

VALOR COLLEGIATE ACADEMIES INTERNAL SCHOOL FUNDS

ANNUAL FINANCIAL REPORT AND
OTHER INFORMATION

As of and for the Year Ended June 30, 2023

And Reports of Independent Auditor

VALOR COLLEGIATE ACADEMIES – INTERNAL SCHOOL FUNDS
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VALOR COLLEGIATE ACADEMIES – INTERNAL SCHOOL FUNDS
ROSTER OF BOARD OF DIRECTORS AND EXECUTIVE STAFF
AS OF JUNE 30, 2023

Board of Directors

Brandi Kellett
Sylvia Flowers
Matt Nicholson
Cristina Munoz
Rascoe Dean
Justin Testerman
Kevin Huffman
Samar Ali
Malika Anderson
Ben Baden
Bob Hannon
Michael Harmon
Leslie Johnson

Board Chair
Board Secretary
Board Treasurer
Board Member
Board Member
Board Member
Board Member
Board Member
Board Member
Board Member
Board Member
Board Member

Executive Staff

Todd Dickson
Thomas Branch

Chief Executive Officer
Chief Operating Officer

Report of Independent Auditor

To the Board of Directors
Valor Collegiate Academies – Internal School Funds
Nashville, Tennessee

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying combined balance sheet – regulatory basis of the Valor Collegiate Academies' (the "Organization") Internal School Funds included within the General Fund of the Organization as of June 30, 2023, and the related combined statement of revenues, expenditures, and changes in fund balances – regulatory basis for the year then ended, and the related notes to the combined financial statements, which collectively comprise the Organization's Internal School Funds combined financial statements, as listed in the table of contents. We have also audited the individual school balance sheets – regulatory basis and the individual school statements of revenues, expenditures, and changes in fund balances – regulatory basis as of and for the year ended June 30, 2023, as listed in the table of contents.

Unmodified Opinions on Regulatory Basis of Accounting

In our opinion, the accompanying financial statements referred to in the first paragraph present fairly, in all material respects, the assets, liabilities and fund balance of the Organization's Internal School Funds as of June 30, 2023, and the related revenues, expenditures and changes in fund balances for the year then ended, in accordance with financial reporting provisions of the *Tennessee Internal School Uniform Accounting Policy Manual* as described in Note 1. In addition, in our opinion, the accompanying individual school financial statements referred to in the first paragraph present fairly in all material respects, the assets, liabilities and fund balance of the Organization's Internal Schools Funds as of June 30, 2023, and the related revenues, expenditures and changes in fund balances for the year then ended, in accordance with financial reporting provisions of the *Tennessee Internal School Uniform Accounting Policy Manual* as described in Note 1.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* section of our report, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Organization's Internal School Funds, as of June 30, 2023, or changes in fund balances for the year then ended.

Basis for Opinions

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

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1, the financial statements are prepared by the Organization, on the basis of the financial reporting provisions of the *Tennessee Internal School Uniform Accounting Policy Manual*, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the State of Tennessee Department of Education. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the *Tennessee Internal School Uniform Accounting Policy Manual*, as described in Note 1. Management is also responsible 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.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the roster of board of directors and executive staff, schedule of fidelity bond coverage, and schedule of salary supplements – by school but does not include the financial statements – regulatory basis and our auditor’s report thereon. Our opinions on the financial statements – regulatory basis do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements – regulatory basis, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements – regulatory basis, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 7, 2024, on our consideration of the Organization’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 the Organization’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization’s internal control over financial reporting and compliance.

Cherry Bekaert LLP

Nashville, Tennessee
May 7, 2024

VALOR COLLEGIATE ACADEMIES – INTERNAL SCHOOL FUNDS
COMBINED BALANCE SHEET – REGULATORY BASIS

JUNE 30, 2023

	<u>Valor Flagship</u>	<u>Valor Voyager</u>	<u>Total General Fund</u>
ASSETS			
Due from Charter Management Organization	\$ 6,513	\$ 3,977	\$ 10,490
Total Assets	<u>\$ 6,513</u>	<u>\$ 3,977</u>	<u>\$ 10,490</u>
FUND BALANCES			
Restricted Fund Balances:			
Clubs	1,465	2,816	4,281
After School	1,314	381	1,695
Theatre and dance	2,577	-	2,577
National honor society	161	-	161
Wealth builders	996	780	1,776
Total Fund Balances	<u>\$ 6,513</u>	<u>\$ 3,977</u>	<u>\$ 10,490</u>

The accompanying notes to the financial statements are an integral part of these statements.

VALOR COLLEGIATE ACADEMIES – INTERNAL SCHOOL FUNDS
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – REGULATORY BASIS

YEAR ENDED JUNE 30, 2023

	Valor Flagship	Valor Voyager	Total General Fund
Fund balances, July 1, 2022	<u>\$ 377</u>	<u>\$ -</u>	<u>\$ 377</u>
Revenues	687,897	164,404	852,301
Expenditures	<u>681,761</u>	<u>160,427</u>	<u>842,188</u>
Excess of revenues over expenditures	<u>6,136</u>	<u>3,977</u>	<u>10,113</u>
Fund balances, June 30, 2023	<u><u>\$ 6,513</u></u>	<u><u>\$ 3,977</u></u>	<u><u>\$ 10,490</u></u>

The accompanying notes to the financial statements are an integral part of these statements.

VALOR COLLEGIATE ACADEMIES – INTERNAL SCHOOL FUNDS
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS

JUNE 30, 2023

Note 1—Summary of significant accounting policies

Background – Section 49-2-110, *Tennessee Code Annotated*, provides for internal school funds, establishes responsibility for those funds, and requires schools to adopt and follow a uniform accounting manual.

Financial Reporting Entity – This report includes only the internal school funds of Valor Collegiate Academies (the “Organization”). Internal school funds consist of financial resources accounted for at the individual schools, Valor Flagship and Valor Voyager.

Internal School Funds – Internal school funds reported in the accompanying combined financial statements include donations and grants made to the individual schools; fees collected by schools; funds received from the local board of education; funds raised through cooperative agreements; rental fees; and student activity funds.

Student Activity Funds – Student activity funds include all money received from any source for school-sponsored student activities or school-sponsored events held at or in connection with a school, and specifically include, but are not limited to funds:

- Derived from a school-sponsored academic, art, athletic, or social event involving students;
- Raised by school-sponsored clubs involving students;
- Raised by school-sponsored fundraisers involving students who are under the supervision of a school employee;
- Received from a commission for the direct sale of items to students pursuant to a cooperative agreement between the school and an outside organization;
- Received for the direct sale of items to students from a school-run bookstore located on school grounds;
- Raised from fees charged to students;
- Obtained from interest from any account that contains student activity funds; and
- Obtained from any related school-sponsored activity that involves the use of school personnel, students, and property during the school day.

Other Comprehensive Basis of Accounting – The accounting and financial reporting requirements for internal school funds are set forth in the *Tennessee Internal School Uniform Accounting Policy Manual*, issued by the Tennessee Department of Education. The requirements established in the *Tennessee Internal School Uniform Accounting Policy Manual* differ from generally accepted accounting principles primarily in the presentation of the combined financial statements and restricted fund revenue and expenditure accounting and reporting. The following is a summary of the basic requirements of this other comprehensive basis of accounting.

The combined financial statements consist of a balance sheet and a statement of revenues, expenditures, and changes in fund balances.

The combined financial statements present all of the individual schools in a columnar format and are required to be presented before the notes to the combined financial statements. These statements focus on each of the individual schools rather than the funds within the schools. In keeping with that focus, the columnar headings identify the individual schools rather than the funds.

The individual school financial statements present the detailed fund activity in each school and are included after the notes to the combined financial statements.

VALOR COLLEGIATE ACADEMIES – INTERNAL SCHOOL FUNDS
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS

JUNE 30, 2023

Note 1—Summary of significant accounting policies (continued)

Revenues are classified by source and expenditures are classified by either function or object for the general fund but not the restricted fund. Revenues and expenditures of the restricted fund are recorded based on the specific group or activity which will benefit or expend the funds. The activity in the restricted “accounts” is presented as total revenues and transfers in and total expenditures and transfers out for each account. A corresponding “fund balance” is presented for each account. Although the restricted fund is a single fund, each account within the fund must present its portion of the restricted fund balance. Transfers reported on the combined financial statements represent authorized movement of funds between restricted accounts as well as between the general fund and restricted fund.

Measurement Focus and Basis of Accounting – The accompanying combined financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available. Management policies define available as collectible within 90 days after the fiscal year-end. Expenditures are generally recognized when the related fund liability is incurred.

Fund Structure – The accounts of the individual schools are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts which are comprised of the fund’s assets, liabilities, fund balances, revenues, and expenditures. The funds are grouped in the accompanying combined financial statements as follows:

General Fund – The general fund is used to account for all money to be used for the general operation of the school or for the welfare of the student body. Revenues and expenditures in this fund are not restricted to any specific group or activity.

Valor Flagship Fund – This fund is used to account for all money to be used for the student athletic activities and student organizations for the Valor Flagship Academy and Valor Collegiate Prep.

Valor Voyager Fund – This fund is used to account for all money to be used for the student athletic activities and student organizations for the Valor Voyager Academy.

Fund Balances

Nonspendable – Fund balances reported as nonspendable in the accompanying combined financial statements represent amounts for inventory in the general fund. There was no nonspendable fund balance as of June 30, 2023.

Restricted – Fund balances reported as restricted are the result of externally imposed restrictions placed upon certain resources accounted for in the restricted funds.

Committed – This classification consists of fund balances that can only be used for specific purposes established by formal action of the Organization’s Board of Directors, its highest level of decision-making authority. Fund balance commitments can only be removed by the same process of the same body employed to previously commit those amounts. As of June 30, 2023 the Organization reported no committed fund balance.

VALOR COLLEGIATE ACADEMIES – INTERNAL SCHOOL FUNDS
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS

JUNE 30, 2023

Note 1—Summary of significant accounting policies (continued)

Assigned – Amounts that are constrained by each school’s intent to be used for specific purposes are reflected as assigned in the accompanying combined financial statements. This includes accounts reported in the restricted fund at each school, except for those that account for externally restricted resources as described above. Inventory amounts for restricted accounts are reflected as assigned because the use of the proceeds from the sale of those inventories is assigned. Board of Education allocation amounts not spent by the end of the fiscal year are reflected as assigned in the general fund because the Board of Education’s intent is for those resources to be expended for instruction, administration, and/or operations and maintenance.

The Board of Directors are authorized to assign amounts for specific purposes with respect to the amounts they allocate to the individual schools. The principal is the official authorized to assign all other amounts to a specific purpose. Authorization is established by the *Tennessee Internal School Uniform Accounting Policy Manual*.

Unassigned – In accordance with the regulatory basis of accounting, the general fund is the only fund at each school that reports amounts for unassigned fund balance. This classification represents fund balance that is not restricted and has not been assigned to specific purposes within the general fund. As of June 30, 2023, the Organization reported no unassigned fund balance.

When an expenditure is incurred in which both restricted and unrestricted funds are available for use, it is the Organization’s policy to spend restricted funds first, then unrestricted funds. When an expenditure has been incurred for purposes in which multiple categories of unrestricted funds are available, it is the Organization’s policy to spend funds in the following order: committed, then assigned, and lastly unassigned funds.

Note 2—Deposits

Provisions – All deposits with financial institutions in excess of the Federal Deposit Insurance Corporation (“FDIC”) limits are required to be secured by one of two methods. Excess funds can be deposited with a financial institution that participates in the state of Tennessee bank collateral pool administered by the state treasurer. For deposits with financial institutions that do not participate in the bank collateral pool, state statutes require that all deposits be collateralized with collateral whose market value is equal to 105% of the uninsured amount of the deposits.

Due from Charter Management Organization – This represents the Organization’s cash position as of year-end held by the Valor Collegiate Academies Charter Management Organization. All receipts and disbursements are recorded in the Charter Management Organization’s bank accounts.

Custodial Credit Risk – Custodial credit risk is the risk that in the event of a bank failure, the school’s deposits may not be returned to it. None of the school’s deposits were exposed to custodial credit risk because all balances were entirely insured by the FDIC or through the bank collateral pool with the state of Tennessee.

INDIVIDUAL FINANCIAL STATEMENTS

VALOR COLLEGIATE ACADEMIES – INTERNAL SCHOOL FUNDS

VALOR FLAGSHIP

BALANCE SHEET – REGULATORY BASIS

YEAR ENDED JUNE 30, 2023

	ASSETS		FUND BALANCES	
	Due from Charter Management Organization	Total Assets	Restricted	Total Fund Balances
General Fund	\$ -	\$ -	\$ -	\$ -
Restricted Fund:				
Athletic program	-	-	-	-
Music	-	-	-	-
Field trips	-	-	-	-
Government	-	-	-	-
Clubs/Alliances/Unions/Assc.	1,465	1,465	1,465	1,465
After School	1,314	1,314	1,314	1,314
Robotics	-	-	-	-
Theatre/Plays & Dance	2,577	2,577	2,577	2,577
National honor society	161	161	161	161
Senior Activities	-	-	-	-
Parent Involvement	-	-	-	-
Wealth builders	996	996	996	996
Miscellaneous	-	-	-	-
Total Restricted Fund	6,513	6,513	6,513	6,513
Total General and Restricted Funds	\$ 6,513	\$ 6,513	\$ 6,513	\$ 6,513

The accompanying notes to the combined financial statements are an integral part of these statements.

VALOR COLLEGIATE ACADEMIES – INTERNAL SCHOOL FUNDS

VALOR FLAGSHIP

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
REGULATORY BASIS

YEAR ENDED JUNE 30, 2023

	Fund Balances July 1, 2022	Revenues		Expenditures	Fund Balances June 30, 2023
		Student Fees	CMO Contributions		
General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted Fund:					
Athletic program	-	70,472	206,969	277,441	-
Music	-	2,951	6,934	9,885	-
Field trips	-	58,650	223,432	282,082	-
Government	-	3,047	4,263	7,310	-
Clubs/Alliances/Unions/Assc.	-	6,796	-	5,331	1,465
After School	-	1,314	-	-	1,314
Robotics	-	2,114	7,294	9,408	-
Theatre/Plays & Dance	-	23,469	-	20,892	2,577
National honor society	161	-	-	-	161
Senior Activities	-	27,486	26,956	54,442	-
Parent Involvement	-	3,509	3,483	6,992	-
Wealth builders	216	780	-	-	996
Miscellaneous	-	919	7,059	7,978	-
Total Restricted Fund	377	201,507	486,390	681,761	6,513
Total General and Restricted Funds	\$ 377	\$ 201,507	\$ 486,390	\$ 681,761	\$ 6,513

The accompanying notes to the combined financial statements are an integral part of these statements.

VALOR COLLEGIATE ACADEMIES – INTERNAL SCHOOL FUNDS
VALOR VOYAGER
BALANCE SHEET – REGULATORY BASIS

YEAR ENDED JUNE 30, 2023

	ASSETS		FUND BALANCES	
	Due from Management Charter Organization	Total Assets	Restricted	Total Fund Balances
General Fund	\$ -	\$ -	\$ -	\$ -
Restricted Fund:				
Athletic program	-	-	-	-
Music	-	-	-	-
Field trips	-	-	-	-
Clubs/Alliances/Unions/Assc.	2,816	2,816	2,816	2,816
After School	381	381	381	381
Robotics	-	-	-	-
Theatre/Plays & Dance	-	-	-	-
Parent Involvement	-	-	-	-
Wealth builders	780	780	780	780
Miscellaneous	-	-	-	-
Total Restricted Fund	3,977	3,977	3,977	3,977
Total General and Restricted Funds	\$ 3,977	\$ 3,977	\$ 3,977	\$ 3,977

The accompanying notes to the combined financial statements are an integral part of these statements.

VALOR COLLEGIATE ACADEMIES – INTERNAL SCHOOL FUNDS

VALOR VOYAGER

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
REGULATORY BASIS**

YEAR ENDED JUNE 30, 2023

	Fund Balances July 1, 2022	Revenues		Expenditures	Fund Balances June 30, 2023
		Student Fees	CMO Contributions		
General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted Fund:					
Athletic program	-	13,743	52,209	65,952	-
Music	-	1,087	3,408	4,495	-
Field trips	-	46,339	26,075	72,414	-
Clubs/Alliances/Unions/Assoc.	-	2,816	-	-	2,816
After School	-	381	-	-	381
Robotics	-	721	857	1,578	-
Theatre/Plays & Dance	-	346	4,757	5,103	-
Parent Involvement	-	1,170	1,409	2,579	-
Wealth builders	-	780	-	-	780
Miscellaneous	-	601	7,705	8,306	-
Total Restricted Fund	-	67,984	96,420	160,427	3,977
Total General and Restricted Funds	\$ -	\$ 67,984	\$ 96,420	\$ 160,427	\$ 3,977

The accompanying notes to the combined financial statements are an integral part of these statements.

OTHER INFORMATION

VALOR COLLEGIATE ACADEMIES – INTERNAL SCHOOL FUNDS
SCHEDULE OF FIDELITY BOND COVERAGE (UNAUDITED)

JUNE 30, 2023

Company:	The Cincinnati Insurance Company
Type of Coverage:	Educational Institutions Crime Coverage
Amount:	\$500,000 each and every loss \$500 deductible, each occurrence
Period Covered:	07/01/22 - 07/01/23
Positions Covered:	All Employees

VALOR COLLEGIATE ACADEMIES – INTERNAL SCHOOL FUNDS
SCHEDULE OF SALARY SUPPLEMENTS – BY SCHOOL (UNAUDITED)

YEAR ENDED JUNE 30, 2023

<u>School</u>	<u>Amount</u>	<u>Source of Funds</u>	<u>Board Approved</u>	<u>Proper Withholding</u>
<u>Flagship</u>				
M. Blaney	\$ 1,339	Athletic	Yes	Yes
T. Omweg	2,250	Athletic	Yes	Yes
A. Haggerty	1,375	Athletic	Yes	Yes
J. Figueroa	1,375	Athletic	Yes	Yes
P. Lamb	1,000	Athletic	Yes	Yes
K. Harvey	1,069	Athletic	Yes	Yes
S. Omweg	1,000	Athletic	Yes	Yes
C. Onchomba	1,375	Athletic	Yes	Yes
D. Tchad	1,375	Athletic	Yes	Yes
W. Ly	1,375	Athletic	Yes	Yes
K. Baldrige	1,375	Athletic	Yes	Yes
B. Shepard	1,112	Athletic	Yes	Yes
J. Pope	250	Athletic	Yes	Yes
T. Rexilius	250	Athletic	Yes	Yes
B. Dickinson	1,950	Athletic	Yes	Yes
J. Forbes	1,250	Athletic	Yes	Yes
M. Frohrip	1,250	Athletic	Yes	Yes
R. Dorsey	1,250	Athletic	Yes	Yes
R. Mejias	1,250	Athletic	Yes	Yes
J. Horn	1,250	Athletic	Yes	Yes
J. McComas	1,000	Athletic	Yes	Yes
J. Keeton	1,000	Athletic	Yes	Yes
M. Banton	250	Athletic	Yes	Yes
Total	<u>\$ 26,970</u>			
<u>Voyager</u>				
M. Blaney	\$ 1,339	Athletic	Yes	Yes
T. Omweg	2,250	Athletic	Yes	Yes
A. Haggerty	1,375	Athletic	Yes	Yes
J. Figueroa	1,375	Athletic	Yes	Yes
P. Lamb	1,000	Athletic	Yes	Yes
K. Harvey	1,069	Athletic	Yes	Yes
S. Omweg	1,000	Athletic	Yes	Yes
C. Onchomba	1,375	Athletic	Yes	Yes
D. Tchad	1,375	Athletic	Yes	Yes
W. Ly	1,375	Athletic	Yes	Yes
K. Baldrige	1,375	Athletic	Yes	Yes
B. Shepard	1,112	Athletic	Yes	Yes
J. Pope	250	Athletic	Yes	Yes
T. Rexilius	250	Athletic	Yes	Yes
B. Dickinson	1,950	Athletic	Yes	Yes
J. Forbes	1,250	Athletic	Yes	Yes
M. Frohrip	1,250	Athletic	Yes	Yes
R. Dorsey	1,250	Athletic	Yes	Yes
R. Mejias	1,250	Athletic	Yes	Yes
J. Horn	1,250	Athletic	Yes	Yes
J. McComas	1,000	Athletic	Yes	Yes
J. Keeton	1,000	Athletic	Yes	Yes
M. Banton	250	Athletic	Yes	Yes
Total	<u>\$ 26,970</u>			

VALOR COLLEGIATE ACADEMIES – INTERNAL SCHOOL FUNDS
SCHEDULE OF SALARY SUPPLEMENTS – BY SCHOOL (UNAUDITED)

YEAR ENDED JUNE 30, 2023

<u>School</u>	<u>Amount</u>	<u>Source of Funds</u>	<u>Board Approved</u>	<u>Proper Withholding</u>
<u>Valor College Prep (included in the Valor Flagship Charter)</u>				
P. Lamb	\$ 3,863	Athletic	Yes	Yes
K. Marshall	3,863	Athletic	Yes	Yes
O. Stevens	2,000	Athletic	Yes	Yes
K. Harvey	2,138	Athletic	Yes	Yes
E. Yonan	2,678	Athletic	Yes	Yes
A. Campbell	2,678	Athletic	Yes	Yes
A. Telang	4,275	Athletic	Yes	Yes
S. Omweg	3,863	Athletic	Yes	Yes
A. Bogursky	2,678	Athletic	Yes	Yes
C. Onchomba	2,000	Athletic	Yes	Yes
B. Shepard	1,113	Athletic	Yes	Yes
J. Pope	6,783	Athletic	Yes	Yes
J. Jackson	4,275	Athletic	Yes	Yes
D. Radney	2,678	Athletic	Yes	Yes
T. Rexilius	6,783	Athletic	Yes	Yes
C. Baird	4,275	Athletic	Yes	Yes
J. Donaldson	2,678	Athletic	Yes	Yes
K. Rexilius	2,500	Athletic	Yes	Yes
C. Lord	4,000	Athletic	Yes	Yes
A. Ostermeyer	3,000	Athletic	Yes	Yes
P. Elkins	5,275	Athletic	Yes	Yes
J. Summitt	4,863	Athletic	Yes	Yes
A. Crawford	3,800	Athletic	Yes	Yes
J. Carlson	966	Athletic	Yes	Yes
C. Hill	4,000	Athletic	Yes	Yes
T. Austin	1,500	Athletic	Yes	Yes
M. Banton	500	Athletic	Yes	Yes
Total	<u>\$ 89,025</u>			
<u>Athletics</u>				
B. Shepard	<u>\$ 1,113</u>	Athletic	Yes	Yes

Report of Independent Auditor on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

To the Board of Directors
Valor Collegiate Academies – Internal School Funds
Nashville, Tennessee

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the combined and individual financial statements – regulatory basis of Valor Collegiate Academies (the “Organization”) – Internal School Funds as of and for the year ended June 30, 2023, and the related notes to the combined and individual financial statements, which collectively comprise the Organization’s Internal School Funds combined and individual financial statements. We have issued our report thereon dated May 7, 2024. The accompanying combined and individual financial statements were prepared in conformity with the accounting practices prescribed by the *Tennessee Internal School Uniform Accounting Policy Manual*, which is a comprehensive basis of accounting other than generally accepted accounting principles in the United States of America. Although we cannot reasonably determine the effects on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, we presume they are material.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Cherry Bekaert LLP

Nashville, Tennessee
May 7, 2024