)	19,918,586	2,087,975
61 Community services	962,431	1,908,438 (17)	1,731,655	176,783
71 Debt service	49,257,688	44,684,980	40,325,395	4,359,585
81 Fundraising	6,032,940	9,288,541 (18)	8,444,670	843,871
Total expenses	<u>928,755,851</u>	<u>934,976,148</u>	<u>906,121,602</u>	<u>28,854,546</u>
Gain (loss) on disposal of assets	-	158	(37,960)	(38,118)
Realized and unrealized loss on investments	-	-	(523,475)	(523,475)
CHANGE IN NET ASSETS	<u>\$ 37,373,025</u>	<u>\$ 72,329,266</u>	34,779,143	(37,550,123)
Net assets, beginning of year			<u>323,930,660</u>	-
Net assets, end of year			<u>\$358,709,803</u>	<u>\$ (37,550,123)</u>

IDEA Public Schools

Budgetary Variance Explanations for the year ended June 30, 2022 (unaudited)

- (1) The original budget over assumed philanthropic revenue.
 - (2) The original budget under assumed Student Based Activity Accounting (SBAA) local fundraising activity.
 - (3) The Instructional Materials Allotment (IMA) was higher than originally assumed.
 - (4) The original budget over assumed Child Nutrition Program participation rates.
 - (5) The original budget under assumed School Health and Related Services (SHARS) reimbursement totals.
 - (6) The Charter School Program Replication and Expansion grant revenue was over assumed in the original budget and adjusted.
 - (7) The original budget under assumed expenditures for supplies.
 - (8) The variance from original to final budget reflects cost savings that schools and teams identified to accommodate a reduction in state revenue due to average daily attendance rates declining compared to original budget.
 - (9) The classification of compensation for a number of staff members was corrected from original to final budget.
 - (10) The classification of compensation for a number of staff members was corrected from original to final budget.
 - (11) The classification of compensation for a number of staff members was corrected from original to final budget. The original budget under assumed staff classified to this function.
 - (12) An athletics pilot programs resulted in an increase from original to final budget.
 - (13) The variance from original to final budget reflects cost savings that schools and teams identified to accommodate a reduction in state revenue due to average daily attendance rates declining compared to original budget. Hiring was delayed in many instances resulting in a decrease from original to final budget.
 - (14) The original budget under assumed depreciation.
 - (15) Safety and security investments were increased from original to final budget in alignment with the district safety and security plans and in light of school safety events in Texas and the nation in the 2022 fiscal year.
 - (16) The original budget over assumed student mobile internet service units (MIFI) and furniture that were reduced through cost saving measures.
 - (17) The original budget under assumed community service supporting investments. School and central leaders invested more heavily in this area and the revised budget reflects this increase.
 - (18) The classification of compensation for a number of staff members was corrected from original to final budget.
-

IDEA Public Schools

Schedule of Real Property Ownership Interest for the year ended June 30, 2022 (unaudited)

DESCRIPTION	PROPERTY ADDRESS	TOTAL ASSESSED VALUE	OWNERSHIP INTEREST		
			LOCAL	STATE	FEDERAL
IDEA Public Schools Block A Lot 1 Hatcher SA Survey Abstract 1792 Tract 1B03	1900 Thomas Rd., Haltom City, TX 76117	\$ 17,003,155	\$ -	\$ 17,003,155	\$ -
Seminary Twin Drive-in Theatre Lot 1R IPS Addition Block 4 Lot 1	3621 NW Loop 820, Fort Worth, TX 76106	706,161	-	706,161	-
Anderson, J R Addition Block 1 Lot 1 Emilia Subdivision Blk 23, 0.643 Acre out of 1.659 Acres	2935 E. Seminary Dr., Fort Worth, TX 76119	17,217,517	-	17,217,517	-
Lot 34 Blk 6 Citrus Gardens Subdivision 1 (Vol 8 pg 5) 1.190	3000 Cherry Lane, Fort Worth, TX 76116	19,930,842	-	19,930,842	-
Lot 34 Blk 6 Citrus Gardens Subdivision 1 (Vol 8 pg 5) 0.6860 Acres	1640 Altamesa Blvd., Fort Worth, TX 76134	26,760,296	-	26,760,296	-
Lot 34 Blk 6 Citrus Gardens Subdivision 1 (Vol 8 pg 5) 0.984 Acres	205 Railroad St., Brownsville, TX 78520	9,259	-	9,259	-
Lot 34 Blk 6 Citrus Gardens Subdivision 1 (Vol 8 pg 5) 3.380 Acres	36298 Chachalaca Bend, Los Fresnos, TX 78566	253,139	-	253,139	-
Lot 34 Blk 6 Citrus Gardens Subdivision 1 (Vol 8 pg 5) 8.070 Acres Resaca Pt	36270 Chachalaca Bend, Los Fresnos, TX 78566	69,102	-	69,102	-
Lot 34 Blk 6 Citrus Gardens Subdivision 1 (Vol 8 pg 5) N 4.5050 Acres	36298 Chachalaca Bend, Los Fresnos, TX 78566	29,520	-	29,520	-
Lot 34 Blk 6 Citrus Gardens Subdivision 1 (Vol 8 pg 5) 2.50 Acres	36298 Chachalaca Bend, Los Fresnos, TX 78566	383,437	-	383,437	-
Citrus Gardens Subdivision No 4 Sec 3 Lots 19, 17.8300 Acres, .5 miles north on tract 43	36298 Chachalaca Bend, Los Fresnos, TX 78566	46,593	-	46,593	-
		211,782	-	211,782	-
		159,602	-	159,602	-
		82,018	-	82,018	-

(continued)

IDEA Public Schools

Schedule of Real Property Ownership Interest for the year ended June 30, 2022 (unaudited)

(continued)

DESCRIPTION	PROPERTY ADDRESS	TOTAL ASSESSED VALUE	OWNERSHIP INTEREST		
			LOCAL	STATE	FEDERAL
Citrus Gardens Subdivision No 3 Sec 3 Lot 20 Tract 43 Rd	36298 Chachalaca Bend, Los Fresnos, TX 78566	\$ 43,424	\$ -	\$ 43,424	\$ -
El Jardin Resubdivision W 21.00 Acres of E 42 Acres of Lot 8 BLK 104	6200 Dockberry Rd., Brownsville, TX 78521	218,918	-	218,918	-
El Jardin Resubdivision 19.7682 Acres of E 42 Acres of Lot 8 BLK 104	2800 S. Dakota Ave., Brownsville, TX 78521	251,004	-	251,004	-
Abst 2 - Palo Alto Gr 1, 1.1612 Acres out of 18.09 Acres of Block 40	1000 Sports Park Blvd., Brownsville, TX 78526	4,645	-	4,645	-
Abst 2 - Unsubdivided Share 12 Tract A-1 Acres 85.7	280 Fish Hatchery Rd., Brownsville, TX 78520	853,474	-	853,474	-
Survey - Petersburg BLK 2 E .500 Acre of 37.110 Acres	3301 Wilson Rd., Harlingen, TX 78552	57,139	-	57,139	-
Survey - Petersburg BLK 2 E 36,610 Acres of 37.110 Acres	24240 Wilson Rd., Harlingen, TX 78552	8,858,751	-	8,858,751	-
Lot 34 Blk 6 Citrus Gardens Subdivision 1 (Vol 8 pg 5) 1.640 Acres	36298 Chachalaca Bend, Los Fresnos, TX 78566	49,200	-	49,200	-
Lot1 IDEA Academy San Benito Subdivision (2011 C1-3034 B Filed 7/23/10)	2151 Russell Lane, San Benito, TX 78586	1,495,612	-	1,495,612	-
Espiritu Santo Grant Share 22, 20.00 Acres out of 100.366 Acres out of 173.7 Acres Survey 34	4395 Paredes Line Rd., Brownsville, TX 78526	6,243,455	-	6,243,455	-
PT Reserve A University Plaza Subdivision PH (c1-2788B CCMR Files 3-14-07), 20.3 Acres	30 Palm Blvd., Brownsville, TX 78520	12,402,064	-	12,402,064	-
Abst 2 - Palo Alto GR1 Blk 50 N, 0.2763 Acres	1000 Sports Park Blvd., Brownsville, TX 78526	1,395	-	1,395	-
Abst 2 - Palo Alto GR1 Blk 51, 3.3627 Acres	1000 Sports Park Blvd., Brownsville, TX 78526	16,982	-	16,982	-

(continued)

IDEA Public Schools

Schedule of Real Property Ownership Interest for the year ended June 30, 2022 (unaudited)

(continued)

DESCRIPTION	PROPERTY ADDRESS	TOTAL ASSESSED VALUE	OWNERSHIP INTEREST		
			LOCAL	STATE	FEDERAL
Abst 2 - Palo Alto GR1 Blk 52, .1922 Acres	1000 Sports Park Blvd., Brownsville, TX 78526	\$ 971	\$ -	\$ 971	\$ -
Abst 2 - Palo Alto GR1 Blk 42, 1.6017 Acres	1000 Sports Park Blvd., Brownsville, TX 78526	8,089	-	8,089	-
Abst 2 - Palo Alto GR1 Blk 41, 13.3459 Acres	1000 Sports Park Blvd., Brownsville, TX 78526	67,397	-	67,397	-
Lot 1 Blk IDEA Academy Robindale Subdivision (2019 Plat C1-3731 & 3732 CCMR Filed 6/8/2018)	3802 Ruben M. Torres, Brownsville, TX 78521	8,920,878	-	8,920,878	-
Lot 2 Blk IDEA Academy Robindale Subdivision (2019 Plat C1-3731 & 3732 CCMR Filed 6/8/2018)	3802 Ruben M. Torres, Brownsville, TX 78521	57,139	-	57,139	-
11.73 Acres in Sec 1 Blk 39 T25 Tahoe Lakes Addition	Lamesa Rd & I-20, Midland, TX 79701	2,044,190	-	2,044,190	-
TRS 2B & 2J Abst 1515 WCRR CO Sec 6 Blk 4	2010 Spears Rd., Houston, TX 77067	9,208,822	-	9,208,822	-
TR 3H & TRS 6 THRU 15 ABST 68 E Shipman	5627 S. Lake Houston Pky., Houston, TX 77049	1,944,520	-	1,944,520	-
TR 16 68 E Shipman	5627 S. Lake Houston Pky., Houston, TX 77049	140,000	-	140,000	-
TRS 17 & 18 Abst 68 E Shipman	5627 S. Lake Houston Pky., Houston, TX 77049	510,888	-	510,888	-
Lot 1-2 Bluestein PARK PHS 1	5816 Wilcab Rd., Austin, TX 78721	27,614,543	-	27,614,543	-
Lot 1 K/N Subdivision	9504 N. IH. Hwy. 35, San Antonio, TX 78753	9,060,556	-	9,060,556	-
Abs A0397 Hunt M, 4. Acres	1438 E. Yager Lane, Austin, TX 78753	1,086,834	-	1,086,834	-
Abs 397 Survey 88 Hunt M, Acres 9.050	1438 E. Yager Lane, Austin, TX 78753	1,971,090	-	1,971,090	-
IDEA Pflugerville	1901 Wells Branch Pky., Pflugerville, TX 78660	3,670,859	-	3,670,859	-
Lot 4 Bluestein Park PHS 1	3708 Bluestein Dr., Austin, TX 78721	136,995	-	136,995	-

(continued)

IDEA Public Schools

Schedule of Real Property Ownership Interest for the year ended June 30, 2022 (unaudited)

(continued)

DESCRIPTION	PROPERTY ADDRESS	TOTAL ASSESSED VALUE	OWNERSHIP INTEREST		
			LOCAL	STATE	FEDERAL
Lot 3 Bluestein Park PHS 1 15.0176 Acres of Lot 1 Blk A IDEA School at Rundberg-Showplace	3702 Bluestein Dr., Austin, TX 78721 700 Showplace Lane, Austin, TX 78753	\$ 146,908 3,144,524	\$ -	\$ 146,908	\$ -
9.3622 Acres of Lot Blk A Riverside Vargas	1701 Vargas Rd., Austin, TX 78741	26,128,000	-	26,128,000	-
Lot 1 Texas Twenty #2 Subdivision 4.8336 Acres of Lot 2A Easton Park Sec 1B Amended	1700 E. Slaughter Lane, Austin, TX 78747 7325 McKinney Falls Pky., Austin, TX 78744	19,696,301 315,827	-	19,696,301 315,827	-
Lot 1 Blk A IDEA - Yager Academy 6.3094 Acres of Lot 1A Easton Park Section 1B Amended	1438 E. Yager Lane, Austin, TX 78753 7325 McKinney Falls Pky., Austin, TX 78744	2,840,112 1,099,350	-	2,840,112 1,099,350	-
Lot 1 Blk A IDEA Greenlawn Subdivision- (9.8985 Acres in Travis County)(1-D-1)	3301 Greenlawn Blvd., Round Rock, TX 78664	2,715	-	2,715	-
55 Ysleta Track 8-B (2.00 Acres)	9050 Escobar Dr., El Paso, TX 79907	19,000	-	19,000	-
Blk 1 Rio Vista School Lot 1	210 N. Rio Vista Rd., Socorro, TX 79927	19,973,189	-	19,973,189	-
Blk 1 Wallenberg #1 Lot 1	405 Wallenberg Dr., El Paso, TX 79912	4,550,910	-	4,550,910	-
Blk 1 Tierra Del Este #88 Lot 1 (School Site)	15101 Edgemere Blvd., El Paso, TX 79938	13,273,370	-	13,273,370	-
Blk 22 Horizon Town Center #3 Lot 29	201 Horizon Crossing St., Horizon City, TX 79928	348,480	-	348,480	-
Blk 56 Mesquite Hills #10 Lot 1	11881 Dyer St., El Paso, TX 79934	1,317,751	-	1,317,751	-
55 Ysleta 5-C-2 (0.1240 Acres) & 6-C-2 (0.5903 Acres) (0.7143 Acres)	9050 Escobar Dr., El Paso, TX 79907	6,786	-	6,786	-
55 Ysleta Track 7-C-2 (10.4857 Acres)	9050 Escobar Dr., El Paso, TX 79907	99,614	-	99,614	-
55 Ysleta 5-C-3 (0.3914 Acres)0 & 6-C-3 (1.2726 Acres)	9050 Escobar Dr., El Paso, TX 79907	144,968	-	144,968	-
55 Ysleta TR 7-C-3 (2.4552 Acres)	9050 Escobar Dr., El Paso, TX 79907	64,169	-	64,169	-

(continued)

IDEA Public Schools

Schedule of Real Property Ownership Interest for the year ended June 30, 2022 (unaudited)

(continued)

DESCRIPTION	PROPERTY ADDRESS	TOTAL ASSESSED VALUE	OWNERSHIP INTEREST		
			LOCAL	STATE	FEDERAL
Caledonian Estates Unit No. 2 All Lot 26, E429.09' Lot 27 & S589.40' Lots 34 & 35 27.52 Acres GR 26.28 Acres	3300 E. Texas Rd., Edinburg, TX 78542	\$ 480,240	\$ -	\$ 480,240	\$ -
Caledonian Estates Unit No. 2 E7.00 Acres Lot 30 6.82 Acres Net	3300 E. Texas Rd., Edinburg, TX 78542	122,760	-	122,760	-
Valley Orchards S11.58 Acres Lot F & S11.11 Acres Lot G 21.80 Acres Net	401 S. 1 ST St., Donna, TX 78537	5,979,536	-	5,979,536	-
Alsbury, Hanson Survey Abstract 31 Tract3A01C & TR 4B	NE Renfro Street , Burlleson, TX 76028	3,166,752	-	3,166,752	-
West Tract AN Irr Tract 19.52 Acres FT 152 EXC 8.64 Acres N540'-E700' 10.88 Acres Net	2321 W. Pike Blvd., Weslaco, TX 78596	72,466	-	72,466	-
Steel Horse Industrial Park Lot 11	5802 N. Gumwood St., Pharr, TX 78577	125,806	-	125,806	-
RGV Professional Center Condominiums (2 ND AMND) Building B Unit 8	505 Angelita Dr., Suite 8, Weslaco, TX 78599	384,195	-	384,195	-
RGV Professional Center Condominiums (2 ND AMND) Building B Unit 9	505 Angelita Dr., Suite 9, Weslaco, TX 78599	386,781	-	386,781	-
RGV Professional Center Condominiums (2 ND AMND) Building B Unit 10	505 Angelita Dr., Suite 10, Weslaco, TX 78599	390,251	-	390,251	-
RGV Professional Center Condominiums (2 ND AMND) Building B Unit 11	505 Angelita Dr., Suite 11, Weslaco, TX 78599	384,195	-	384,195	-
IDEA Public School Lot 1	1600 S. Schuerbach, Mission, TX 78572	7,268,975	-	7,268,975	-
IDEA San Juan Lot 1	600 W. Sioux Rd., San Juan, TX 78589	11,440,738	-	11,440,738	-
IDEA Public Schools - McAllen Lot 1	201 N. Bentsen Rd., McAllen, TX 78501	10,891,738	-	10,891,738	-
IDEA Quest Lot 1	14001 Russell Rd., Edinburg, TX 78541	10,333,385	-	10,333,385	-
IDEA Public School Weslaco Lot 1	1000 E. Pike Blvd., Weslaco, TX 78596	13,489,698	-	13,489,698	-
IDEA Public School Headquarters Lot 1	2115 W. Pike Blvd., Weslaco, TX 78596	6,330,244	-	6,330,244	-

(continued)

IDEA Public Schools

Schedule of Real Property Ownership Interest for the year ended June 30, 2022 (unaudited)

(continued)

DESCRIPTION	PROPERTY ADDRESS	TOTAL ASSESSED VALUE	OWNERSHIP INTEREST		
			LOCAL	STATE	FEDERAL
IDEA Public School Holland Lot 1	2706 N. Holland Ave., Mission, TX 78574	\$ 10,573,622	\$ -	\$ 10,573,622	\$ -
IDEA Tres Lagos	5200 Tres Lagos Blvd., McAllen, TX 78504	13,687,397	-	13,687,397	-
IDEA North Pharr Lot 1	1000 E. Owassa Rd., Pharr, TX 78577	13,265,630	-	13,265,630	-
IDEA Public School Elsa Lot 1	411 S. Fannin St., Elsa, TX 78543	17,497,024	-	17,497,024	-
Hidalgo Canal Co - VV An Irr Tract N808.30'-E1251.79' Lot 1 Blk 2 18.49 Acres GR 18.15 Acres Net	Arena Drive, Hidalgo, TX 78557 (empty lot)	490,050	-	490,050	-
IDEA Public Schools South McAllen Lot 1	5400 S. Ware Rd., McAllen, TX 78503	21,876,060	-	21,876,060	-
IDEA - Palmview an Irr 24.95 Acres Tract-S1326.74' Lot 1 23.63 Acres Net	4100 N. Schuerbach Rd., Mission, TX 78572	4,185,731	-	4,185,731	-
IDEA Toros Lot 1	3300 E. Texas Rd., Edinburg, TX 78542	5,007,766	-	5,007,766	-
IDEA - Palmview an Irr 2.04 Acres Tract-N370.76'-W479.48' Lot 1 1.82 Acres Net	4100 N. Schuerbach Rd., Mission, TX 78572	91,171	-	91,171	-
Schunior an Irr 21.35 Acres Tract- E1418.96'-W1538.96'-E1107.42'- 35.61 Acres Tract SH 3A 21.35 Acres	725 E. Expressway 83, La Joya, TX 78560	4,782	-	4,782	-
Mid Valley Industrial Park No. 8 Lot 2	2931 Sugar Cane Dr., Weslaco, TX 78599	5,711,257	-	5,711,257	-
Boys and Girls Club Lot 3	2553 Roegiers Rd., Edinburg, TX 78541	445,553	-	445,553	-
Boys and Girls Club Lot 4, 6 & 7	2553 Roegiers Rd., Edinburg, TX 78541	3,655,084	-	3,655,084	-
Alamo Country Club PH 3 Lot 1	325 Kansas Rd., Alamo, TX 78516	3,863,002	-	3,863,002	-
IDEA Public School #2 BNG A 20.07 Acres Tract	600 E. Las Milpas Rd., Pharr, TX 78577	15,567,402	-	15,567,402	-
NCB 592 Blk 7 Lot 2 Exc NW Irr 5.69 Ft	226 N. Hackberry, San Antonio, TX 78202	4,665,530	-	4,665,530	-
NCB 1450 Blk 19 Lot 12 (Springview Unit-3 Phase III)	2806 Harney St., San Antonio, TX 78203	95,780	-	95,780	-

(continued)

IDEA Public Schools

Schedule of Real Property Ownership Interest for the year ended June 30, 2022 (unaudited)

(continued)

DESCRIPTION	PROPERTY ADDRESS	TOTAL ASSESSED VALUE	OWNERSHIP INTEREST		
			LOCAL	STATE	FEDERAL
NCB 1450 Blk 19 Lot 13 (Springview Unit-3 Phase III)	2802 Harney St., San Antonio, TX 78203	\$ 82,470	\$ -	\$ 82,470	\$ -
NCB 1450 Blk 19 Lot 14 (Springview Unit-3 Phase III)	2803 Harney St., San Antonio, TX 78203	92,310	-	92,310	-
NCB 1450 Blk 19 Lot 15 (Springview Unit-3 Phase III)	619 Fisk St., San Antonio, TX 78203	65,360	-	65,360	-
NCB 1450 Blk 19 Lot 16 (Springview Unit-3 Phase III)	615 Fisk St., San Antonio, TX 78203	59,930	-	59,930	-
NCB 1450 Blk 19 Lot 17 (Springview Unit-3 Phase III)	611 Fisk St., San Antonio, TX 78203	59,930	-	59,930	-
NCB 1450 Blk 19 Lot 18 (Springview Unit-3 Phase III)	607 Fisk St., San Antonio, TX 78203	60,260	-	60,260	-
NCB 1450 Blk 19 Lot 19 (Springview Unit-3 Phase III)	603 Fisk St., San Antonio, TX 78203	60,760	-	60,760	-
CB 5051 A Lot N IRR 1788.78 FT of 27 CB 5065 P-1B (2.99 Acres) & P-2 (8.194 Acres) ABS 971	6445 Walzem Rd., San Antonio, TX 78239	512,720	-	512,720	-
CB 5065 P-1E & 2B ABS 971	5160 Martinez Convers, Converse, TX 78109	397,120	-	397,120	-
NCB 9483 Blk Lot 90	5180 Martinez Convers, Converse, TX 78109	96,360	-	96,360	-
NCB 12962 Blk Lot S IRR 31.18' of W IRR 413.83' of 1 (2.158), NE TRI 36.23' of S 399.12' of 1 (0.088), 4A (0.2)	6911 S. Flores St., San Antonio, TX 78221	120,700	-	120,700	-
NCB 14165 Blk 7 Lot 4	7011 San Pedro Ave., San Antonio, TX 78216	1,568,110	-	1,568,110	-
NCB 14165 Blk 7 Lot 5 GIS 2.713 Acres	2825 Majestic Dr., San Antonio, TX 78228	18,900	-	18,900	-
NCB 15858 Blk 15 Lot 1	2814 Majestic Dr., San Antonio, TX 78228	198,540	-	198,540	-
NCB 11186 Blk 1 Lot 17	3100 Majestic Dr., San Antonio, TX 78228	215,850	-	215,850	-
	2523 W. Ansley Blvd., San Antonio, TX 78224	10,380,500	-	10,380,500	-

(continued)

IDEA Public Schools

Schedule of Real Property Ownership Interest for the year ended June 30, 2022 (unaudited)

(continued)

DESCRIPTION	PROPERTY ADDRESS	TOTAL ASSESSED VALUE	OWNERSHIP INTEREST		
			LOCAL	STATE	FEDERAL
IDEA Public Schools 1301 E Commerce Street Inv	1301 E. Commerce St., San Antonio, TX 78205	\$ 1,000	\$ -	\$ 1,000	\$ -
NCB 8244 Blk 3 Lot 25 (IDEA Public School-Commerce)	222 SW 39 th St., San Antonio, TX 78237	440,200	-	440,200	-
NCB 594 Blk 5 Lot 19 (IDEA Carver PH II Subdivision)	1511 E. Commerce St., San Antonio, TX 78205	0	-	0	-
NCB 17172 (Waters Edge Business Park), Block 1 Lot 17	1210 Horal Dr., San Antonio, TX 78227	1,293,940	-	1,293,940	-
NCB 17359 Blk 4 Lot 34 (IDEA Feather Ridge)	13427 Judson Rd., San Antonio, TX 78233	15,282,510	-	15,282,510	-
NCB 1521 Blk 8 Lot 2 (IDEA Eastside)	2519 Martin Luther King, San Antonio, TX 78203	0	-	0	-
NCB 15252 (IDEA Pearsall), Block 2 Lot 4	5555 Old Pearsall Rd., San Antonio, TX 78242	11,711,030	-	11,711,030	-
NCB 10615 (IDEA W W White), Lot 80	926 S. WW White Road, San Antonio, TX 78220	0	-	0	-
NCB 8244 Blk 3 Lot E Irr 112 FT of 26 (IDEA Monterrey Park)	222 SW 39 th St., San Antonio, TX 78237	373,990	-	373,990	-
NCB 9483 Lot 120 (IDEA South Flores Expansion)	6919 S. Flores St., San Antonio, TX 78221	5,859,110	-	5,859,110	-
CB 5197E Blk 30 Lot 4 (IDEA Marbach)	10434 Marbach Rd., San Antonio, TX 78245	13,862,280	-	13,862,280	-
NCB 17639 (IDEA Culebra), Lot 16	10138 Culebra Rd., San Antonio, TX 78251	14,776,500	-	14,776,500	-
NCB 18160 P-3 (2.296) CB 5983 (73.8209 Acres)	4500 W. Pue Road, San Antonio, TX 78245	96,930	-	96,930	-
Abs: 153 Sur: T Herrera 6.3290 Acres	Maske Rd., Schertz, TX 78154 (empty lot)	379,619	-	379,619	-
Abs: 153 Sur: T Herrera 4.4760 Acres	Maske Rd., Schertz, TX 78154 (empty lot)	268,475	-	268,475	-
Abs: 153 Sur: T Herrera 5.65 Acres	Maske Rd., Schertz, TX 78154 (empty lot)	338,892	-	338,892	-
Abs: 153 Sur: T Herrera 6.675 Acres	Maske Rd., Schertz, TX 78154 (empty lot)	400,373	-	400,373	-
Abs: 259 Sure: William H Pate 12.1550 Acres	2072 FM 725, New Braunfels, TX 78130	929,978	-	929,978	-

(continued)

IDEA Public Schools

Schedule of Real Property Ownership Interest for the year ended June 30, 2022 (unaudited)

(continued)

DESCRIPTION	PROPERTY ADDRESS	TOTAL ASSESSED VALUE	OWNERSHIP INTEREST		
			LOCAL	STATE	FEDERAL
Abs: 259 Sure: William H Pate 1.00 Acres S12118 - IDEA Greenlawn, Lot 1 (PT), Acres 2.715, (R587628/REF)	2072 FM 725, New Braunfels, TX 78130	\$ 16,696	\$ -	\$ 16,696	\$ -
A W0181 A W0292 - Hornsby, M Sur., Acres 11.431, (R508760 MH) (Pro EX 02/14/20-12/31/20)	3001 Greenlawn Blvd., Round Rock, TX 78664	774	-	774	-
A W0181 A W0292 - Hornsby, M Sur., Acres 5.098, (PRO EX 02/14/20- 12/31/20)	205 N. Bagdad Rd., Leander, TX 78641	679,161	-	679,161	-
S8752 - Greener Acres, Lot 2, Acres 4.197 (PRO EX 02/14/20 12/31/20)	251 N. Bagdad Rd., Leander, TX 78641	685,637	-	685,637	-
Travis County Reference - S12118 IDEA Greenlawn, Lot 1 (PT), Acres 9.962 (R587627/GWI)	Hero Way & 251 N. Bagdad, Leander, TX 78641	564,460	-	564,460	-
Henderson Block 49 all of Block (12.33 Acres)	3001 Greenlawn Blvd., Round Rock, TX 78664	2,839	-	2,839	-
Parks Bell Ranch North Block 5 Lot 8 (18.98)	3401 W. 5 th St., Odessa, TX 79763	139,644	-	139,644	-
Acres: 32.390, E/PT, SEC: 24,Blk: 40-TIS IDEA Academy S/D Lot 1 (Vacant Lot) Public High School	7300 E. Yukon Rd., Odessa, TX 79765	133	-	133	-
IDEA Kyle Academy, Block A, Lot 1, Acres 12.79	Holiday Hill Rd., Midland, TX 79707 (empty lot)	971,700	-	971,700	-
	2803 Monarch Lane, Rio Grande City, TX 78582	8,047,020	-	8,047,020	-
	640 Philomena Dr., Kyle, TX 78640	12,199,360	-	12,199,360	-

(continued)

IDEA Public Schools

Schedule of Real Property Ownership Interest for the year ended June 30, 2022 (unaudited)

(continued)

DESCRIPTION	PROPERTY ADDRESS	TOTAL ASSESSED VALUE	OWNERSHIP INTEREST		
			LOCAL	STATE	FEDERAL
Lehigh Plaza Lot 49-7.583ACS, Lot 50 – 9.479 ACS, Lot 51-.747ACS 17.971 AC GR 17.293 AC NET	2700 W Wisconsin Rd, Edinburg, TX 78539	\$ 1,712,007	\$ -	\$ 1,712,007	\$ -
Tracts 6 & 10 ABST 543 A Mays	21423 Aldine Westfield Rd, Humble, TX 77338	3,773,070	-	3,773,070	-
Tracts 33,34,35A & 35B ABST 513	0 N. Sam Houston Parkway, Humble, TX 77396	631,620	-	631,620	-
Acres 14.810 Blk 083 Lot 011A Johannsen Survey #185 ABST2789	Tilden Street N, Midland, TX 79706	281,390	-	281,390	-
TR 3 12.1644 AC	5980 Johannsen Road, El Paso, TX 79932	531,171	-	531,171	-
AW0021 Addison Wm 14.854 AC	Rockride Lane, Georgetown, TX 78626	610,770	-	610,770	-
Bohemian Colony Lands 3.449 ACS SE COR LT 3 SEC 4	Ayers Street, Corpus Christi, TX 78417	300,477	-	300,477	-
Bowman, Joseph Survey Abstract 81 Tract 1E1	3631 NW Loop 820, Fort Worth, TX 76106	164,439	-	164,439	-
Lexington Center 11.579 ACS LT 1 BLK 9	Ayers Street, Corpus Christi, TX 78417	782,185	-	782,185	-
Flour Bluff & Enc From GDN Tract 14.091 ACS LT 7 SEC 20	7001 Saratoga Blvd., Corpus Christi, TX 78414	2,071	-	2,071	-
Flour Bluff & Enc From GDN Tract .61 ACS LOT 7 BLOCK 20	7002 Saratoga Blvd., Corpus Christi, TX 78414	183	-	183	-
Total		<u>\$ 577,006,286</u>	<u>\$ -</u>	<u>\$ 577,006,286</u>	<u>\$ -</u>