

ATTACHMENT A

STAFF ASSESSMENT AND RECOMMENDATION REPORT

RENEWAL PETITION

Board of Education Report 144-25/26
November 17, 2025

School Name:	Valley International Preparatory High			BOARD IS REQUIRED TO TAKE ACTION BY: November 19, 2025
Type of Charter School:	Start-Up Independent Charter School			
Charter Operator	Parents in Partnership			
Location Code:	7531			
Type of Site(s):	Private			
Site Address(es):	18827 Roscoe Blvd., Northridge, CA 91324			
Board District(s):	3	Region(s):	North	
Grade Levels Served:	9-12	Current Enrollment:	291	
Grade Levels Authorized in Current Charter:	9-12	Approved Enrollment in Current Charter:	400	
CONSIDERATION:	Renewal			
CDE PERFORMANCE CATEGORY: (PER CDE'S 2025 CLASSIFICATION)	Middle Performing			
STAFF RECOMMENDATION:	Approval for a five (5)-year term (2026-2031)			
PROPOSED BENCHMARKS:	None			

STAFF ASSESSMENT

I. ACTION PROPOSED

Staff recommends approval of the renewal petition for Valley International Preparatory High (“VIP” or “Charter School”), located in Board District 3 and Region North, for a term of five (5) years, beginning July 1, 2026, until June 30, 2031, to serve up to 400 students in grades 9-12 in each year of the charter term.

II. RENEWAL REQUIREMENTS

Upon submission, District staff comprehensively reviews each renewal petition application to determine whether the school has met the requirements for renewal set forth in Education Code sections 47605, 47607, 47607.2, and 47611.5.

Criteria for Charter School Renewal and Grounds for Nonrenewal

As part of staff’s holistic review of the renewal petition application, the charter school must be determined to be eligible for renewal of its charter under the specific renewal criteria outlined in the Charter Schools Act. The renewal criteria prescribed in Education Code sections 47607 and 47607.2 requires a three-pronged analysis:

- **Criterion 1:** Does the renewal petition include a sound educational program, a reasonably comprehensive description of the 15 elements required for petitions, an affirmation of each of the conditions described in Education Code section 47605(e), and are petitioners demonstrably unlikely to successfully implement the program set forth in the petition? (Ed. Code, § 47607(b).)

These criteria have been determined not to be bases for denial.

- **Criterion 2:** Is the charter school “high,” “middle,” or “low” performing? (see Ed. Code, §§ 47607(c), 47607.2(a), and 47607.2(b).) Has the charter school attained measurable increases in academic achievement schoolwide and for numerically significant student groups served by the charter school, and does the charter school have strong postsecondary outcomes, if applicable?

These criteria have been determined not to be bases for denial.

- **Criterion 3:** Is the charter school serving all pupils who wish to attend, or does the charter school have substantial fiscal or governance issues? (Ed. Code, § 47607(e).)

These criteria have been determined not to be bases for denial.

Charter Petition Requirement:

In accordance with Education Code section 47611.5, a charter school charter shall contain a declaration regarding whether or not the charter school shall be deemed the exclusive public school employer of the employees at the charter school for the purposes of Section 3540.1 of the Government Code, and that declaration shall not be materially inconsistent with the charter.

- Does the petition contain a declaration of whether or not the charter school shall be deemed the exclusive public employer of the employees of the charter school?

This requirement has been determined not to be a basis for denial.

III. GENERAL SCHOOL INFORMATION

A. School History

	Valley International Preparatory High
Initial Authorization:	On December 5, 2017, Valley International Preparatory High was authorized by the LAUSD Board of Education to serve 400 students in grades 9-12.
Most Recent Renewal	This is the charter school's first consideration for renewal. Pursuant to Education Code section 47607.4, all charter schools whose term expires on or between January 1, 2022, and June 30, 2025, inclusive, shall have their term extended by two years, and all charter schools whose term expires on or between January 1, 2024, and June 30, 2027, inclusive, shall have their term extended by one additional year. Thus, by operation of law, the charter term for Valley International Preparatory High expires June 30, 2026.
Approved Material Revisions of Current Charter:	Not applicable
Board Benchmarks in Current Charter Term:	Not applicable
Submission of Renewal Petition Application:	Valley International Preparatory High submitted its renewal petition application on August 21, 2025. The 90-day statutory timeline for Board action on the petition runs through November 19, 2025.
Concurrent Request for Material Revision:	Not applicable
Master Plan for English Learners and Standard English Learners:	Valley International Preparatory High implements the LAUSD Master Plan for English Learners and Standard English Learners.
Special Education SELPA	Valley International Preparatory High participates in LAUSD Special Education Local Plan Area (SELPA) Option 3.

B. Charter School Operator

Valley International Preparatory High is operated by Parents in Partnership, a California nonprofit public benefit corporation that does not operate any other LAUSD-authorized charter school.

IV. STUDENT ACHIEVEMENT AND EDUCATIONAL PERFORMANCE

a. Summary

Valley International Preparatory High has been identified by the state as a Middle performing charter school. The recommendation for renewal has considered the schoolwide performance and performance of numerically significant student groups and the state and local indicators reported on the California School Dashboard, and whether there was clear and convincing

verified data evidence showing the school demonstrated measurable increases in academic achievement, as defined by at least one year's progress in each year in school, and/or strong postsecondary outcomes, as applicable.

Overall, Charter School's Dashboard performance was higher than the state in ELA, Math, and on the College/Career Indicator (CCI). The English Language Progress Indicator (ELPI) data was not reportable due to the low number of English Learners. The charter school provided three years of verified data, demonstrating one year's progress for All Students and a majority of numerically significant student groups in Reading and Math. However, there were participation rate concerns. The charter school submitted postsecondary data for college enrollment, but not for college persistence and completion.

Please see Valley International Preparatory High data sets and Verified Data Reports.

b. Measurements of Academic Performance on the California School Dashboard

Due to the COVID-19 pandemic, the 2022 Dashboard only displayed one year of data (also known as Status). Status Levels are reported based on the 2021-2022 school year data using one of five Status Levels (ranging from Very High, High, Medium, Low, and Very Low) for state measures. Please note that the Status Levels associated with the Chronic Absenteeism and Suspension Rate Indicators are reversed (ranging from Very Low, Low, Medium, High, and Very High). Below, the 2023 and 2024 Dashboard Performance Levels (colors) based on two years' data are provided.

Valley International Preparatory High Dashboard Indicators

School Year	ELA	Math	English Learner Progress	College/Career	Chronic Absenteeism	Graduation Rate	Suspension Rate
2021-2022	Very High	Medium	Not Applicable	Not Applicable	Not Applicable	Very High	Low
2022-2023	Green	Green	Not Applicable	High	Not Applicable	Yellow	Blue
2023-2024	Green	Yellow	Not Applicable	Green	Not Applicable	Orange	Yellow

Data Sources: CA School Dashboard Research Files (<https://www.cde.ca.gov/ta/ac/cm/dashboardresources.asp?tabsection=3>)

c. English Language Arts Indicator

In 2022, 2023, and 2024 in English Language Arts (ELA), the charter school's Distance from Standard (DFS) was higher than the state for All Students and higher than the state for the one numerically significant student group.

Valley International Preparatory High - English Language Arts Indicator - 2021-2022

Student Group	Charter Participation Rate	Charter Level	Charter ELA (DFS)	State Level	State ELA (DFS)	Charter to State Comparison (DFS)
All Students	Met	Very High	87.8	Low	-12.2	Higher
White	Met	Very High	126.6	High	21.9	Higher

Data Sources: CA School Dashboard Research Files (<https://www.cde.ca.gov/ta/ac/cm/dashboardresources.asp?tabsection=3>)

Valley International Preparatory High - English Language Arts Indicator - 2022-2023

Student Group	Charter Participation Rate	Charter Color	Charter ELA (DFS)	Charter Change	State Color	State ELA (DFS)	Charter to State Comparison (DFS)
All Students	Met	Green	72.6	-15.1	Orange	-13.6	Higher
White	Met	Green	74.1	-52.5	Green	20.8	Higher

Data Sources: CA School Dashboard Research Files (<https://www.cde.ca.gov/ta/ac/cm/dashboardresources.asp?tabsection=3>)

Valley International Preparatory High - English Language Arts Indicator - 2023-2024

Student Group	Charter Participation Rate	Charter Color	Charter ELA (DFS)	Charter Change	State Color	State ELA (DFS)	Charter to State Comparison (DFS)
All Students	Met	Green	71.1	-1.5	Orange	-13.2	Higher
White	Met	Blue	89.1	15.0	Green	19.2	Higher

Data Sources: CA School Dashboard Research Files (<https://www.cde.ca.gov/ta/ac/cm/dashboardresources.asp?tabsection=3>)

d. Math Indicator

In 2022 in Math, the charter school's DFS was lower than the state for All Students and for the one numerically significant student group. In 2023 and 2024 in Math, the charter school's DFS was higher than the state for All Students, and higher than the state for the one numerically significant student group.

Valley International Preparatory High - Math Indicator - 2021-2022

Student Group	Charter Participation Rate	Charter Level	Charter Math (DFS)	State Level	State Math (DFS)	Charter to State Comparison (DFS)
All Students	Met	Medium	-57.8	Low	-51.7	Lower
White	Met	Medium	-24.0	Medium	-13.4	Lower

Data Sources: CA School Dashboard Research Files (<https://www.cde.ca.gov/ta/ac/cm/dashboardresources.asp?tabsection=3>)

Valley International Preparatory High - Math Indicator - 2022-2023

Student Group	Charter Participation Rate	Charter Color	Charter Math (DFS)	Charter Change	State Color	State Math (DFS)	Charter to State Comparison (DFS)
All Students	Met	Green	-20.5	37.3	Orange	-49.1	Higher
White	Met	Green	-11.0	13.0	Yellow	-11.1	Higher

Data Sources: CA School Dashboard Research Files (<https://www.cde.ca.gov/ta/ac/cm/dashboardresources.asp?tabsection=3>)

Valley International Preparatory High - Math Indicator - 2023-2024

Student Group	Charter Participation Rate	Charter Color	Charter Math (DFS)	Charter Change	State Color	State Math (DFS)	Charter to State Comparison (DFS)
All Students	Met	Yellow	-25.5	-5.0	Orange	-47.6	Higher
White	Met	Green	-6.2	4.8	Yellow	-10.3	Higher

Data Sources: CA School Dashboard Research Files (<https://www.cde.ca.gov/ta/ac/cm/dashboardresources.asp?tabsection=3>)

e. English Learner Progress Indicator

ELPI data was not reportable due to the low number of English Learners.

f. College/Career Indicator

The College/Career Indicator was not reported on the 2022 Dashboard. In 2023 and 2024, the charter school's percentage of students prepared was higher than the state for All Students, and both numerically significant student groups.

Valley International Preparatory High - College/Career Indicator - 2022-2023

Student Group	Charter Level	Charter Prepared	State Level	State Prepared	Charter to State Comparison
All Students	High	63.1%	Medium	43.9%	Higher
White	Very High	73.2%	Medium	53.2%	Higher
Socioeconomically Disadvantaged	Medium	43.3%	Medium	35.4%	Higher

Data Sources: CA School Dashboard Research Files (<https://www.cde.ca.gov/ta/ac/cm/dashboardresources.asp?tabsection=3>)

Valley International Preparatory High - College/Career Indicator - 2023-2024

Student Group	Charter Level	Charter Prepared	Charter Change	State Level	State Prepared	Charter to State Comparison
All Students	Green	62.8%	-0.3	Yellow	45.3%	Higher
White	Yellow	63.3%	-9.9	Yellow	54.3%	Higher
Socioeconomically Disadvantaged	Green	51.6%	8.3	Yellow	37.4%	Higher

Data Sources: CA School Dashboard Research Files (<https://www.cde.ca.gov/ta/ac/cm/dashboardresources.asp?tabsection=3>)

- g. Chronic Absenteeism Indicator
Not applicable

- h. Graduation Indicator [HS only]

In 2022, the charter school's percentage of graduated students was higher than the state for All Students and higher than the state for the one numerically significant student group. In 2023 and 2024, the charter school's percentage of graduated students was higher than the state for All Students and higher for one of two numerically significant student groups. Valley International Preparatory High students must meet A-G requirements with a grade of "C" or better.

- i. Suspension Rate Indicator

In 2022, 2023, and 2024, the charter school's percentage of students suspended at least once was lower than the state for All Students, and lower than the state for all numerically significant student groups.

- j. Dashboard Local Indicators

Staff also considered the Local Indicators (e.g., Basic: Teachers, Instructional Materials, Facilities; Implementation of Academic Standards; Parent and Family Engagement; Local Climate Survey; Access to a Broad Course of Study) which have all been reported as "Met" in 2023 and "Not Met" in 2024.

- k. Additional Information
Not applicable

V. ANNUAL PERFORMANCE-BASED OVERSIGHT RESULTS

In accordance with Education Code section 47604.32, the District's Charter Schools Division (CSD) conducts at least one school site visit each year where the CSD evaluates charter school performance in the following four categories: Governance; Student Achievement and Educational Performance; Organizational Management, Programs, and Operations; and Fiscal Operations. Charter schools are rated in each category based on information and evidence gathered at the time of the annual performance-based

oversight visit following a four-point rubric: (4) *Accomplished*, (3) *Proficient*, (2) *Developing*, and (1) *Unsatisfactory*. Please see below for Valley International Preparatory High outcomes on its annual oversight evaluation reports for the last two years.

a. Governance

Oversight Ratings/Concerns	
2023-2024	<i>Accomplished</i>
2024-2025	<i>Proficient</i>
Concerns	No unresolved issues pending

b. Student Achievement and Educational Performance

Oversight Ratings/Concerns	
2023-2024	<i>Accomplished</i>
2024-2025	<i>Proficient</i>
Concerns	No unresolved issues pending

c. Organizational Management, Programs, and Operations

Oversight Ratings/Concerns	
2023-2024	<i>Proficient</i>
2024-2025	<i>Accomplished</i>
Concerns	No unresolved issues pending.

d. Fiscal Operations

Oversight Ratings/Concerns	
2023-2024	<i>Accomplished</i>
2024-2025	<i>Developing</i>
Concerns	The rating of <i>Developing</i> in 2024-2025 was primarily due to the consolidated negative financial condition reported in the charter operator's 2023-2024 independent audit report. See further details in the Fiscal Management and Performance section below

VI. VERIFIED DATA

Charter schools satisfying the Middle performing criteria may be renewed for a specified term. (Ed. Code, § 47607.2 (b)(7).) A chartering authority must consider, among other requirements, clear and convincing evidence, demonstrated by verified data, showing the charter school's achieved measurable increases in academic achievement, or strong postsecondary outcomes for the timeframe specified in law. (Ed. Code, § 47607.2(b)(3).)

Charter School provided data from "MAP Growth by NWEA, Grades K-12" (NWEA) *Student Growth Summary Report* in Reading and Math. NWEA is an adopted academic progress indicator approved by the State Board of Education (SBE) to be on the verified data list. Per NWEA, this assessment only reports data disaggregated by grade levels.

Per Education Code section 47607.2 (c)(2), the State Board of Education established criteria to define verified data. To be eligible for inclusion as verified data, a data source (e.g., assessment or postsecondary outcome) must include the results of at least 95 percent of eligible students. The *Student Growth Summary Report* provided by Charter School in Reading does not provide a participation rate

on the report, however it does include the total number of “growth events¹” on the reports. In 2024-2025 Charter School had a norm enrollment of 258 students and the NWEA Reading report indicates that the school had 236 growth events and the NWEA Math report had 238 growth events. Thus, the 2024-2025 assessment data does not appear to include at least 95% of eligible students.

Per the California SBE’s May 2023 Agenda Item #02, publisher guidance states, “A CGI range of -0.2 to 0.2 (or greater) could be used as an approximation of one year’s growth (or more) in a subject, as the overall average growth of students would be generally consistent with the amount of growth observed by students in the same grade and subject with the same starting achievement level receiving a similar amount of instructional exposure.”

ELA Reading

Charter School provided data for 2022-2023, 2023-2024, and 2024-2025 (Fall to Spring administration) for Grade 9, Grade 10, Grade 11, and Grade 12, and for the following student groups²: Socioeconomically Disadvantaged, Latino, and White.

The 2024-2025 disaggregated data outcomes are represented in the table below showing overall Grades 9-12, and Grade 9 (Socioeconomically Disadvantaged, Latino, and White), Grade 10 (Socioeconomically Disadvantaged, Latino, and White), Grade 11 (Socioeconomically Disadvantaged, Latino, and White), and Grade 12 (Socioeconomically Disadvantaged and White) student groups, met one year’s progress.

MAP Growth Reading 2024-2025				
Student Groups	Total Number of Growth Events	Map Growth CGI Range	Reading: Conditional Growth Index (CGI)	One Year’s Progress
Grade 9	52	-0.2 to 0.2	0.72	Met
Socioeconomically Disadvantaged	17	-0.2 to 0.2	0.56	Met
Latino	15	-0.2 to 0.2	0.45	Met
White	31	-0.2 to 0.2	0.95	Met
Grade 10	65	-0.2 to 0.2	0.76	Met
Socioeconomically Disadvantaged	23	-0.2 to 0.2	0.84	Met
Latino	25	-0.2 to 0.2	0.84	Met
White	30	-0.2 to 0.2	0.70	Met
Grade 11	52	-0.2 to 0.2	0.96	Met
Socioeconomically Disadvantaged	15	-0.2 to 0.2	0.73	Met
Latino	19	-0.2 to 0.2	0.86	Met
White	25	-0.2 to 0.2	0.98	Met

¹ Total Number of Growth Events: The number of students with valid growth-based test events for both terms.

² Student group names that appear on the report may be different than names on the CA Dashboard (e.g., “Students with Disabilities will be labeled as “Special Education” on the NWEA report).

MAP Growth Reading 2024-2025				
Student Groups	Total Number of Growth Events	Map Growth CGI Range	Reading: Conditional Growth Index (CGI)	One Year's Progress
Grade 12	67	-0.2 to 0.2	0.74	Met
Socioeconomically Disadvantaged	21	-0.2 to 0.2	0.44	Met
Latino	*	-0.2 to 0.2	*	*
White	43	-0.2 to 0.2	0.90	Met

Note: An asterisk (*) indicates that the student group consists of less than 11 students, the minimum size for reporting.

Charter School also submitted verified data using NWEA for the 2022-2023 and 2023-2024 school years. Based on NWEA's CGI range of -0.2 to 0.2, Charter School met the one year's progress for all grade levels and for all three of the school's student groups.

MATH

Charter School provided data for Math from "MAP Growth by NWEA, Grades K-12" (NWEA) *Student Growth Summary Report* for 2022-2023, 2023-2024, and 2024-2025 (Fall to Spring administration) for Grade 9, Grade 10, Grade 11, and Grade 12, and for the following student groups³: Socioeconomically Disadvantaged, Latino, Students with Disabilities, and White.

The 2024-2025 disaggregated data outcomes are represented in the table below showing overall Grades 9-12 and Grade 9 (Socioeconomically Disadvantaged, Latino, and White), Grade 10 (Socioeconomically Disadvantaged, Latino, and White), Grade 11 (Students with Disabilities, Socioeconomically Disadvantaged, Latino, and White), and Grade 12 (Socioeconomically Disadvantaged and White) student groups, met one year's progress.

MAP Growth Math 2024-2025				
Student Groups	Total Number of Growth Events	Map Growth CGI Range	Math: Conditional Growth Index (CGI)	One Year's Progress
Grade 9	55	-0.2 to 0.2	0.35	Met
Socioeconomically Disadvantaged	19	-0.2 to 0.2	0.25	Met
Students with Disabilities	*	-0.2 to 0.2	*	*
Latino	16	-0.2 to 0.2	0.30	Met
White	33	-0.2 to 0.2	0.44	Met
Grade 10	62	-0.2 to 0.2	0.20	Met
Socioeconomically Disadvantaged	22	-0.2 to 0.2	-0.19	Met
Students with Disabilities	*	-0.2 to 0.2	*	*
Latino	25	-0.2 to 0.2	0.11	Met
White	29	-0.2 to 0.2	0.18	Met

³ Student group names that appear on the report may be different than names on the CA Dashboard (e.g., "Students with Disabilities" will be labeled as "Special Education" on the NWEA report).

MAP Growth Math 2024-2025				
Student Groups	Total Number of Growth Events	Map Growth CGI Range	Math: Conditional Growth Index (CGI)	One Year's Progress
Grade 11	54	-0.2 to 0.2	0.45	Met
Socioeconomically Disadvantaged	17	-0.2 to 0.2	0.47	Met
Students with Disabilities	11	-0.2 to 0.2	0.02	Met
Latino	19	-0.2 to 0.2	0.32	Met
White	25	-0.2 to 0.2	0.49	Met
Grade 12	67	-0.2 to 0.2	0.13	Met
Socioeconomically Disadvantaged	21	-0.2 to 0.2	-0.02	Met
Students with Disabilities	*	-0.2 to 0.2	*	*
Latino	*	-0.2 to 0.2	*	*
White	43	-0.2 to 0.2	0.08	Met

Note: An asterisk (*) indicates that the student group consists of less than 11 students, the minimum size for reporting.

Charter School also submitted verified data using NWEA for the 2022-2023 and 2023-2024 school year. Based on NWEA's CGI range of -0.2 to 0.2, Charter School met the one year's progress for all grade levels and for all four of the school's student groups.

Based on the review and consideration of verified data, Valley International Preparatory High included three years of data, including Grades 9-12 and student group reports in Reading and Math. Valley International Preparatory High appears to have not met the 95 percent participation rate based on norm enrollment compared to growth events.

POSTSECONDARY OUTCOMES

Pursuant to Education Code section 47607.2(c)(2), the State Board of Education (SBE) established criteria to define verified data and identified an approved list of valid and reliable assessments and measures of postsecondary outcomes, for the timeframe specified in law. Education Code section 47607.2(b)(3)(B) specifies that strong postsecondary outcomes are defined by, "college enrollment, persistence, and completion rates equal to similar peers." To determine whether a charter school has demonstrated strong postsecondary outcomes, multiple data sources may need to be considered to assess college enrollment, persistence, and completion, as well as to identify similar peers.

Charter School provided the DataQuest College Going Rate for California High School Students by Postsecondary Institution Type Report ("DataQuest College-Going Rate") for the three most recent years 2018-2019, 2019-2020, and 2020-2021. California Department of Education DataQuest College-Going Rate is an adopted Postsecondary Indicator approved by the SBE to be on the verified data list and includes measures of college enrollment.

Enrollment

For Charter School's class of 2019, 80.6% of high school completers enrolled in college, which is higher than the enrollment rate of 56.4% for LAUSD, and higher than the enrollment rate of 64.9% for the state of California.

For Charter School’s class of 2020, 81.5% of high school completers enrolled in college, which is higher than the enrollment rate of 55.5% for LAUSD, and higher than the enrollment rate of 62.7% for the state of California.

For Charter School’s class of 2021, 66.7% of high school completers enrolled in college, which is higher than the enrollment rate of 55.0% for LAUSD, and higher than the enrollment rate of 62.2% for the state of California.

DataQuest College Going Rate	2018-2019	2019-2020	2020-2021
VIP – All Students	80.6%	81.5%	66.7%
Los Angeles Unified	56.4%	55.5%	55.0%
California	64.9%	62.7%	62.2%

Persistence

The California Department of Education DataQuest College-Going Rate does not include student persistence metrics.

Completion

The California Department of Education DataQuest College-Going Rate does not include metrics on student completion.

Therefore, as described above, Charter School demonstrated stronger enrollment in a postsecondary institution of higher education within 12 or 16 months of completing high school in all three years compared to LAUSD and the state of California, as reported by the DataQuest College Going Rate for 2018-2019, 2019-2020, and 2020-2021. However, postsecondary data was not provided related to college persistence and completion.

VII. FISCAL MANAGEMENT AND PERFORMANCE

a. Fiscal Condition

Valley International Preparatory High and its wholly owned subsidiary's consolidated fiscal condition is negative.

	2020-2021 (Audited Actuals)	2021-2022 (Audited Actuals)	2022-2023 (Audited Actuals)	2023-2024 (Audited Actuals)	2024-2025 (Unaudited Actuals)
Net Assets	\$619,684	\$550,945	\$731,850	(\$598,920) ²	(\$839,546)
Net Income/Loss	\$624,392	(\$68,739) ¹	\$180,905	(\$260,806) ²	(\$240,626) ³
Transfers In/Out	\$0	\$0	\$0	\$0	\$0
Prior Year Adjustment(s)	\$0	\$0	\$0	(\$1,069,964) ²	\$0
Norm Enrollment ^A	231	258	272	275	258

¹ VIP explained that the reported net loss of (\$68,739) for 2021-2022 was primarily due to: a) an unbudgeted \$57,000 Special Education legal settlement executed on September 21, 2022, but recognized in 2021-2022 instead of 2022-2023; b) lower-than-expected student enrollment; and c) adjustments to Elementary and Secondary School Emergency Relief (ESSER) II and ESSER III fund allocations based on the school's proportional share of Title I, Part A funds.

² The significant fluctuation in VIP's net assets—from a positive balance of \$731,850 in Fiscal Year 2022–2023 to a negative balance of \$598,920 in Fiscal Year 2023–2024—is primarily due to the auditor's adjustment in the 2023-2024 audit to include the financial results of an affiliated limited liability company, VIP-PIP LLC (LLC).⁴ **As shown in the financial table above, the \$1,069,964 adjustment reflects the LLC's negative net assets, which stem from about one million (\$1M) in non-cash expenses (such as depreciation and loan amortization) recorded from 2021-2022 through 2022-2023. The net loss of (\$260,806) reported for Fiscal Year 2023-2024 also includes more than \$350K in non-cash expenses (such as depreciation and loan amortization). These non-cash expenses are not actual cash losses and do not impact Charter School's ability to meet its financial obligations.**

The table above presents the financials including the LLC, while the table below shows the operations of Charter School alone. VIP remains financially stable, with increasing student enrollment, and sufficient reserves to support ongoing operation. The facility held through the LLC continues to provide long-term value and supports Charter School's education mission. According to the charter operator, both LLC (the borrower) and Charter School are compliant under their leases and loan agreements.

⁴ As the sole member of this LLC, Charter School has both control and an economic interest requiring consolidation in accordance with Generally Accepted Accounting Principles (GAAP). The LLC was formed in March 2022 to hold title to and finance facilities to be rented to Charter School. VIP's quarterly rent payments cover the bond principal and interest payments. The amounts are intercepted from Charter School's state funding and remitted directly to a third-party trustee according to the charter operator's audit.

FINANCIAL HIGHLIGHTS					
Valley International Preparatory High (Excluding LLC's Financial Results)	2020-2021 (Audited Actuals)	2021-2022 (Audited Actuals)	2022-2023 (Audited Actuals)	2023-2024 (Audited Actuals)	2024-2025 (Unaudited Actuals)
Net Assets	\$619,684	\$550,945	\$731,850	\$817,735	\$577,109
Net Income / (Loss)	\$624,392	(\$68,739) ¹	\$180,905	\$85,885	(\$240,626) ³
Transfers In / Out	\$0	\$0	\$0	\$0	\$0
Prior Year Adjustment(s)	\$0	\$0	\$0	\$0	\$0
Cash and Cash Equivalents	\$311,626	\$554,226	\$768,630	\$570,074	\$393,815
Unrestricted Net Assets	\$369,684	\$544,221	\$725,126	\$811,011	\$577,109
Norm Enrollment ^A	231	258	272	275	258
FINANCIAL RATIO ANALYSIS					
Fund Reserve (Reserve for Economic Uncertainty) (Unrestricted Net Assets/Total Expenditures) <i>3% - 5% and greater is recommended (depending on the school's ADA)</i>	12.97%	15.01%	19.07%	18.18%	12.79%
Cash Reserve Level (Cash Balance/Total Expenditures) <i>5% and greater is recommended</i>	10.93%	15.28%	20.21%	12.78%	8.73%
Current Ratio (Working Capital Ratio) (Current Assets/Current Liabilities) <i>At least 1.2 or 120% is recommended</i>	217.52%	213.80%	256.29%	449.21%	267.49%
Debt Ratio (Total Liabilities/Total Assets) <i>Lower than 1.0 or 100% is recommended</i>	52.21%	50.31%	38.33%	20.81%	34.38%

³ VIP explained that the net loss of (\$240,626) projected in its 2024-2025 Unaudited Actuals was primarily due to lower-than-expected enrollment. See ^A below for current enrollment data.

^A VIP reported 291 Norm Enrollment for 2025-2026, which represents an increase of 60 students or 26% since Fiscal Year 2020-2021. VIP stated that it plans to continue increasing enrollment through

various means, for example, by increasing community engagement. The CSD will continue to monitor Charter School's student enrollment and financial condition as part of its oversight process.

- b. 2023-2024 Independent Audit Report
Audit Opinion: Unmodified/Unqualified
Material Weaknesses: None Reported
Deficiencies/Findings: None Reported
Lack of a Going Concern: None Reported
- c. Other Significant Fiscal Information
Not applicable