

**URBAN MONTESSORI CHARTER SCHOOL  
MEASURE G1 PARCEL TAX PERFORMANCE AUDIT  
YEAR ENDED JUNE 30, 2021**



WEALTH ADVISORY | OUTSOURCING  
AUDIT, TAX, AND CONSULTING

[CLAconnect.com](http://CLAconnect.com)

**URBAN MONTESSORI CHARTER SCHOOL  
TABLE OF CONTENTS  
YEAR ENDED JUNE 30, 2021**

<b>INDEPENDENT AUDITORS' REPORT</b>	<b>1</b>
<b>BACKGROUND INFORMATION</b>	<b>2</b>
<b>OBJECTIVES</b>	<b>2</b>
<b>SCOPE OF THE AUDIT</b>	<b>2</b>
<b>PROCEDURES PERFORMED</b>	<b>2</b>
<b>FINDINGS AND RESPONSES</b>	<b>3</b>
<b>SCHEDULE OF INCOME STATEMENT ACCOUNTS FOR THE YEAR ENDED JUNE 30, 2021</b>	<b>4</b>



## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Urban Montessori Charter School  
Oakland, California

We have conducted a performance audit of Urban Montessori Charter School Measure G1 Parcel Tax Performance for the year ended June 30, 2021.

We conducted our performance audit in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Our audit was limited to the objectives listed on page 2 of this report which includes determining Urban Montessori Charter School's compliance with the performance requirements for the Teacher Retention and Middle School Improvement Act Fund (Measure G1) funds. Management is responsible for Urban Montessori Charter School's Measure G1 compliance with those requirements.

Solely to assist us in planning and performing our performance audit, we obtained an understanding of the internal control of Urban Montessori Charter School to determine if internal controls were adequate to help ensure compliance with the requirements of Measure G1. Accordingly, we do not express any assurance on internal control.

The results of our tests indicated that, in all significant respects, Urban Montessori Charter School expended Measure G1 funds for the fiscal year ended June 30, 2021, only for the specific purposes identified by OUSD and approved by the voters, in accordance with the requirements of Measure G1.

The purpose of this is intended solely for the information and use of OUSD, the Board of Directors, and management of Urban Montessori Charter School, and is intended to be and should not be used by anyone other than these specified parties.

*CliftonLarsonAllen LLP*

**CliftonLarsonAllen LLP**

Glendora, California  
October 5, 2021

**URBAN MONTESSORI CHARTER SCHOOL  
MEASURE G1 PARCEL TAX PERFORMANCE AUDIT  
JUNE 30, 2021**

**BACKGROUND INFORMATION**

The Teacher Retention and Middle School Improvement Act (Measure G1) was authorized by an election of the registered voters of the County of Alameda. Measure G1 was established to provide a districtwide educator salary increase designed to attract/retain teachers; provide enhanced middle school art, music, languages/other programs in addition to core educational programs; improve academic achievement; provide safe, positive schools, and prepare students for college/careers in Oakland Unified School District (OUSD) schools as well as charter schools in Oakland. The funds for this measure will come from OUSD levying a tax of \$120 per parcel, providing \$12.4 million annually, for 12 years, with exemptions for senior and low-income residents.

**OBJECTIVES**

- Ensure proceeds and expenditures of the parcel tax are fully accounted in the books and records of the charter school.
- Ensure expenditures are in support of allowable uses as per the ballot language, separately with respect to middle school grants and salary for school site educators.
- Ensure that the charter school receiving middle school grant funding has an approved education improvement plan with the minimal requirements specified in the ballot.
- For the charter school receiving middle school grant funding, make a positive statement about the issue of supplanting versus supplementing.

**SCOPE OF THE AUDIT**

- The scope of our performance audit covered the fiscal period from July 1, 2020 to June 30, 2021. The sample of expenditures tested included object and resource codes associated with the Measure G1. The propriety of expenditures funded through other state, federal, or local funding sources, other than the proceeds of Measure G1, were not included within the scope of our audit. Expenditures incurred subsequent to June 30, 2021, were not reviewed, or included within the scope of our audit or in this report.

**PROCEDURES PERFORMED**

1. We obtained parcel tax expenditure detail reports prepared by the charter school and agreed amounts to the general ledger.
2. We haphazardly selected a sample of 42 payroll related expenditures totaling \$67,421 or 99% of \$68,259 allocated to the total salary increase for school site educators and obtained and reviewed the necessary supporting documentation of payroll registers to satisfy ourselves that they were only to provide raises to "school site educators," as the term was used in the ballot text. We also tested payroll benefits for reasonableness using a 30% estimate of base salary (20% PERS/STRS and 10% other benefits).
3. We ensured the same percentage (2.25%) increase in salary was applied to all school site educators.

**URBAN MONTESSORI CHARTER SCHOOL  
MEASURE G1 PARCEL TAX PERFORMANCE AUDIT  
JUNE 30, 2021**

**PROCEDURES PERFORMED (CONTINUED)**

4. We did not review the nature of the expenditures incurred by the charter school for the middle school grant funding, and review source documents as appropriate, to ensure they were within the specific purpose of the ballot language as the school did not receive this funding.
5. We did not verify if the parcel tax middle school grant is funding supplemental activities by performing the following procedures. Ascertain if funds were used to provide services, which were legally required to be made available by virtue of being a school. Also, perform procedures to ascertain whether the parcel tax funded services that were previously provided with another funding source as the school did not receive this funding.
6. We did not obtain the approved education improvement plan for the charter school receiving the middle school grant and perform the following procedures. Ensure the plan contains the minimal elements required by the ballot. Verify if the actual parcel tax expenditures are consistent with the approved plan as the school did not receive this funding.
7. We examined supporting documentation to validate the amount of Measure G1 Parcel Tax revenues received.

**FINDINGS AND RESPONSES**

None noted.

**URBAN MONTESSORI CHARTER SCHOOL  
MEASURE G1 PARCEL TAX PERFORMANCE AUDIT  
JUNE 30, 2021**

**SCHEDULE OF INCOME STATEMENT ACCOUNTS FOR THE YEAR ENDED JUNE 30, 2021**

**Measure G1 Revenues:**

Measure G1 Parcel Tax Revenues	\$ 59,584
--------------------------------	-----------

**Measure G1 Expenditures:**

Raises to School Site Educators	68,259
---------------------------------	--------

Total Expenditures	68,259
--------------------	--------

<b>Revenues less Expenditures - Measure G1</b>	<b>\$ (8,675)</b>
------------------------------------------------	-------------------

Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor. CLA is an independent member of Nexia International, a leading, global network of independent accounting and consulting firms. See [nexia.com/member-firm-disclaimer](https://www.nexia.com/member-firm-disclaimer) for details. **CliftonLarsonAllen LLP**

