



Health Sciences High and Middle College

HSHMC Board Meeting

Published on November 25, 2025 at 3:54 PM PST

Date and Time

星期二 十二月 2, 2025 at 8:00 上午 PST

Location

Sharp Prebys Innovation and Education Center
8695 Spectrum Center Blvd.
San Diego, CA 92123
3rd Floor - Boardroom 323

Zoom Meeting

<https://hshmc.zoom.us/j/3720403229?omn=84046876389>

Meeting ID: 372 040 3229

Passcode: Board

Agenda

	Purpose	Presenter	Time
I. Opening Items			8:00 AM
A. Record Attendance			1 m
B. Call the Meeting to Order		Frederick Johnson	1 m

	Purpose	Presenter	Time
C. Approve Minutes	Approve Minutes	Frederick Johnson	5 m
Approve minutes for HSHMC Board Meeting on August 18, 2025			
II. Information Items			8:07 AM
A. HSHMC Highlights and Student Representative Report	FYI	Dea Milkani	5 m
B. CEO's Comments		Ian Pumpian	6 m
C. OPSAM Health		Ian Pumpian	2 m
D. Draft 2024-2025 Independent Audit		Advisory Comments	10 m
III. Closed Session			8:30 AM
A. Independent Auditor Report		Eide Bailly Representative	15 m
IV. OPEN SESSION: Action Items			8:45 AM
A. 2025-2026 First Interim Report	Vote	Greg Ottinger	5 m
B. 2024-2025 Draft Independent Audit	Vote	Greg Ottinger	2 m
C. Confirmation of Lorraine Hutchinson to the HSHMC Board	Vote	Dominique Smith	2 m
D. Pupil Behavioral Health Policy (CA Ed Code 49428.1 and 49428.2)	Vote	Ian Pumpian	5 m
V. Closing Items			8:59 AM
A. Adjourn Meeting		Frederick Johnson	1 m

Coversheet

Approve Minutes

Section:	I. Opening Items
Item:	C. Approve Minutes
Purpose:	Approve Minutes
Submitted by:	
Related Material:	Minutes for HSHMC Board Meeting on August 18, 2025



Health Sciences High and Middle College

Minutes

HSHMC Board Meeting

Date and Time

Monday August 18, 2025 at 9:00 AM

Location

Sharp Prebys Innovation and Education Center
8695 Spectrum Center Blvd, San Diego, CA 92123
Executive Suite - 3rd Floor; Executive Conf Rm 323

Directors Present

A. Carpenter, B. Steineckert, D. Gross, F. Johnson, J. Kramer (remote), S. Evans

Directors Absent

D. White, J. Broad, M. Byrd

Ex Officio Members Present

D. Smith, I. Pumpian, S. Johnson

Non Voting Members Present

D. Smith, I. Pumpian, S. Johnson

Guests Present

G. Ottinger, Oscar Corrigan, Rita Essaian, S. Burton

I. Opening Items

A.

Record Attendance

B. Call the Meeting to Order

F. Johnson called a meeting of the board of directors of Health Sciences High and Middle College to order on Monday Aug 18, 2025 at 9:01 AM.

C. Approve Minutes

D. Gross made a motion to approve the minutes from HSHMC Board Meeting on 05-27-25.

A. Carpenter seconded the motion.

The board **VOTED** to approve the motion.

Roll Call

J. Kramer	Abstain
B. Steineckert	Aye
F. Johnson	Aye
D. White	Absent
S. Evans	Aye
M. Byrd	Absent
D. Gross	Aye
J. Broad	Absent
A. Carpenter	Aye

D. Public Comment

No public comment

II. Information Items

A. Student Report

D. Smith shared with the board that student board representative, Dea Milkani, could not make the meeting due to her need to attend her college math class. In her absence, D. Smith shared some of the highlights from the school's opening week of events.

B. CEO's Comments

I. Pumpian noted the following:

- Welcomed the board to the 25-26 school year and thanked them for their continued service.
- Welcomed Rita Essaian as a prospective new board member.
- Expressed the staff and students' excitement over the beginning of the new year even though the school opened "in the dust" in some areas due to the delayed timelines with the construction completion of the entire building, and commended the staff for their ability to make things run smoothly despite the "dust."

- We have unofficially heard that monies for Phase II of our renovation appear likely. In this phase our request would be used to add a garden space to the 3rd floor roof area, create a large theater space, and to open up three lower classrooms into an indoor cafeteria with access to outdoor space.
- Financial reserves previously approved by the board to pay 2024-2025 expenses will not be expended for this year. Instead, grant monies were pushed out another year to cover expenses. The reserves will now be held for use in 2025-2026. (G. Ottinger will provide a full budget update as part of the action items.)
- Student internship preparation is going strong and thanked Sharp for their ongoing support of the program. Sharp is coming to HSHMC this week to provide TB testing and flu shots to students preparing for health pathway internships. S. Evans offered to mitigate any hiccups that may arise as part of this process.
 - This year, approximately 16 new mental health spots will open for students at Mesa Vista thanks to the hard work of A. Carpenter and D. Smith.
- The early childhood education pathway has been reinstated this year, which will include college coursework leading to certification. With the programs return this year, 10th graders will be able to be certified before graduation, however 11th and 12th graders will still need a few classes for certification after graduation. Although this program is in partnership with Cuyamaca Community College, future partnerships with other community colleges is also in development.

III. Action Items

A. 2024-2025 Unaudited Actuals

Greg reviewed the unaudited actuals with the board for approval.

D. Gross made a motion to approve the 24-25 Unaudited Actuals.

B. Steineckert seconded the motion.

The board **VOTED** to approve the motion.

Roll Call

F. Johnson	Aye
J. Broad	Absent
B. Steineckert	Aye
D. Gross	Aye
D. White	Absent
J. Kramer	Aye
M. Byrd	Absent
A. Carpenter	Aye
S. Evans	Aye

B.

New Board Members Nomination Confirmation

D. Gross made a motion to confirm the nomination of Rita Essaian to serve as a member as part of the HSHMC Board of Directors.

S. Evans seconded the motion.

The board **VOTED** to approve the motion.

Roll Call

F. Johnson	Aye
D. Gross	Aye
J. Broad	Absent
D. White	Absent
M. Byrd	Absent
S. Evans	Aye
B. Steineckert	Aye
A. Carpenter	Aye
J. Kramer	Aye

F. Johnson and D. Smith updated the board regarding the nomination of Chief Lorraine Hutchinson. The confirmation of Lorraine Hutchinson to the board was tabled.

IV. Consent Agenda

- A. 2025-2026 Admission Policy
- B. HSHMC Bylaws
- C. 2025-2026 School-Site Safety Plan
- D. 2025-2026 Emergency Action Plan (Athletics)
- E. 2025-2026 Enrollment Process
- F. 2025-2026 Fiscal Control Policy
- G. 2025-2026 General Complaint Policy and Complaint Form
- H. 2025-2026 Graduation Requirements
- I. Human Trafficking Prevention
- J. 2025-2026 Independent Study Policy
- K. 2025-2026 Parent and Family Engagement Policy
- L. 2025-2026 Parent-School Compact
- M.

2025-2026 HSHMC Employee Handbook

N. 2025-2026 Student Handbook

O. 2025-2026 Student Discipline Policy

P. 2025-2026 Uniform Complaint Policy and Uniform Complaint Form

Q. 2025-2026 Workplace Violence Prevention Plan

R. Music and Arts Reporting Annual Certification

S. Williams Act Board Sufficiency Resolution

T. Amended Instructional Minutes and Academic Calendar

U. Consent Agenda

D. Smith shared items A-T on the Consent Agenda with the Board.

D. Gross made a motion to approve Items A-T on the Consent Agenda.

S. Evans seconded the motion.

The board **VOTED** to approve the motion.

Roll Call

A. Carpenter	Aye
F. Johnson	Aye
D. White	Absent
J. Kramer	Aye
D. Gross	Aye
J. Broad	Absent
M. Byrd	Absent
B. Steineckert	Aye
S. Evans	Aye

V. CLOSED SESSION

A. Closed session

D. Gross made a motion to approve the Principal's recommendation for a student expulsion.

S. Evans seconded the motion.

The board **VOTED** to approve the motion.

Roll Call

J. Kramer	Aye
J. Broad	Absent
A. Carpenter	Aye

Roll Call

F. Johnson	Aye
M. Byrd	Absent
D. Gross	Aye
B. Steineckert	Aye
S. Evans	Aye
D. White	Absent

VI. Closing Items

A. Adjourn Meeting

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 10:22 AM.

Respectfully Submitted,
S. Johnson

Documents used during the meeting

- A -2024-25 Unaudited Actuals.pdf
- Rita Essaian Exec Bio.docx
- Lorraines bio condensed updated 05 12 2025.pdf
- A - Admissions Policy 2025 - For BOARD APPROVAL 8-18-2025.pdf
- B - Bylaws for approval on 8:18:2025.pdf
- C - Safety Plan 25-26.docx.pdf
- D - Emergency Action Plan Athletics - Park De La Cruz - (25-26).pdf
- D - Emergency Action Plan Athletics Kippy's 25-26.pdf
- E - Enrollment Process 2025 - FOR BOARD APPROVAL 8-18-2025.pdf
- F - Fiscal Control Policy - 2022-2023 - FOR BOARD APPROVAL 8-18-25.pdf
- G - General Complaint Form.pdf
- G - General Complaint Policy.pdf
- H - A-G Graduation Requirements (2).pdf
- I - Human Trafficking Prevention.pdf
- J - HSHMC _ Independent Study Policy For Board Approval 8-18-2025.pdf
- K - Parent and Family Engagement Policy For Board Approval 8-18-25.pdf
- L - Parent-School Compact For Board Approval.pdf
- M - Employee Handbook 2025-2026.pdf
- N - Student Handbook 2025-2026.docx.pdf

- O - Suspension_Expulsion Policy 8_18_25.pdf
- P - Uniform_Complaint_Form - FOR BOARD APPROVAL 8_18_2025.pdf
- P - Uniform Complaint Procedures_Policy.rev5.24 (2).pdf
- Q - 25_26 Workforce Violence Prevention Plan.pdf
- R - Prop 28 - A&M Report.pdf
- S - HSHMC Sufficiency of Materials for Board Meeting August 18 2025.pdf
- S - Instructional Materials.pdf
- T - 2025-2026 Instructional Minutes. copy.pdf
- T - 2025-2026 School Year Calendar (Part 1).xlsx

Coversheet

CEO's Comments

Section: II. Information Items
Item: B. CEO's Comments

Purpose:

Submitted by:

Related Material:

Health Sciences High and Middle College Williams 2025 Superintendent Report.pdf



San Diego County Office of Education Main Campus
6401 Linda Vista Road, San Diego, CA 92111
858-292-3500 | www.sdcoe.net

November 20, 2025

Dr. Ian Pumpian, Superintendent
Health Sciences High and Middle College
3910 University Ave., Ste. 100
San Diego, CA 92105-7302

Dear Superintendent Pumpian,

Subject: *Williams* Settlement Findings for 2025-2026 Site Visits

The San Diego County Office of Education (SDCOE) has the responsibility to visit schools in our county and report to you the results of these visits. Please share this report at a public meeting as required by the *Williams* Settlement legislation. California Education Code (EC) Section 1240 specifically requires the San Diego County Office of Education staff to visit county schools identified as Comprehensive Support and Improvement (CSI), Additional Targeted Support and Improvement (ATSI), or schools where 15% or more of the teachers are holders of a permit, certificate, or any other authorization that is a lesser certification than a preliminary or clear California teaching credential and report the results of the visit. California Education Code (EC) requires visits for the purpose of:

1. Ensuring that students have access to “sufficient” instructional materials in core subject areas (English/language arts, ELD, mathematics, history/social science, science) and, as appropriate, science laboratory equipment, world languages, and health education as defined in EC Section 60119.
2. Assessing compliance with facilities maintenance using the Facilities Inspection Tool (FIT) and determining if there are any conditions that “pose an emergency or urgent threat to the health or safety of pupils or staff” as defined in EC Section 17592.72; and assessing “the safety, cleanliness, and adequacy of school facilities, including good repair” as required by EC Sections 17014, 17032.5, 17070.75, and 17089.
3. Determining if the school has provided accurate data for the annual School Accountability Report Card (SARC) related to instructional materials and facilities maintenance.

This report for 2025-2026 provides aggregate findings in these areas for your charter school visits. Your *Williams* charter contact, and principal of each visited school will receive a letter and copy of their school report.

San Diego County Superintendent of Schools Dr. Gloria E. Ciriza

San Diego County Board of Education
Dr. Gregg Robinson, [District 1](#) Guadalupe González, [District 2](#) Alicia Muñoz, [District 3](#)
Dr. Erin Evans, [District 4](#) Rick Shea, [District 5](#)

Williams Settlement Findings for 2025-2026 Site Visits

Page 2

Please be assured that SDCOE will continue to be available to support you in meeting the requirements of this legislation. For more information, please contact Patricia Karlin at patricia.karlin@sdcoe.net or 858-295-8822.

Thank you and have a rewarding school year.

Sincerely,

A handwritten signature in blue ink, appearing to read "Gloria Ciriza".

Gloria Ciriza, Ed.D.
San Diego County Superintendent of Schools

GC:am

cc: Fred Johnson, Board President
Angela Hackman, Charter Williams Contact

Attachment: *Williams* Settlement Annual Charter Visit Summary 2025-2026

WILLIAMS SETTLEMENT ANNUAL CHARTER VISIT SUMMARY
2025-2026

Health Sciences High and Middle College

Dr. Ian Pumpian, Superintendent

Charter Contact: Angela Hackman

Fred Johnson, School Board President

Email: ahackman@hshmc.org

School	School Principal	Date of Visit	Sufficient Instructional Materials	School Facilities Overall % and Rating	Accurate 2024-2025 SARC
Health Sciences High and Middle College	Dr. Dominique Smith	8/29/2025	Yes	94.31% Good	N/A

Coversheet

OPSAM Health

Section:	II. Information Items
Item:	C. OPSAM Health
Purpose:	
Submitted by:	
Related Material:	draft MOU_Operation_Samahan-HSHMC Draft (1).docx

MEMORANDUM OF UNDERSTANDING

Between

OPERATION SAMAHAN, INC. dba Opsam Health (“Company” or “OSI”)

AND

HEALTH SCIENCES HIGH & MIDDLE COLLEGE (“SCHOOL”)

This Memorandum of Understanding (“MOU”) is entered into on [Effective Date], by and between OPERATION SAMAHAN, INC., doing business as Opsam Health (“Company” or “OSI”), and HEALTH SCIENCES HIGH & MIDDLE COLLEGE (“SCHOOL”), located at 3910 University Avenue, San Diego, CA 92105. The parties agree to collaborate on the operation of clinic- and wellness-related services for the period of [Start Date] through [End Date].

TERM OF MOU

This MOU is effective as of [Effective Date], upon approval by the SCHOOL Governing Board, and will remain in effect until [End Date].

SCOPE OF SERVICES

Company (OSI) Responsibilities

Maintain oversight, as required by law and in the manner generally accepted in the profession, for all services rendered on the SCHOOL campus(es) by Company personnel.

Maintain all applicable, up-to-date licenses required by law for the provision of healthcare services on the SCHOOL campus.

Ensure each member of the Company staff providing health services on the SCHOOL campus holds current and active credentials from the appropriate boards or organizations as required by local, state, and/or federal law.

Provide the following services exclusively to students utilizing insurance accepted by OSI or the OSI Cash Pay Sliding Fee Scale based on family size and income:

- Psychotherapy
- Primary Care Services
- Physicals related to school activities (Back to School, Sports Clearance)
- Back-to-School Immunizations on dedicated dates/times mutually agreed upon by OSI and SCHOOL
- Enhanced Care Management enrollment for eligible students
- Medi-Cal or Covered California Insurance enrollment assistance for uninsured students
- Other programs and services that can be collaboratively identified and developed

Provide adequate personnel to meet responsibilities under this MOU and supervise all personnel employed by, contracted by, volunteering for, or otherwise under Company supervision who participate in the provision of any services hereunder (“Company staff”), including allied health professionals, technicians, assistants, and any persons having access to patient records.

Provide all necessary documents and training for HIPAA compliance related to services outlined in this MOU, including appropriate consents to treatment. Provisions for information between parties will be clarified strictly following regulations regarding HIPAA and patient release of information

Maintain and store, in accordance with applicable laws and with ordinary care to maintain confidentiality and privacy, all medical records generated from services rendered by Company on the SCHOOL campus.

Cooperate with SCHOOL in the investigation of any complaints or grievances concerning Company staff.

Provide services only when appropriate parental/guardian permission or consent for treatment has been obtained. Circumstances that warrant any exceptions to this provision will be considered on a case by case situation. For example, a medical situation may require immediate intervention, based on professional judgment of the medical provider.

Procure and maintain general and professional liability and other insurance necessary to insure its employees, agents, and affiliates against claims for damages arising in connection with services performed by OSI, naming SCHOOL as an additional insured where applicable.

Ensure it and each affiliated physician maintains Federal Tort Claims Act (FTCA) or equivalent coverage; provide certification/deeming letter to SCHOOL annually.

Provide and make available such medical supplies and/or equipment as required to provide the services contemplated hereunder.

Provide reasonable notice to SCHOOL of any repairs or replacements needed in connection with any facilities, utilities, or parking provided by SCHOOL for Company's use.

SCHOOL Responsibilities

Fully cooperate with Company in the provision of healthcare services to eligible SCHOOL students (with appropriate consent as applicable).

In collaboration with Company, maintain adequate facilities and supplies to meet responsibilities under this MOU, including office space, utilities, telephone/internet, and parking at the site(s). Medical supplies/equipment will be provided by Company and used solely for the purpose of this MOU.

Identify students who may have mental health issues for referral to Company for psychotherapy and other related mental health services (ex. Psychiatry)

Identify students who may not have a regular primary care physician and/or students with frequent nurse visits, attendance issues, or changes in academic performance for referral to Company for primary care services

Provide notice and seek parental/guardian permission prior to referring a student to Company.

Procure and maintain general and professional liability and other insurance necessary to insure its employees, agents, and affiliates against claims arising in connection with SCHOOL's performance of services, use of property/facilities, and activities performed in connection with this MOU. ADDED TO EACH OTHERS

NONDISCRIMINATION

The parties shall ensure that services and benefits are provided without regard to sex, sexual orientation, gender, ethnic group, race, ancestry, national origin, religion, color, mental or physical disability, age, marital or parental status, or any other unlawful consideration, in accordance with Title VI of the Civil Rights Act of 1964, California Government Code, and Sections 503–504 of the Rehabilitation Act of 1973, as amended.

COSTS AND FEES

SCHOOL will not provide compensation to OSI under this MOU in exchange for the services provided to SCHOOL by OSI. The parties acknowledge that OSI's provision of services to SCHOOL students in exchange for access to students and facilities constitutes good and valuable consideration.

PROPERTY OWNERSHIP

The Opsam Health clinic/services will be housed on SCHOOL property located at 3910 University Avenue, San Diego, CA 92105 (space designation: [Room/Suite]). Office equipment provided by SCHOOL (if any) remains SCHOOL property. Medical supplies/equipment provided by Company remain Company property. No alterations will be made without prior approval by SCHOOL. SCHOOL recognizes that all Company property in the clinic area is Company property, and the parties recognize SCHOOL is not responsible for its safety and/or replacement.

INDEMNIFICATION

To the fullest extent allowable by law, Company agrees to defend, indemnify, and hold harmless SCHOOL, its governing board members, officers, agents, employees, and directors from and against any claim, demand, loss, or liability ("Claim") of any nature or cause whatsoever, whether actual or alleged, arising from or connected with Company's performance of this MOU, including but not limited to claims for personal/bodily injury, death, property damage, infringement of intellectual property rights, failure to comply with Education Code requirements, and/or improper disclosure of confidential information; except to the extent such Claim is caused by the negligence, willful misconduct, or breach of the indemnified parties.

To the fullest extent allowable by law, SCHOOL agrees to defend, indemnify, and hold harmless Company, its board members, officers, agents, employees, and directors from and against any Claim of any nature or cause whatsoever arising from or connected with SCHOOL's performance of this MOU; except to the extent such Claim is caused by the negligence, willful misconduct, or breach of Company.

INSURANCE

Insurance Requirements for Company

To the extent Company is obligated to indemnify SCHOOL under this MOU, Company shall, at its sole expense, provide and maintain for the duration of this MOU insurance against claims for injuries to persons or damages to property arising from or in connection with Company's performance.

Minimum Scope of Insurance (at least as broad as):

- A. Commercial General Liability (occurrence form, ISO CG 00 01)
- B. Automobile Liability (owned, non-owned, hired—ISO CA 00 01)
- C. Workers' Compensation (as required by California law) & Employer's Liability
- D. Professional Liability (as applicable to medical/behavioral health services)
- E. Improper Sexual Conduct (including harassment, abuse, and misconduct)
- F. Cyber Liability

Minimum Limits of Insurance:

- Commercial General Liability (Premises/Operations; Products/Completed Ops; Contractual; Independent Contractors): \$1,000,000 per occurrence; \$3,000,000 general aggregate.
- Automobile Liability: \$1,000,000 each accident (bodily injury & property damage).
- Employer's Liability: \$1,000,000 each accident/illness; includes waiver of subrogation in favor of County of San Diego.
- Professional Errors & Omissions: \$1,000,000 per claim; \$3,000,000 aggregate; self-insured retention not greater than \$25,000 per occurrence/event; maintain for two (2) years following termination. If aggregate limits are eroded by more than 50%, Company shall purchase additional coverage to restore required limits.
- Improper Sexual Conduct: \$1,000,000 per occurrence; \$2,000,000 aggregate.

- Cyber Liability: \$1,000,000 per occurrence; \$1,000,000 aggregate, covering data breaches (electronic and non-electronic), malware/virus transmission, unauthorized access/publication of confidential data, and third-party liability including breach response (notification/credit monitoring).

SCHOOL shall be named additional insured on applicable policies. Certificates of insurance (and FTCA deeming, as applicable) shall be provided to SCHOOL annually.

CHILD ABUSE & MANDATED REPORTER REQUIREMENTS

Company shall ensure all staff are trained on and comply with the California Child Abuse and Neglect Reporting Act (CANRA) and applicable Education and Penal Code requirements (including, without limitation, California Penal Code §§11164–11174.3). Company shall adopt written child abuse reporting procedures and provide annual training to all employees regarding mandated reporting of child abuse and missing children, and shall verify to SCHOOL that all employees have received such training. Company certifies that employees working directly with pupils at the site will be trained in First Aid and CPR prior to placement.

BACKGROUND CHECK & TB REQUIREMENTS

Company certifies that all employees who work directly with students at the site will complete a TB test and background check (FBI and DOJ clearances) prior to placement. Company shall provide verification to SCHOOL prior to assignment.

GOVERNING LAW / VENUE

This MOU shall be governed by and construed under the laws of the State of California. Venue shall lie in the appropriate State or Federal court located in San Diego County.

ATTORNEYS' FEES

Should litigation be necessary to enforce any term of this MOU, each party shall bear its own litigation and collection expenses, witness fees, court costs, and attorneys' fees.

COMPLIANCE WITH LAW

Each party shall comply with all Federal, State, and local laws and regulations applicable to its performance, including licensing, employment, purchasing, wages, hours, conditions of employment, and nondiscrimination, as well as SCHOOL policies and procedures applicable to vendors/partners.

FINAL APPROVAL

This MOU is not in force and has no effect until approved by signature of the SCHOOL Governing Board (or authorized designee).

ENTIRE MOU

This MOU represents the entire understanding of the parties; no prior writings or representations vary its terms. It may be amended only by a writing signed by both parties.

CAPACITY TO SIGN

Each signatory represents they have authority and capacity to sign and bind the respective party.

CAPTIONS

Headings are for reference only and do not limit or interpret the scope of this MOU.

CONSTRUCTION

The language in all parts of this MOU shall be construed according to its fair meaning, not for or against any party due to that party's or counsel's preparation of the document.

COUNTERPARTS

This MOU may be executed in counterparts, all of which together shall constitute one original.

MODIFICATION

No modification, waiver, or discharge is valid unless in writing and signed by the party against whom enforcement is sought.

NO WAIVER

Failure to insist on strict performance or to pursue any remedy shall not constitute a waiver.

NUMBER & GENDER

Where context indicates, words in the singular include the plural and vice versa; words in one gender include all genders.

SEVERABILITY

If any provision is held invalid, the remainder shall remain in full force and effect.

SUCCESSORS & ASSIGNS

This MOU shall bind and benefit the parties and their respective successors and assigns.

EXHIBITS

All exhibits attached hereto are incorporated herein by reference.

RIGHT TO CURE

If a party defaults, the non-defaulting party shall give written notice. The defaulting party shall have thirty (30) days after receipt to cure, after which the non-defaulting party may exercise remedies under this MOU or applicable law.

CONFIDENTIALITY (FERPA / HIPAA / 42 CFR Part 2)

Company and its agents/subcontractors agree to comply with the Family Educational Rights and Privacy Act (FERPA) and all requirements of the U.S. Department of Education and SCHOOL policies to ensure students' rights and privacy are protected. Without limiting the foregoing:

- No identification of students or their parents/guardians by persons other than authorized Company representatives is permitted.
- Individual student data will be destroyed when no longer needed for the purposes obtained.
- No access to individual student data shall be granted by Company to any other person/agency without written consent of the parent/guardian, except to persons within SCHOOL or Company with a legitimate educational/health interest.

Opsam Health operates as a HIPAA Covered Entity, complying with HIPAA Privacy and Security Rules (45 CFR Parts 160, 162, 164) and 42 CFR Part 2 (Confidentiality of Substance Use Disorder Patient Records).

OWNERSHIP OF MATERIALS & CONFIDENTIALITY

Each party maintains ownership of its own records and warrants to protect, as required by law, any records of the other party that come into its possession.

NON-FUNDING

Notwithstanding any other provision, if for any fiscal year the SCHOOL Governing Board fails to appropriate or allocate funds necessary for SCHOOL's obligations under this MOU, SCHOOL will not be obligated to pay amounts beyond the fiscal period for which funds have been appropriated and allocated.

NOTICES

Unless otherwise provided, all notices must be in writing and are deemed delivered: (i) upon personal delivery; (ii) upon confirmed fax/email transmission with same-day mailed copy; or (iii) two business days after deposit by U.S. certified mail, return receipt requested, postage prepaid, addressed as follows:

If to Company:

Archie Bella, MD, MBA, Chief Executive Officer
 Operation Samahan, Inc. dba Opsam Health
 637 Third Avenue, Suite E1, Chula Vista, CA 91910
 Telephone: 844-200-2426
 Email: abella@samahanhealth.org

If to SCHOOL:

Ian Pumpian, Chief Executive Officer
 Health Sciences High & Middle College
 3910 University Avenue, San Diego, CA 92105
 Attn: [Name, Title]
 Telephone: [Phone]
 Email: [Email]
 or to such other addresses as a party designates in writing.

SIGNATURE PAGE

The parties agree to the foregoing as of [Effective Date], in California.

Company: OPERATION SAMAHAN, INC. dba Opsam Health a California corporation By: _____ Name/Title: _____ Date: _____	SCHOOL: HEALTH SCIENCES HIGH & MIDDLE COLLEGE By: _____ Name/Title: _____ Date: _____
Address for Notices: 637 Third Avenue, Suite E1, Chula Vista, CA 91910	Address for Notices: 3910 University Avenue, San Diego, CA 92105

Coversheet

Draft 2024-2025 Independent Audit

Section:	II. Information Items
Item:	D. Draft 2024-2025 Independent Audit
Purpose:	
Submitted by:	
Related Material:	Draft Audit 24-25.pdf

Financial Statements

June 30, 2025

Health Sciences High and Middle
College

Charter No. 0876

Health Sciences High and Middle College

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June 30, 2025

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Independent Auditor's Report

Governing Board
Health Sciences High and Middle College
San Diego, California

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Health Sciences High and Middle College (the Organization) (a California Nonprofit Public Benefit Corporation), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of Health Sciences High and Middle College as of June 30, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). 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 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 the Organization's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

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 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 GAAS 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 GAAS 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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information such as the schedule of expenditures of federal awards, as required by Title 2 *U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and other supplementary information on pages 16-20 are presented for purposes of additional analysis and are 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 the audit 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 Schedule of Expenditures of Federal Awards and other supplementary information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Information

Management is responsible for the other information included in the financial statements. The other information comprises the Local Education Agency Organization Structure but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does 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, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, 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 [REPORT DATE] 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, 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.

Rancho Cucamonga, California
[REPORT DATE]

Health Sciences High and Middle College

Statement of Financial Position

June 30, 2025

Assets

Current Assets

Cash	\$ 8,009,688
Receivables	1,233,875
Prepaid expenses	310,614

Total current assets	<u>9,554,177</u>
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Non-Current Assets

Security deposit	3,433
Property and equipment	962,907
Operating lease right-of-use asset	194,133

Total non-current assets	<u>1,160,473</u>
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Total assets	<u><u>\$ 10,714,650</u></u>
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Liabilities

Current Liabilities

Accounts payable	\$ 206,995
Accrued liabilities	215,747
Refundable advance	4,082,057
Current portion of operating lease liability	64,145

Total current liabilities	<u>4,568,944</u>
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Long-Term Obligations

Operating lease liability, less current portion	<u>128,936</u>
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Total liabilities	<u>4,697,880</u>
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Net Assets

Without donor restrictions	5,702,252
With donor restrictions	314,518

Total net assets	<u>6,016,770</u>
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Total liabilities and net assets	<u><u>\$ 10,714,650</u></u>
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DRAFT 11/19/2025 (NBC)

Health Sciences High and Middle College

Statement of Activities

Year Ended June 30, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenues			
Local Control Funding Formula	\$ 7,061,246	\$ -	\$ 7,061,246
Federal revenue	935,187	-	935,187
Other State revenue	2,059,421	-	2,059,421
Employee retention credit revenue	1,014,326	-	1,014,326
Local revenues	176,888	-	176,888
Interest income	513,458	-	513,458
Fundraising revenue	125	-	125
Total support and revenues	11,760,651	-	11,760,651
Expenses			
Program services	10,999,132	-	10,999,132
Management and general	653,110	-	653,110
Total expenses	11,652,242	-	11,652,242
Change in Net Assets	108,409	-	108,409
Net Assets, Beginning of Year	5,593,843	314,518	5,908,361
Net Assets, End of Year	\$ 5,702,252	\$ 314,518	\$ 6,016,770

Health Sciences High and Middle College

Statement of Functional Expenses

Year Ended June 30, 2025

	Program Services	Management and General	Total Expenses
Salaries	\$ 5,351,637	\$ 419,030	\$ 5,770,667
Employee benefits	1,653,321	24,865	1,678,186
Payroll taxes	240,960	7,783	248,743
Fees for services	756,376	38,068	794,444
Advertising and promotions	34,935	2,735	37,670
Office expenses	805,713	62,772	868,485
Information technology	526,545	19,899	546,444
Occupancy	117,094	3,077	120,171
Conferences and meeting	157,206	10,555	167,761
Interest	192	15	207
Depreciation and amortization	137,278	10,749	148,027
Insurance	39,648	3,105	42,753
Other expenses	775,631	35,075	810,706
Instructional materials	206,141	-	206,141
District oversight fees	196,455	15,382	211,837
Total functional expenses	<u>\$ 10,999,132</u>	<u>\$ 653,110</u>	<u>\$ 11,652,242</u>

Health Sciences High and Middle College

Statement of Cash Flows

Year Ended June 30, 2025

Operating Activities	
Change in net assets	\$ 108,409
Adjustments to reconcile change in net assets	
to net cash from (used for) operating activities	
Depreciation and amortization expense	148,027
Changes in operating assets and liabilities	
Receivables	431,337
Prepaid expenses	(284,333)
Accounts payable	148,034
Accrued liabilities	(129,150)
Refundable advance	890,543
Operating lease assets and liabilities	(2,134)
Net Cash from (used for) Operating Activities	<u>1,310,733</u>
Investing Activities	
Purchases of property and equipment	<u>(204,430)</u>
Net Change in Cash	1,106,303
Cash, Beginning of Year	<u>6,903,385</u>
Cash, End of Year	<u>\$ 8,009,688</u>
Supplemental Cash Flow Disclosure	
Cash paid during the year in interest	<u>\$ 10,271</u>

Health Sciences High and Middle College

Notes to Financial Statements

June 30, 2025

Note 1 - Principal Activity and Significant Accounting Policies**Organization**

Health Sciences High and Middle College (the Organization) was incorporated in the State of California in 2010 as a nonprofit public benefit corporation that is organized under the Nonprofit Public Benefit Corporation Law exclusively for charitable and educational purposes within the meaning of 501(c)(3) of the Internal Revenue Code of 1954. The Charter School was approved by the State of California Department of Education on October 6, 2006. In 2025, the Charter School was renewed by San Diego Unified School District for five years ending June 30, 2030.

Charter school number authorized by the State: 0876

Mission Statement: "We created HSHMC as a place where young people could learn about health and healthcare, while receiving a world-class education in a safe and supportive environment. HSHMC is a home away from home, an open door, and a place of rigor and academia – where students earn a diploma that matters. We do what it takes, we do no harm, we set no limits on our potential to learn and grow. Here, we are all family – and we LOVE what we do!"

Basis of Accounting

The accompanying financial statements were prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America as applicable to nonprofit organizations. Revenues are recognized as discussed below, and expenditures are recognized in the accounting period in which the liability is incurred.

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor restrictions.

Net Assets with Donor Restrictions – Net assets subject to donor (or certain grantor) restrictions. Some donor imposed (or grantor) restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

Concentration of Credit Risk

The Organization maintains its cash in bank deposit accounts which exceed federally insured limits. Accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per depositor, per insured bank, for each account ownership category. At June 30, 2025, the Organization had approximately \$7,509,688 in excess of FDIC-insured limits.

Health Sciences High and Middle College

Notes to Financial Statements

June 30, 2025

Receivables and Credit Policies

Receivables consist primarily of noninterest-bearing amounts due for educational programs. Management determines the allowance for uncollectable receivables based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Receivables are written off when deemed uncollectable. No allowance for doubtful accounts has been established, as the Organization deems all amounts to be fully collectible. Substantially all outstanding receivables as of June 30, 2025 are due from state and/or federal sources related to grant contributions and are expected to be collected within a period of less than one year.

Property and Equipment

Property and equipment additions over \$5,000 are recorded at cost, or if donated, at fair value on the date of donation. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets ranging from 3 to 30 years, or in the case of capitalized leased assets or leasehold improvements, the lesser of the useful life of the asset or the lease term. When assets are sold or otherwise disposed of, the cost and related depreciation or amortization are removed from the accounts, and any remaining gain or loss is included in the statement of activities. Cost of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

The Organization reviews the carrying values of property and equipment for impairment whenever events or circumstances indicate that 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. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. There were no indicators of asset impairment during the year ended June 30, 2025.

Right-of-Use Leased Assets and Liabilities

Right-of-use leased assets, and the related liabilities are recognized at the lease commencement date and represent the Organization's right-of-use an underlying asset and lease obligations for the lease term. Right-of-use leased assets are measured at the initial value of the lease liability plus any payments made to the lessor before the commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term, plus any initial direct costs necessary to place the lease asset into service. Right-of-use leased assets are amortized over the shorter of the lease term or the useful life of the underlying asset using the straight-line method. The amortization period varies among the leases.

Revenue and Revenue Recognition

Operating funds for the Organization are derived principally from state and federal sources. The Organization receives state funding based on each of the enrolled student's average daily attendance (ADA) in its school. Contributions are recognized when cash or notification of an entitlement is received.

Health Sciences High and Middle College

Notes to Financial Statements

June 30, 2025

A portion of the Organization's revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position. At June 30, 2025 conditional contributions approximating \$1,991,274, for which no amounts had been received in advance, have not been recognized in the accompanying financial statements.

Donated Services and In-Kind Contributions

Volunteers contribute significant amounts of time to program services, administration, and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. Contributed goods are recorded at fair value at the date of donation. Donated professional services are recorded at the respective fair values of the services received. No significant contributions of such goods or services were received during the year ended June 30, 2025.

Functional Allocation of Expenses

The financial statements report categories of expenses that are attributed to program service activities or supporting services activities such as management and general activities and fundraising and development activities. The costs of program and supporting services activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on management's estimates. The expenses that are allocated include occupancy, depreciation and amortization, which are allocated on a square footage basis, as well as salaries and wages, benefits, payroll taxes, fees for services, advertising and promotions, office expenses, information technology, interest, insurance, district oversight fees, and other expenses, which are allocated on the basis of estimates of time and effort, or actual costs incurred.

Income Taxes

The Organization is organized as a California nonprofit corporation and has been recognized by the Internal Revenue Service (IRS) as exempt from federal income taxes under Section 501(a) of the Internal Revenue Code as an organization described in Section 501(c)(3), and qualifies for the charitable contribution deduction under Section 170(b)(1)(A)(vi). It is also exempt from State franchise and income taxes under Section 23701(d) of the California Revenue and Taxation Code. The Organization is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, the Organization is subject to income tax on net income that is derived from business activities that are unrelated to its exempt purposes. The Organization determined that it is not subject to unrelated business income tax and has not filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS.

Management believes that the Organization has appropriate support for any tax positions taken affecting its annual filing requirements, and as such, does not have any uncertain tax positions that are material to the financial statements. The Organization would recognize future accrued interest and penalties related to unrecognized tax benefits and liabilities in income tax expense if such interest and penalties are incurred.

Health Sciences High and Middle College

Notes to Financial Statements

June 30, 2025

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Financial Instruments and Credit Risk

Deposit concentration risk is managed by placing cash with financial institutions believed by management to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. To date, no losses have been experienced in any of these accounts. Credit risk associated with accounts receivable is considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from governmental agencies and foundations supportive of the Organization's mission.

Note 2 - Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

Cash	\$ 8,009,688
Receivables	<u>1,233,875</u>
Total	<u><u>\$ 9,243,563</u></u>

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due. In addition, the Organization invests cash in excess of daily requirements in the county investment pool.

Health Sciences High and Middle College

Notes to Financial Statements

June 30, 2025

Note 3 - Property and Equipment

Property and equipment consist of the following at June 30, 2025:

Building improvements	\$ 1,140,653
Furniture and fixtures	52,772
Computer and equipment	636,990
Transportation equipment	90,286
Construction in progress	77,760
	<u>1,998,461</u>
Less accumulated depreciation	<u>(1,035,554)</u>
Total	<u>\$ 962,907</u>

Note 4 - Leases

The Organization leases certain real property for the operations of the charter school and equipment at various terms under long-term non-cancelable operating lease agreements. The leases expire at various dates through 2039 and provide for renewal options up to five years. The Organization includes in the determination of the right-of-use assets and lease liabilities any renewal options reasonably certain to be exercised. The Organization's operating lease provides for increases in future minimum annual rental payments. Additionally, the operating lease agreement requires the Organization to pay real estate taxes, insurance, and repairs.

The weighted-average discount rate is based on the discount rate implicit in the lease. If the implicit rate is not readily determinable from the lease, the Organization estimates an applicable incremental borrowing rate. The incremental borrowing rate is estimated using the Organization's applicable borrowing rates and the contractual lease term.

The Organization has elected the short-term lease exemption for all leases with a term of 12 months or less for both existing and ongoing operating leases to not recognize the asset and liability for these leases. Lease payments for short-term leases are recognized on straight-line basis.

The Organization elected the practical expedient to not separate lease and non-lease components for real property and equipment leases.

Total lease costs for the year ended June 30, 2025 were as follows:

Operating lease cost	\$ 150,167
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Health Sciences High and Middle College

Notes to Financial Statements

June 30, 2025

The following table summarizes the supplemental cash flow information for the year ended June 30, 2025:

Cash paid for amounts included in the measurement of lease liabilities	
Operating cash flows from operating leases	\$ 152,301
Right-of-use assets obtained in exchange for lease liabilities	
Operating leases	\$ 253,920

The following summarizes the weighted-average remaining lease term and weighted-average discount rate:

Weighted-average remaining lease term	
Operating leases	3.05 Years
Weighted-average discount rate	
Operating leases	4.00%

The future minimum lease payments under noncancelable operating leases with terms greater than one year are listed below as of June 30, 2025:

	June 30, 2025
	Operating
2026	\$ 70,279
2027	69,846
2028	68,544
2029	120
2030	120
Thereafter	960
Total lease payments	209,869
Less interest	(16,788)
Present value of lease liabilities	\$ 193,081

Note 5 - Net Assets

Net assets consist of the following at June 30, 2025:

Net assets without donor restrictions	
Undesignated net assets	\$ 5,702,252
Net Assets with Donor Restrictions	
Subject to expenditure for specified purpose	
California Educational Foundation Trust Grant	\$ 314,518

Health Sciences High and Middle College

Notes to Financial Statements

June 30, 2025

Note 6 - Employee Retirement Systems

Qualified employees are covered under multiple-employer defined benefit pension plans maintained by agencies of the State of California. Academic employees are members of the California State Teachers' Retirement System (CalSTRS).

The details of the plan are as follows:

Plan Description

The Organization contributes to the State Teachers Retirement Plan (STRP) administered by the California State Teachers' Retirement System (CalSTRS). STRP is a cost-sharing multiple-employer public employee retirement system defined benefit pension plan. Benefit provisions are established by State statutes, as legislatively amended, within the State Teachers' Retirement Law. If a participating employer stops contribution to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers as all plan assets are held by the plan and all benefit obligations are borne by the STRP.

A full description of the pension plan regarding benefit provisions, assumptions (for funding, but not accounting purposes), and membership information is listed in the June 30, 2023, annual actuarial valuation report, Defined Benefit Program Actuarial Valuation. This report and CalSTRS audited financial information are publicly available reports that can be found on the CalSTRS website under Publications at: <https://www.calstrs.com/forms-publications>.

Benefits Provided

The STRP provides retirement, disability and survivor benefits to beneficiaries. Benefits are based on members' final compensation, age and years of service credit. Members hired on or before December 31, 2012, with five years of credited service are eligible for the normal retirement benefit at age 60. Members hired on or after January 1, 2013, with five years of credited service are eligible for the normal retirement benefit at age 62. The normal retirement benefit is equal to 2.0% of final compensation for each year of credited service.

The STRP is comprised of four programs: Defined Benefit Program, Defined Benefit Supplement Program, Cash Balance Benefit Program and Replacement Benefits Program. The STRP holds assets for the exclusive purpose of providing benefits to members and beneficiaries of these programs. CalSTRS also uses plan assets to defray reasonable expenses of administering the STRP. Although CalSTRS is the administrator of the STRP, the State is the sponsor of the STRP and obligor of the trust. In addition, the State is both an employer and nonemployer contributing entity to the STRP.

The Organization contributes exclusively to the STRP Defined Benefit Program; thus, disclosures are not included for the other plans.

Health Sciences High and Middle College

Notes to Financial Statements

June 30, 2025

The STRP provisions and benefits in effect at June 30, 2025, are summarized as follows:

	STRP Defined Benefit Program	
	On or before December 31, 2012	On or after January 1, 2013
Hire date	2% at 60	2% at 62
Benefit formula	5 years of service	5 years of service
Benefit vesting schedule	Monthly for life	Monthly for life
Benefit payments	60	62
Retirement age	2.0% - 2.4%	2.0% - 2.4%
Monthly benefits as a percentage of eligible compensation	10.25%	10.205%
Required employee contribution rate	19.10%	19.10%
Required employer contribution rate	10.828%	10.828%
Required state contribution rate		

Contributions

Required member, the Organization, and State of California contributions rates are set by the California Legislature and Governor and detailed in Teachers' Retirement Law. The contributions rates are expressed as a level percentage of payroll using the entry age normal actuarial method. In accordance with AB 1469, employer contributions into the CalSTRS will be increasing to a total of 19.1% of applicable member earnings phased over a seven-year period. The contribution rates for each plan for the year ended June 30, 2025, are presented above and the Organization's total contributions were \$1,041,620.

On Behalf Payments

The State of California makes contributions to CalSTRS on behalf of the Organization. These payments consist of State General Fund contributions to CalSTRS in the amount of \$297,670 (10.828% of annual payroll). Under accounting principles generally accepted in the United States of America, these amounts are to be reported as revenues and expenditures. Accordingly, these amounts have been recorded in these financial statements.

Note 7 - Contingencies, Risks, and Uncertainties

The Organization's credit findings remain open for potential examination by the Internal Revenue Service through the statute of limitations, which has varying expiration dates extending through 2028. Any disallowed claims resulting from such examinations could be subject to repayment to the federal government.

Note 8 - Subsequent Events

The Organization's management has evaluated events or transactions that may occur for potential recognition or disclosure in the financial statements through [REPORT DATE], which is the date the financial statements were available to be issued. Management has determined that there were no subsequent events or transactions that would have a material impact on the current year financial statements.

Supplementary Information

June 30, 2025

Health Sciences High and Middle College

DRAFT 11/19/2025 (NBC)

Health Sciences High and Middle College
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2025

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Education			
Passed through California Department of Education (CDE)			
Special Education Cluster			
Basic Local Assistance Entitlement	84.027	13379	\$ 121,246
Mental Health Average Daily Attendance (ADA)			
Allocation, Part B, Sec 611	84.027A	15197	<u>5,822</u>
Subtotal Special Education (IDEA) Cluster			<u>127,068</u>
Title I, Part A, Basic Grants Low-Income and Neglected	84.010	14329	170,171
School Improvement (CSI) Funding for LEAs	84.010	15438	<u>174,382</u>
Subtotal			<u>344,553</u>
Title IV, Part A, Student Support and Academic Enrichment	84.424	15396	13,731
Bipartisan Safer Communities Act - Stronger Connections			
Grant	84.424	15710	<u>383,055</u>
Subtotal			<u>396,786</u>
Title II, Part A, Supporting Effective Instruction	84.367	14341	21,927
Title III, English Learner Student Program	84.365	14346	16,079
Carl D. Perkins Career and Technical Education:			
Secondary, Section 131	84.048	14894	<u>18,663</u>
Total U.S. Department of Education			<u>925,076</u>
U.S. Department of Rehabilitation			
Passed through the California Department of General Services			
Workability II, Transition Partnership	84.126	10006	<u>10,111</u>
Total Federal Financial Assistance			<u>\$ 935,187</u>

Health Sciences High and Middle College
Schedule of Average Daily Attendance
Year Ended June 30, 2025

	Second Period Report	Annual Report
Regular ADA		
Ninth through twelfth	475.64	479.15
Classroom Based ADA		
Ninth through twelfth	463.13	463.84

Health Sciences High and Middle College
Schedule of Instructional Time
Year Ended June 30, 2025

Grade Level	1986-1987 Minutes Requirement	2024-2025 Actual Minutes	Number of Minutes Credited Form J-13A	Total Minutes Offered	Traditional Calendar			Multitrack Calendar			Status
					Number of Actual Days	Number of Days Credited Form J-13A	Total Days Offered	Number of Actual Days	Number of Days Credited Form J-13A	Total Days Offered	
Grades 9 - 12	64,800										
Grade 9		66,285	-	66,285	179	-	179	-	-	-	Complied
Grade 10		66,285	-	66,285	179	-	179	-	-	-	Complied
Grade 11		66,285	-	66,285	179	-	179	-	-	-	Complied
Grade 12		66,285	-	66,285	179	-	179	-	-	-	Complied

Health Sciences High and Middle College
Reconciliation of Annual Financial and Budget Report with Audited Financial Statements
Year Ended June 30, 2025

There were no adjustments to the Unaudited Actual Financial Report, which required reconciliation to the audited financial statements at June 30, 2025.

Health Sciences High and Middle College

Notes to Supplementary Information

June 30, 2025

Note 1 - Purpose of Supplementary Schedules**Schedule of Expenditures of Federal Awards**Basis of Presentation

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal award activity of the Organization under programs of the federal government for the year ended June 30, 2025. The information is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

Summary of Significant Accounting Policies

Expenditures reported in the schedule are reported on the accrual basis of accounting. When applicable, such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. No federal financial assistance has been provided to a subrecipient.

Indirect Cost Rate

The Organization does not draw for indirect administrative expenses and has not elected to use the ten percent de minimus cost rate.

Schedule of Average Daily Attendance

Average daily attendance (ADA) is a measurement of the number of pupils attending classes of the Organization. The purpose of attendance accounting from a fiscal standpoint is to provide the basis on which apportionments of State funds are made to local education agencies. This schedule provides information regarding the attendance of students at the Organization.

Schedule of Instructional Time

This schedule presents information on the amount of instructional time offered by the Organization and whether the Organization complied with the provisions of *California Education Code* Sections 47612 and 47612.5, if applicable.

The Organization must maintain their instructional minutes at the 1986-87 requirements, as required by *California Education Code* Section 47612.5.

Reconciliation of Annual Financial Report with Audited Financial Statements

This schedule provides the information necessary to reconcile the net assets reported on the unaudited actual financial report to the audited financial statements.

Other Information

June 30, 2025

Health Sciences High and Middle
College

Health Sciences High and Middle College
Local Education Agency Organization Structure (Unaudited)
June 30, 2025

ORGANIZATION

Health Sciences High and Middle College (the Organization) (Charter Number 0876) was granted in 2006, by San Diego Unified School District. The Organization operates one high school.

GOVERNING BOARD

MEMBER	OFFICE	TERM EXPIRES
Frederick Johnson, M.D.	Chairman	June 2028
Janie Kramer, R.N.	Secretary/Treasurer	June 2028
Jason Broad	Member	June 2028
Michael Byrd	Member	June 2028
Alisha Carpenter	Member	June 2028
Scott Evans, Ph.D.	Member	June 2028
Dan Gross, R.N., DNSc	Member	June 2028
Brent Steineckert	Member	June 2028
Deanna White	Member	June 2026
Noor Esmailpour	Student Representative	June 2025

ADMINISTRATION

NAME	TITLE
Dr. Ian Pumpian	Chief Executive Officer
Dr. Doug Fisher	Chief Operations Officer
Dr. Nancy Frey	Chief Knowledge Officer
Dr. Dominique Smith	Principal
Broc Arnaiz, MA	Vice Principal
Dr. Oscar Corrigan	Vice Principal

Independent Auditor's Reports
June 30, 2025

Health Sciences High and Middle College

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

Governing Board
Health Sciences High and Middle College
San Diego, California

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 (*Government Auditing Standards*), the financial statements of Health Sciences High and Middle College (the Organization), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated [REPORT DATE].

Report on Internal Control over Financial Reporting

In planning and performing our audit of the 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 opinion on the 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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Organization'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 financial statements 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 results of that testing, and not to provide an opinion on the effectiveness of the Organization'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 Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Rancho Cucamonga, California
[REPORT DATE]

Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control over Compliance Required by the Uniform Guidance

Governing Board
Health Sciences High and Middle College
San Diego, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Health Sciences High and Middle College's (the Organization) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the year ended June 30, 2025. The Organization's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Organization complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Organization's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Organization's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Organization's compliance based on our audit. 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 GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Organization's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Rancho Cucamonga, California
[REPORT DATE]

Independent Auditor's Report on State Compliance and on Internal Control Over Compliance

Governing Board
Health Sciences High and Middle College
San Diego, California

Report on Compliance

Opinion on State Compliance

We have audited Health Sciences High and Middle College's (the Organization) compliance with the requirements specified in the *2024-2025 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, applicable to the Organization's state program requirements identified below for the year ended June 30, 2025.

In our opinion, the Organization complied, in all material respects, with the compliance requirements referred to above that are applicable to the laws and regulations of the state programs noted in the table below for the year ended June 30, 2025.

Basis for Opinion

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), and the *2024-2025 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Compliance 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 opinion. Our audit does not provide a legal determination of the Organization's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Organization's state programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Organization's compliance based on our audit. 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 GAAS, *Government Auditing Standards*, and the *2024-2025 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* will always detect a material noncompliance when it exists. The risk of not detecting a material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Organization's compliance with the requirements of the state programs as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the *2024-2025 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Organization's compliance with the compliance requirements referred to above and performing such other procedures as we consider necessary in the circumstances.
- Obtain an understanding of the Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the *2024-2025 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal controls over compliance. Accordingly, we express no such opinion; and
- Select and test transactions and records to determine the Organization's compliance with the state laws and regulations applicable to the following items:

2024-2025 K-12 Audit Guide Procedures	Procedures Performed
Local Education Agencies Other Than Charter Schools	
Attendance	Not Applicable
Teacher Certification and Misassignments	Not Applicable
Independent Study	Not Applicable
Continuation Education	Not Applicable
Instructional Time	Not Applicable
Instructional Materials	Not Applicable
Ratio of Administrative Employees to Teachers	Not Applicable
Classroom Teacher Salaries	Not Applicable
Early Retirement Incentive	Not Applicable

2024-2025 K-12 Audit Guide Procedures	Procedures Performed
GANN Limit Calculation	Not Applicable
School Accountability Report Card	Not Applicable
Juvenile Court Schools	Not Applicable
Middle or Early College High Schools or Programs	Not Applicable
K-3 Grade Span Adjustment	Not Applicable
Apprenticeship: Related and Supplemental Instruction	Not Applicable
Comprehensive School Safety Plan	Not Applicable
District of Choice	Not Applicable
Home to School Transportation Reimbursement	Not Applicable
School Districts, County Offices of Education, and Charter Schools	
Proposition 28 Arts and Music in Schools	Yes
After/Before School Education and Safety Program	Not Applicable
Proper Expenditure of Education Protection Account Funds	Yes
Unduplicated Local Control Funding Formula Pupil Counts	Yes
Local Control and Accountability Plan	Yes
Independent Study-Course Based	Not Applicable
Immunizations	Yes
Educator Effectiveness	Yes
Expanded Learning Opportunities Grant (ELO-G)	Not Applicable
Career Technical Education Incentive Grant	Yes
Expanded Learning Opportunities Program	Not Applicable
Transitional Kindergarten	Not Applicable
Kindergarten Continuance	Not Applicable
Charter Schools	
Attendance	Yes
Mode of Instruction	Yes
Nonclassroom-Based Instruction/Independent Study	Yes
Determination of Funding for Nonclassroom-Based Instruction	Not Applicable
Annual Instructional Minutes – Classroom Based	Yes
Charter School Facility Grant Program	Yes

The term “Not applicable” is used above to mean either the Organization did not offer the program during the current fiscal year, the Organization did not participate in the program during the current fiscal year, the program did not exceed the threshold required for testing, or the program applies to a different type of local education agency.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Government Auditing Standards requires the auditor to perform limited procedures on the Organization's response to the noncompliance findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The Organization's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the *2024-2025 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Accordingly, this report is not suitable for any other purpose.

Rancho Cucamonga, California
[REPORT DATE]

Schedule of Findings and Questioned Costs
June 30, 2025

Health Sciences High and Middle College

Health Sciences High and Middle College

Summary of Auditor's Results

Year Ended June 30, 2025

FINANCIAL STATEMENTS

Type of auditor's report issued	Unmodified
Internal control over financial reporting	No
Material weaknesses identified	
Significant deficiencies identified not considered to be material weaknesses	None Reported
Noncompliance material to financial statements noted?	No

FEDERAL AWARDS

Internal control over major program	No
Material weaknesses identified	
Significant deficiencies identified not considered to be material weaknesses	None Reported
Type of auditor's report issued on compliance for major programs	Unmodified

Identification of major programs

Name of Federal Program or Cluster	Federal Financial Assistance Listing
Title I, Part A, Basic Grants Low-Income and Neglected Special Education Cluster (IDEA)	84.010 84.027, 84.027A
Dollar threshold used to distinguish between type A and type B programs	\$750,000
Auditee qualified as low-risk auditee?	No

STATE COMPLIANCE

Internal control over state compliance for programs	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	None Reported
Other matters to be reported	No
Type of auditor's report issued on compliance for programs	Unmodified

Health Sciences High and Middle College
Financial Statement Findings
Year Ended June 30, 2025

None reported.

Health Sciences High and Middle College
Federal Awards Findings and Questioned Costs
Year Ended June 30, 2025

None reported.

Health Sciences High and Middle College
State Compliance Findings and Questioned Costs
Year Ended June 30, 2025

None reported.

Health Sciences High and Middle College
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2025

There were no audit findings reported in the prior year's Schedule of Findings and Questioned Costs.

Coversheet

2025-2026 First Interim Report

Section: IV. OPEN SESSION: Action Items

Item: A. 2025-2026 First Interim Report

Purpose: Vote

Submitted by:

Related Material:

37683380114462 Health Sciences High and Middle College (Preliminary Budget) (3).xlsx

Notice

The following file is attached to this PDF. You will need to open this packet in an application that supports attachments to pdf files, e.g. [Adobe Reader](#):

37683380114462 Health Sciences High and Middle College (Preliminary Budget)
(3).xlsx

Coversheet

2024-2025 Draft Independent Audit

Section:	IV. OPEN SESSION: Action Items
Item:	B. 2024-2025 Draft Independent Audit
Purpose:	Vote
Submitted by:	
Related Material:	Draft Audit 24-25.pdf

Financial Statements

June 30, 2025

Health Sciences High and Middle
College

Charter No. 0876

Health Sciences High and Middle College

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June 30, 2025

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Independent Auditor's Report

Governing Board
Health Sciences High and Middle College
San Diego, California

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Health Sciences High and Middle College (the Organization) (a California Nonprofit Public Benefit Corporation), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of Health Sciences High and Middle College as of June 30, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). 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 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 the Organization's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

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 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 GAAS 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 GAAS 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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information such as the schedule of expenditures of federal awards, as required by Title 2 *U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and other supplementary information on pages 16-20 are presented for purposes of additional analysis and are 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 the audit 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 Schedule of Expenditures of Federal Awards and other supplementary information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Information

Management is responsible for the other information included in the financial statements. The other information comprises the Local Education Agency Organization Structure but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does 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, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, 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 [REPORT DATE] 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, 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.

Rancho Cucamonga, California
[REPORT DATE]

Health Sciences High and Middle College

Statement of Financial Position

June 30, 2025

Assets

Current Assets

Cash	\$ 8,009,688
Receivables	1,233,875
Prepaid expenses	310,614

Total current assets	9,554,177
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Non-Current Assets

Security deposit	3,433
Property and equipment	962,907
Operating lease right-of-use asset	194,133

Total non-current assets	1,160,473
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Total assets	\$ 10,714,650
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Liabilities

Current Liabilities

Accounts payable	\$ 206,995
Accrued liabilities	215,747
Refundable advance	4,082,057
Current portion of operating lease liability	64,145

Total current liabilities	4,568,944
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Long-Term Obligations

Operating lease liability, less current portion	128,936
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Total liabilities	4,697,880
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Net Assets

Without donor restrictions	5,702,252
With donor restrictions	314,518

Total net assets	6,016,770
------------------	-----------

Total liabilities and net assets	\$ 10,714,650
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Health Sciences High and Middle College

Statement of Activities

Year Ended June 30, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenues			
Local Control Funding Formula	\$ 7,061,246	\$ -	\$ 7,061,246
Federal revenue	935,187	-	935,187
Other State revenue	2,059,421	-	2,059,421
Employee retention credit revenue	1,014,326	-	1,014,326
Local revenues	176,888	-	176,888
Interest income	513,458	-	513,458
Fundraising revenue	125	-	125
Total support and revenues	11,760,651	-	11,760,651
Expenses			
Program services	10,999,132	-	10,999,132
Management and general	653,110	-	653,110
Total expenses	11,652,242	-	11,652,242
Change in Net Assets	108,409	-	108,409
Net Assets, Beginning of Year	5,593,843	314,518	5,908,361
Net Assets, End of Year	\$ 5,702,252	\$ 314,518	\$ 6,016,770

Health Sciences High and Middle College

Statement of Functional Expenses

Year Ended June 30, 2025

	Program Services	Management and General	Total Expenses
Salaries	\$ 5,351,637	\$ 419,030	\$ 5,770,667
Employee benefits	1,653,321	24,865	1,678,186
Payroll taxes	240,960	7,783	248,743
Fees for services	756,376	38,068	794,444
Advertising and promotions	34,935	2,735	37,670
Office expenses	805,713	62,772	868,485
Information technology	526,545	19,899	546,444
Occupancy	117,094	3,077	120,171
Conferences and meeting	157,206	10,555	167,761
Interest	192	15	207
Depreciation and amortization	137,278	10,749	148,027
Insurance	39,648	3,105	42,753
Other expenses	775,631	35,075	810,706
Instructional materials	206,141	-	206,141
District oversight fees	196,455	15,382	211,837
Total functional expenses	<u>\$ 10,999,132</u>	<u>\$ 653,110</u>	<u>\$ 11,652,242</u>

Health Sciences High and Middle College

Statement of Cash Flows

Year Ended June 30, 2025

Operating Activities	
Change in net assets	\$ 108,409
Adjustments to reconcile change in net assets	
to net cash from (used for) operating activities	
Depreciation and amortization expense	148,027
Changes in operating assets and liabilities	
Receivables	431,337
Prepaid expenses	(284,333)
Accounts payable	148,034
Accrued liabilities	(129,150)
Refundable advance	890,543
Operating lease assets and liabilities	(2,134)
Net Cash from (used for) Operating Activities	<u>1,310,733</u>
Investing Activities	
Purchases of property and equipment	<u>(204,430)</u>
Net Change in Cash	1,106,303
Cash, Beginning of Year	<u>6,903,385</u>
Cash, End of Year	<u>\$ 8,009,688</u>
Supplemental Cash Flow Disclosure	
Cash paid during the year in interest	<u>\$ 10,271</u>

Health Sciences High and Middle College

Notes to Financial Statements

June 30, 2025

Note 1 - Principal Activity and Significant Accounting Policies**Organization**

Health Sciences High and Middle College (the Organization) was incorporated in the State of California in 2010 as a nonprofit public benefit corporation that is organized under the Nonprofit Public Benefit Corporation Law exclusively for charitable and educational purposes within the meaning of 501(c)(3) of the Internal Revenue Code of 1954. The Charter School was approved by the State of California Department of Education on October 6, 2006. In 2025, the Charter School was renewed by San Diego Unified School District for five years ending June 30, 2030.

Charter school number authorized by the State: 0876

Mission Statement: "We created HSHMC as a place where young people could learn about health and healthcare, while receiving a world-class education in a safe and supportive environment. HSHMC is a home away from home, an open door, and a place of rigor and academia – where students earn a diploma that matters. We do what it takes, we do no harm, we set no limits on our potential to learn and grow. Here, we are all family – and we LOVE what we do!"

Basis of Accounting

The accompanying financial statements were prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America as applicable to nonprofit organizations. Revenues are recognized as discussed below, and expenditures are recognized in the accounting period in which the liability is incurred.

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor restrictions.

Net Assets with Donor Restrictions – Net assets subject to donor (or certain grantor) restrictions. Some donor imposed (or grantor) restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

Concentration of Credit Risk

The Organization maintains its cash in bank deposit accounts which exceed federally insured limits. Accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per depositor, per insured bank, for each account ownership category. At June 30, 2025, the Organization had approximately \$7,509,688 in excess of FDIC-insured limits.

Health Sciences High and Middle College

Notes to Financial Statements

June 30, 2025

Receivables and Credit Policies

Receivables consist primarily of noninterest-bearing amounts due for educational programs. Management determines the allowance for uncollectable receivables based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Receivables are written off when deemed uncollectable. No allowance for doubtful accounts has been established, as the Organization deems all amounts to be fully collectible. Substantially all outstanding receivables as of June 30, 2025 are due from state and/or federal sources related to grant contributions and are expected to be collected within a period of less than one year.

Property and Equipment

Property and equipment additions over \$5,000 are recorded at cost, or if donated, at fair value on the date of donation. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets ranging from 3 to 30 years, or in the case of capitalized leased assets or leasehold improvements, the lesser of the useful life of the asset or the lease term. When assets are sold or otherwise disposed of, the cost and related depreciation or amortization are removed from the accounts, and any remaining gain or loss is included in the statement of activities. Cost of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

The Organization reviews the carrying values of property and equipment for impairment whenever events or circumstances indicate that 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. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. There were no indicators of asset impairment during the year ended June 30, 2025.

Right-of-Use Leased Assets and Liabilities

Right-of-use leased assets, and the related liabilities are recognized at the lease commencement date and represent the Organization's right-of-use an underlying asset and lease obligations for the lease term. Right-of-use leased assets are measured at the initial value of the lease liability plus any payments made to the lessor before the commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term, plus any initial direct costs necessary to place the lease asset into service. Right-of-use leased assets are amortized over the shorter of the lease term or the useful life of the underlying asset using the straight-line method. The amortization period varies among the leases.

Revenue and Revenue Recognition

Operating funds for the Organization are derived principally from state and federal sources. The Organization receives state funding based on each of the enrolled student's average daily attendance (ADA) in its school. Contributions are recognized when cash or notification of an entitlement is received.

Health Sciences High and Middle College

Notes to Financial Statements

June 30, 2025

A portion of the Organization's revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position. At June 30, 2025 conditional contributions approximating \$1,991,274, for which no amounts had been received in advance, have not been recognized in the accompanying financial statements.

Donated Services and In-Kind Contributions

Volunteers contribute significant amounts of time to program services, administration, and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. Contributed goods are recorded at fair value at the date of donation. Donated professional services are recorded at the respective fair values of the services received. No significant contributions of such goods or services were received during the year ended June 30, 2025.

Functional Allocation of Expenses

The financial statements report categories of expenses that are attributed to program service activities or supporting services activities such as management and general activities and fundraising and development activities. The costs of program and supporting services activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on management's estimates. The expenses that are allocated include occupancy, depreciation and amortization, which are allocated on a square footage basis, as well as salaries and wages, benefits, payroll taxes, fees for services, advertising and promotions, office expenses, information technology, interest, insurance, district oversight fees, and other expenses, which are allocated on the basis of estimates of time and effort, or actual costs incurred.

Income Taxes

The Organization is organized as a California nonprofit corporation and has been recognized by the Internal Revenue Service (IRS) as exempt from federal income taxes under Section 501(a) of the Internal Revenue Code as an organization described in Section 501(c)(3), and qualifies for the charitable contribution deduction under Section 170(b)(1)(A)(vi). It is also exempt from State franchise and income taxes under Section 23701(d) of the California Revenue and Taxation Code. The Organization is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, the Organization is subject to income tax on net income that is derived from business activities that are unrelated to its exempt purposes. The Organization determined that it is not subject to unrelated business income tax and has not filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS.

Management believes that the Organization has appropriate support for any tax positions taken affecting its annual filing requirements, and as such, does not have any uncertain tax positions that are material to the financial statements. The Organization would recognize future accrued interest and penalties related to unrecognized tax benefits and liabilities in income tax expense if such interest and penalties are incurred.

Health Sciences High and Middle College

Notes to Financial Statements

June 30, 2025

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Financial Instruments and Credit Risk

Deposit concentration risk is managed by placing cash with financial institutions believed by management to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. To date, no losses have been experienced in any of these accounts. Credit risk associated with accounts receivable is considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from governmental agencies and foundations supportive of the Organization's mission.

Note 2 - Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

Cash	\$ 8,009,688
Receivables	<u>1,233,875</u>
Total	<u><u>\$ 9,243,563</u></u>

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due. In addition, the Organization invests cash in excess of daily requirements in the county investment pool.

Health Sciences High and Middle College

Notes to Financial Statements

June 30, 2025

Note 3 - Property and Equipment

Property and equipment consist of the following at June 30, 2025:

Building improvements	\$ 1,140,653
Furniture and fixtures	52,772
Computer and equipment	636,990
Transportation equipment	90,286
Construction in progress	77,760
	<u>1,998,461</u>
Less accumulated depreciation	<u>(1,035,554)</u>
Total	<u>\$ 962,907</u>

Note 4 - Leases

The Organization leases certain real property for the operations of the charter school and equipment at various terms under long-term non-cancelable operating lease agreements. The leases expire at various dates through 2039 and provide for renewal options up to five years. The Organization includes in the determination of the right-of-use assets and lease liabilities any renewal options reasonably certain to be exercised. The Organization's operating lease provides for increases in future minimum annual rental payments. Additionally, the operating lease agreement requires the Organization to pay real estate taxes, insurance, and repairs.

The weighted-average discount rate is based on the discount rate implicit in the lease. If the implicit rate is not readily determinable from the lease, the Organization estimates an applicable incremental borrowing rate. The incremental borrowing rate is estimated using the Organization's applicable borrowing rates and the contractual lease term.

The Organization has elected the short-term lease exemption for all leases with a term of 12 months or less for both existing and ongoing operating leases to not recognize the asset and liability for these leases. Lease payments for short-term leases are recognized on straight-line basis.

The Organization elected the practical expedient to not separate lease and non-lease components for real property and equipment leases.

Total lease costs for the year ended June 30, 2025 were as follows:

Operating lease cost	\$ 150,167
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Health Sciences High and Middle College

Notes to Financial Statements

June 30, 2025

The following table summarizes the supplemental cash flow information for the year ended June 30, 2025:

Cash paid for amounts included in the measurement of lease liabilities	
Operating cash flows from operating leases	\$ 152,301
Right-of-use assets obtained in exchange for lease liabilities	
Operating leases	\$ 253,920

The following summarizes the weighted-average remaining lease term and weighted-average discount rate:

Weighted-average remaining lease term	
Operating leases	3.05 Years
Weighted-average discount rate	
Operating leases	4.00%

The future minimum lease payments under noncancelable operating leases with terms greater than one year are listed below as of June 30, 2025:

	June 30, 2025
	Operating
2026	\$ 70,279
2027	69,846
2028	68,544
2029	120
2030	120
Thereafter	960
Total lease payments	209,869
Less interest	(16,788)
Present value of lease liabilities	\$ 193,081

Note 5 - Net Assets

Net assets consist of the following at June 30, 2025:

Net assets without donor restrictions	
Undesignated net assets	\$ 5,702,252
Net Assets with Donor Restrictions	
Subject to expenditure for specified purpose	
California Educational Foundation Trust Grant	\$ 314,518

Health Sciences High and Middle College

Notes to Financial Statements

June 30, 2025

Note 6 - Employee Retirement Systems

Qualified employees are covered under multiple-employer defined benefit pension plans maintained by agencies of the State of California. Academic employees are members of the California State Teachers' Retirement System (CalSTRS).

The details of the plan are as follows:

Plan Description

The Organization contributes to the State Teachers Retirement Plan (STRP) administered by the California State Teachers' Retirement System (CalSTRS). STRP is a cost-sharing multiple-employer public employee retirement system defined benefit pension plan. Benefit provisions are established by State statutes, as legislatively amended, within the State Teachers' Retirement Law. If a participating employer stops contribution to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers as all plan assets are held by the plan and all benefit obligations are borne by the STRP.

A full description of the pension plan regarding benefit provisions, assumptions (for funding, but not accounting purposes), and membership information is listed in the June 30, 2023, annual actuarial valuation report, Defined Benefit Program Actuarial Valuation. This report and CalSTRS audited financial information are publicly available reports that can be found on the CalSTRS website under Publications at: <https://www.calstrs.com/forms-publications>.

Benefits Provided

The STRP provides retirement, disability and survivor benefits to beneficiaries. Benefits are based on members' final compensation, age and years of service credit. Members hired on or before December 31, 2012, with five years of credited service are eligible for the normal retirement benefit at age 60. Members hired on or after January 1, 2013, with five years of credited service are eligible for the normal retirement benefit at age 62. The normal retirement benefit is equal to 2.0% of final compensation for each year of credited service.

The STRP is comprised of four programs: Defined Benefit Program, Defined Benefit Supplement Program, Cash Balance Benefit Program and Replacement Benefits Program. The STRP holds assets for the exclusive purpose of providing benefits to members and beneficiaries of these programs. CalSTRS also uses plan assets to defray reasonable expenses of administering the STRP. Although CalSTRS is the administrator of the STRP, the State is the sponsor of the STRP and obligor of the trust. In addition, the State is both an employer and nonemployer contributing entity to the STRP.

The Organization contributes exclusively to the STRP Defined Benefit Program; thus, disclosures are not included for the other plans.

Health Sciences High and Middle College

Notes to Financial Statements

June 30, 2025

The STRP provisions and benefits in effect at June 30, 2025, are summarized as follows:

	STRP Defined Benefit Program	
	On or before December 31, 2012	On or after January 1, 2013
Hire date	2% at 60	2% at 62
Benefit formula	5 years of service	5 years of service
Benefit vesting schedule	Monthly for life	Monthly for life
Benefit payments	60	62
Retirement age	2.0% - 2.4%	2.0% - 2.4%
Monthly benefits as a percentage of eligible compensation	10.25%	10.205%
Required employee contribution rate	19.10%	19.10%
Required employer contribution rate	10.828%	10.828%
Required state contribution rate		

Contributions

Required member, the Organization, and State of California contributions rates are set by the California Legislature and Governor and detailed in Teachers' Retirement Law. The contributions rates are expressed as a level percentage of payroll using the entry age normal actuarial method. In accordance with AB 1469, employer contributions into the CalSTRS will be increasing to a total of 19.1% of applicable member earnings phased over a seven-year period. The contribution rates for each plan for the year ended June 30, 2025, are presented above and the Organization's total contributions were \$1,041,620.

On Behalf Payments

The State of California makes contributions to CalSTRS on behalf of the Organization. These payments consist of State General Fund contributions to CalSTRS in the amount of \$297,670 (10.828% of annual payroll). Under accounting principles generally accepted in the United States of America, these amounts are to be reported as revenues and expenditures. Accordingly, these amounts have been recorded in these financial statements.

Note 7 - Contingencies, Risks, and Uncertainties

The Organization's credit findings remain open for potential examination by the Internal Revenue Service through the statute of limitations, which has varying expiration dates extending through 2028. Any disallowed claims resulting from such examinations could be subject to repayment to the federal government.

Note 8 - Subsequent Events

The Organization's management has evaluated events or transactions that may occur for potential recognition or disclosure in the financial statements through [REPORT DATE], which is the date the financial statements were available to be issued. Management has determined that there were no subsequent events or transactions that would have a material impact on the current year financial statements.

Supplementary Information

June 30, 2025

Health Sciences High and Middle College

DRAFT 11/19/2025 (NBC)

Health Sciences High and Middle College
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2025

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Education			
Passed through California Department of Education (CDE)			
Special Education Cluster			
Basic Local Assistance Entitlement	84.027	13379	\$ 121,246
Mental Health Average Daily Attendance (ADA)			
Allocation, Part B, Sec 611	84.027A	15197	<u>5,822</u>
Subtotal Special Education (IDEA) Cluster			<u>127,068</u>
Title I, Part A, Basic Grants Low-Income and Neglected	84.010	14329	170,171
School Improvement (CSI) Funding for LEAs	84.010	15438	<u>174,382</u>
Subtotal			<u>344,553</u>
Title IV, Part A, Student Support and Academic Enrichment	84.424	15396	13,731
Bipartisan Safer Communities Act - Stronger Connections			
Grant	84.424	15710	<u>383,055</u>
Subtotal			<u>396,786</u>
Title II, Part A, Supporting Effective Instruction	84.367	14341	21,927
Title III, English Learner Student Program	84.365	14346	16,079
Carl D. Perkins Career and Technical Education:			
Secondary, Section 131	84.048	14894	<u>18,663</u>
Total U.S. Department of Education			<u>925,076</u>
U.S. Department of Rehabilitation			
Passed through the California Department of General Services			
Workability II, Transition Partnership	84.126	10006	<u>10,111</u>
Total Federal Financial Assistance			<u>\$ 935,187</u>

Health Sciences High and Middle College
Schedule of Average Daily Attendance
Year Ended June 30, 2025

	<u>Second Period Report</u>	<u>Annual Report</u>
Regular ADA Ninth through twelfth	<u>475.64</u>	<u>479.15</u>
Classroom Based ADA Ninth through twelfth	<u>463.13</u>	<u>463.84</u>

Health Sciences High and Middle College
Schedule of Instructional Time
Year Ended June 30, 2025

Grade Level	1986-1987 Minutes Requirement	2024-2025 Actual Minutes	Number of Minutes Credited Form J-13A	Total Minutes Offered	Traditional Calendar			Multitrack Calendar			Status
					Number of Actual Days	Number of Days Credited Form J-13A	Total Days Offered	Number of Actual Days	Number of Days Credited Form J-13A	Total Days Offered	
Grades 9 - 12	64,800										
Grade 9		66,285	-	66,285	179	-	179	-	-	-	Complied
Grade 10		66,285	-	66,285	179	-	179	-	-	-	Complied
Grade 11		66,285	-	66,285	179	-	179	-	-	-	Complied
Grade 12		66,285	-	66,285	179	-	179	-	-	-	Complied

Health Sciences High and Middle College
Reconciliation of Annual Financial and Budget Report with Audited Financial Statements
Year Ended June 30, 2025

There were no adjustments to the Unaudited Actual Financial Report, which required reconciliation to the audited financial statements at June 30, 2025.

Health Sciences High and Middle College

Notes to Supplementary Information

June 30, 2025

Note 1 - Purpose of Supplementary Schedules**Schedule of Expenditures of Federal Awards**Basis of Presentation

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal award activity of the Organization under programs of the federal government for the year ended June 30, 2025. The information is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

Summary of Significant Accounting Policies

Expenditures reported in the schedule are reported on the accrual basis of accounting. When applicable, such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. No federal financial assistance has been provided to a subrecipient.

Indirect Cost Rate

The Organization does not draw for indirect administrative expenses and has not elected to use the ten percent de minimus cost rate.

Schedule of Average Daily Attendance

Average daily attendance (ADA) is a measurement of the number of pupils attending classes of the Organization. The purpose of attendance accounting from a fiscal standpoint is to provide the basis on which apportionments of State funds are made to local education agencies. This schedule provides information regarding the attendance of students at the Organization.

Schedule of Instructional Time

This schedule presents information on the amount of instructional time offered by the Organization and whether the Organization complied with the provisions of *California Education Code* Sections 47612 and 47612.5, if applicable.

The Organization must maintain their instructional minutes at the 1986-87 requirements, as required by *California Education Code* Section 47612.5.

Reconciliation of Annual Financial Report with Audited Financial Statements

This schedule provides the information necessary to reconcile the net assets reported on the unaudited actual financial report to the audited financial statements.

Other Information

June 30, 2025

Health Sciences High and Middle
College

Health Sciences High and Middle College
Local Education Agency Organization Structure (Unaudited)
June 30, 2025

ORGANIZATION

Health Sciences High and Middle College (the Organization) (Charter Number 0876) was granted in 2006, by San Diego Unified School District. The Organization operates one high school.

GOVERNING BOARD

MEMBER	OFFICE	TERM EXPIRES
Frederick Johnson, M.D.	Chairman	June 2028
Janie Kramer, R.N.	Secretary/Treasurer	June 2028
Jason Broad	Member	June 2028
Michael Byrd	Member	June 2028
Alisha Carpenter	Member	June 2028
Scott Evans, Ph.D.	Member	June 2028
Dan Gross, R.N., DNSc	Member	June 2028
Brent Steineckert	Member	June 2028
Deanna White	Member	June 2026
Noor Esmailpour	Student Representative	June 2025

ADMINISTRATION

NAME	TITLE
Dr. Ian Pumpian	Chief Executive Officer
Dr. Doug Fisher	Chief Operations Officer
Dr. Nancy Frey	Chief Knowledge Officer
Dr. Dominique Smith	Principal
Broc Arnaiz, MA	Vice Principal
Dr. Oscar Corrigan	Vice Principal

Independent Auditor's Reports
June 30, 2025

Health Sciences High and Middle College

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

Governing Board
Health Sciences High and Middle College
San Diego, California

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 (*Government Auditing Standards*), the financial statements of Health Sciences High and Middle College (the Organization), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated [REPORT DATE].

Report on Internal Control over Financial Reporting

In planning and performing our audit of the 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 opinion on the 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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Organization'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 financial statements 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 results of that testing, and not to provide an opinion on the effectiveness of the Organization'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 Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Rancho Cucamonga, California
[REPORT DATE]

Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control over Compliance Required by the Uniform Guidance

Governing Board
Health Sciences High and Middle College
San Diego, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Health Sciences High and Middle College's (the Organization) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the year ended June 30, 2025. The Organization's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Organization complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Organization's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Organization's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Organization's compliance based on our audit. 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 GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Organization's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Rancho Cucamonga, California
[REPORT DATE]

Independent Auditor's Report on State Compliance and on Internal Control Over Compliance

Governing Board
Health Sciences High and Middle College
San Diego, California

Report on Compliance

Opinion on State Compliance

We have audited Health Sciences High and Middle College's (the Organization) compliance with the requirements specified in the *2024-2025 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, applicable to the Organization's state program requirements identified below for the year ended June 30, 2025.

In our opinion, the Organization complied, in all material respects, with the compliance requirements referred to above that are applicable to the laws and regulations of the state programs noted in the table below for the year ended June 30, 2025.

Basis for Opinion

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), and the *2024-2025 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Compliance 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 opinion. Our audit does not provide a legal determination of the Organization's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Organization's state programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Organization's compliance based on our audit. 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 GAAS, *Government Auditing Standards*, and the *2024-2025 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* will always detect a material noncompliance when it exists. The risk of not detecting a material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Organization's compliance with the requirements of the state programs as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the *2024-2025 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Organization's compliance with the compliance requirements referred to above and performing such other procedures as we consider necessary in the circumstances.
- Obtain an understanding of the Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the *2024-2025 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal controls over compliance. Accordingly, we express no such opinion; and
- Select and test transactions and records to determine the Organization's compliance with the state laws and regulations applicable to the following items:

2024-2025 K-12 Audit Guide Procedures	Procedures Performed
Local Education Agencies Other Than Charter Schools	
Attendance	Not Applicable
Teacher Certification and Misassignments	Not Applicable
Independent Study	Not Applicable
Continuation Education	Not Applicable
Instructional Time	Not Applicable
Instructional Materials	Not Applicable
Ratio of Administrative Employees to Teachers	Not Applicable
Classroom Teacher Salaries	Not Applicable
Early Retirement Incentive	Not Applicable

2024-2025 K-12 Audit Guide Procedures	Procedures Performed
GANN Limit Calculation	Not Applicable
School Accountability Report Card	Not Applicable
Juvenile Court Schools	Not Applicable
Middle or Early College High Schools or Programs	Not Applicable
K-3 Grade Span Adjustment	Not Applicable
Apprenticeship: Related and Supplemental Instruction	Not Applicable
Comprehensive School Safety Plan	Not Applicable
District of Choice	Not Applicable
Home to School Transportation Reimbursement	Not Applicable
School Districts, County Offices of Education, and Charter Schools	
Proposition 28 Arts and Music in Schools	Yes
After/Before School Education and Safety Program	Not Applicable
Proper Expenditure of Education Protection Account Funds	Yes
Unduplicated Local Control Funding Formula Pupil Counts	Yes
Local Control and Accountability Plan	Yes
Independent Study-Course Based	Not Applicable
Immunizations	Yes
Educator Effectiveness	Yes
Expanded Learning Opportunities Grant (ELO-G)	Not Applicable
Career Technical Education Incentive Grant	Yes
Expanded Learning Opportunities Program	Not Applicable
Transitional Kindergarten	Not Applicable
Kindergarten Continuance	Not Applicable
Charter Schools	
Attendance	Yes
Mode of Instruction	Yes
Nonclassroom-Based Instruction/Independent Study	Yes
Determination of Funding for Nonclassroom-Based Instruction	Not Applicable
Annual Instructional Minutes – Classroom Based	Yes
Charter School Facility Grant Program	Yes

The term “Not applicable” is used above to mean either the Organization did not offer the program during the current fiscal year, the Organization did not participate in the program during the current fiscal year, the program did not exceed the threshold required for testing, or the program applies to a different type of local education agency.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Government Auditing Standards requires the auditor to perform limited procedures on the Organization's response to the noncompliance findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The Organization's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the *2024-2025 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Accordingly, this report is not suitable for any other purpose.

Rancho Cucamonga, California
[REPORT DATE]

Schedule of Findings and Questioned Costs
June 30, 2025

Health Sciences High and Middle College

Health Sciences High and Middle College

Summary of Auditor's Results

Year Ended June 30, 2025

FINANCIAL STATEMENTS

Type of auditor's report issued	Unmodified
Internal control over financial reporting	No
Material weaknesses identified	
Significant deficiencies identified not considered to be material weaknesses	None Reported
Noncompliance material to financial statements noted?	No

FEDERAL AWARDS

Internal control over major program	No
Material weaknesses identified	
Significant deficiencies identified not considered to be material weaknesses	None Reported
Type of auditor's report issued on compliance for major programs	Unmodified

Identification of major programs

<u>Name of Federal Program or Cluster</u>	<u>Federal Financial Assistance Listing</u>
Title I, Part A, Basic Grants Low-Income and Neglected Special Education Cluster (IDEA)	84.010 84.027, 84.027A
Dollar threshold used to distinguish between type A and type B programs	\$750,000
Auditee qualified as low-risk auditee?	No

STATE COMPLIANCE

Internal control over state compliance for programs	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	None Reported
Other matters to be reported	No
Type of auditor's report issued on compliance for programs	Unmodified

Health Sciences High and Middle College
Financial Statement Findings
Year Ended June 30, 2025

None reported.

Health Sciences High and Middle College
Federal Awards Findings and Questioned Costs
Year Ended June 30, 2025

None reported.

Health Sciences High and Middle College
State Compliance Findings and Questioned Costs
Year Ended June 30, 2025

None reported.

Health Sciences High and Middle College
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2025

There were no audit findings reported in the prior year's Schedule of Findings and Questioned Costs.

Coversheet

Confirmation of Lorraine Hutchinson to the HSHMC Board

Section:	IV. OPEN SESSION: Action Items
Item:	C. Confirmation of Lorraine Hutchinson to the HSHMC Board
Purpose:	Vote
Submitted by:	
Related Material:	Lorraines Hutchinson Bio.pdf

Retired Deputy Chief Lorraine Hutchinson

Retired Deputy Chief Lorraine Hutchinson served in the San Diego Fire-Rescue Department before retiring in June 2015. Since the start of her career in 1990, Retired Deputy Chief Hutchinson has celebrated several San Diego Fire-Rescue Department firsts. She worked her way up through the ranks and is the first and only African American woman in the history of the Department to be promoted to engineer, captain, battalion chief and deputy chief.

Mrs. Hutchinson earned an Associate of Science degree in Fire Technology from Miramar College and a Bachelor of Science Degree in Organizational Leadership from National University. Her last work assignment was in Fire Operations as the B Division Deputy Chief/Shift Commander. She supervised seven battalion chiefs who supervise the seven geographical areas that make up the City of San Diego. She was responsible for the day-to-day operations of the Department when she was on duty.

Chief Hutchinson has been a community advocate for over 25 years and after being diagnosed with breast cancer in November 2012, she continued her civic service as a spokesperson for Susan G. Komen. Her tireless dedication and commitment to the fire service and her community has earned her much recognition including Employee of the Quarter the City of San Diego's Diversity Distinction Award (twice), San Diego Metropolitan Magazine's, 40 Under Forty Award, San Diego Business Journal's 2011 Women who Mean Business Award, a nomination for the 2014 San Diego Magazine's Woman of the Year award and she was honored in 2014 as the San Diego Padres Honorary Bat Girl.

Serving as Susan G. Komen's 2014 Honorary Breast Cancer Survivor and learning of the disparities that exist with African American women, after Mrs. Hutchinson retired, she briefly served as the Susan G. Komen's Director of Community Relations. She held that assignment until she was needed to care for her ill father until he passed away. Mrs. Hutchinson remains committed to helping save lives by sharing her breast cancer journey.

Mrs. Hutchinson currently serves as the Fire Technology Director at Southwestern Community College where she has earned the Department State Fire Training's Accreditation for the College's Firefighter 1 Academy. She continues to prioritize the goal of increasing the diversity of women and minorities in the Fire Service.

Mrs. Hutchinson is married to Steve Hutchinson, a retired San Diego Police Officer who currently works for the District Attorney's office. They are the proud parents of three daughters, Brittany, Brandé and Bianca and three adorable grandchildren, Marianna, Cheyenne and Marquin.

Coversheet

Pupil Behavioral Health Policy (CA Ed Code 49428.1 and 49428.2)

Section:	IV. OPEN SESSION: Action Items
Item:	D. Pupil Behavioral Health Policy (CA Ed Code 49428.1 and 49428.2)
Purpose:	Vote
Submitted by:	
Related Material:	Policy on Behavioral Health- for Board Action.docx

Health Sciences High School & Middle College

Policy on Referral Protocols for Addressing Student Behavioral Health Concerns

Governing Board Policy Statement

(Pursuant to EC Section 49428.2(b)(1))

The Governing Board of Health Sciences High School and Middle College (HSHMC), at its regularly scheduled meeting held on December 2, 2025, hereby adopts the following policy on referral protocols for addressing student behavioral health concerns in grades 9–12. This policy was developed in collaboration with school and community stakeholders, including behavioral health professionals, teachers, students, and partner health organizations, and establishes the school's referral procedures for connecting students to appropriate behavioral health professionals and support services.

Addressing the Needs of High-Risk Student Groups (EC Section 49428.2(b)(3))

HSHMC is committed to ensuring equitable access to behavioral health supports for all students—especially those who may be at increased risk. Identified high-risk student groups include, but are not limited to:

- Students with disabilities, mental illness, or behavioral/health conditions
- Students with known or suspected substance use issues
- Foster youth and students in out-of-home placements
- Students experiencing homelessness or unstable housing
- Students experiencing grief, trauma, or significant loss
- Students showing signs of behavioral health disorders (depression, anxiety, self-harm, etc.)
- LGBTQ+ students or those exploring sexual orientation or gender identity

The Vice Principal/Community School Director, who assumes the role of Director of Wellness in concert with the School Principal and Head Counselor, is responsible for coordinating and overseeing the implementation of all group-specific referral protocols. This team works alongside:

- Director of Special Education (IEP/504)
- Foster Youth Liaison
- Homeless Youth Liaison
- School Counselors & Social Workers
- College/Career Success Coaches
- School site Administrators

HSHMC may identify additional high-risk groups based on school data and community partner input. HSHMC's entire student support system integrates students' academic, behavioral and social needs into a dynamic Multi-tiered system of Support (MTSS), and the school's MTSS will serve as the systemic center point for implementing this policy.

Student Privacy

HSHMC complies with all federal and state privacy laws, including FERPA and EC Section 49073 et seq., and ensures that all documentation and communication related to behavioral health referrals are handled confidentially and stored securely.

Referral Protocols and Procedures

1. Needs Assessment

The Principal, VP/Community School Director (serving as Director of Wellness), and Head Counselor shall jointly conduct an annual needs assessment to:

- Identify behavioral health trends via CA. Healthy Kids Survey, trauma informed and restorative screeners and student records
- Review and map current resources
- Identify service gaps and improvement areas

Each semester, HSHMC departments (Restorative Practices, Counseling, Administration, Special Education, ISP) review referral metrics and report findings to the Leadership Team for continuous improvement.

2. Capacity Building

HSHMC shall:

- Provide annual professional development for all staff on referral pathways, signs of concern, and legal responsibilities
- Clarify roles across certificated and classified staff
- Maintain partnerships with its community partners including local clinics, behavioral health providers, hospitals, SDPD and crisis-response agencies

Training will be coordinated by via of the school's leadership team which includes VP/Community School Director/Director of Wellness, Principal, and Head Counselor.

3. Planning

Under the direction of the VP/Community School Director/Director of Wellness, Principal, and Head Counselor, HSHMC will:

- Define clear crisis and non-crisis referral pathways
- Assign goals, responsibilities, and timelines for each step of the referral process
- Maintain MOUs with external partners to ensure warm handoffs
- Ensure communication protocols with parents/guardians are consistent with state and federal law

4. Implementation

HSHMC shall maintain step-by-step implementation procedures to:

1. Initiate referrals (staff, student self-referral, or parent referral)
2. Document concerns through the secure referral system
3. Notify parents/guardians as appropriate
4. Triage urgency, led by the Community School Director/Director of Wellness, in collaboration with the Principal and Head Counselor
5. Link students to appropriate services, school-based or community-based
6. Schedule and complete follow-up checks, typically within ten school days

Emergency procedures must be followed immediately when a student is in crisis or at imminent risk.

5. Evaluation and Continuous Improvement

The VP/Community School Director/Director of Wellness, Principal, and Head Counselor shall annually evaluate the referral system by examining:

- Time to first contact
- Percentage of follow-ups completed on time
- Closure and resolution rates
- Student outcomes, including those of high-risk groups
- Feedback from staff, students, families, and partner agencies

Findings will be reported to the Governing Board as part of HSHMC's commitment to transparency and ongoing improvement.

Training Requirements

(EC Section 49428.2(b)(4), (c)-(e))

HSHMC shall ensure all teachers and designated staff receive youth behavioral health training that includes:

- How to identify appropriate contacts for behavioral health evaluation or services
- When/how to refer students and families
- Optional: Recognition of early signs of common behavioral health disorders

In accordance with EC Section 49428.2, HSHMC will certify that by July 1, 2029:

- 100% of certificated staff, and
- 40% of classified staff with direct student contact

have received at least one behavioral health training.

Training oversight is jointly held by the Community School Director/Director of Wellness, School Principal, and Head Counselor.

Authorization and Scope of Practice

(EC Section 49428.2(b)(5))

To ensure staff act within their professional scope:

- The VP/Community School Director/Director of Wellness, Principal, and Head Counselor will annually review and distribute role-clarifying guidance
- Staff must refer students to appropriately licensed or credentialed professionals for assessment, diagnosis, or treatment
- Referral protocols shall clearly identify which staff may act at each stage
- Job descriptions will be reviewed annually for alignment with credential/licensing rules
- Only licensed or credentialed professionals may diagnose or treat behavioral health conditions

Nothing in this policy permits unlicensed staff to diagnose or treat behavioral health disorders.