



Communication with Those
Charged with Governance

**Across the Bridge Foundation
dba Downtown College Preparatory**

June 30, 2024

Communication with Those Charged with Governance

The Board of Directors
Across the Bridge Foundation dba Downtown College Preparatory

We have audited the consolidated financial statements of Across the Bridge Foundation dba Downtown College Preparatory (DCP) as of and for the year ended June 30, 2024 and have issued our report thereon dated February 14, 2025. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility Under *Government Auditing Standards* and Auditing Standards Generally Accepted in the United States of America

As stated in our engagement letter dated February 14, 2024, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your responsibilities.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS); standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. As part of an audit conducted in accordance with GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit.

An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the DCP's internal control over financial reporting. Accordingly, we considered DCP's internal control solely for the purposes of determining our audit procedures and not to provide assurance concerning such internal control.

We are also responsible for communicating significant matters related to the consolidated financial statement audit that, in our professional judgment, are relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

The supplementary information was subject to 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.

Planned Scope and Timing of the Audit

The planned scope and timing was previously communicated to you in our engagement letter dated February 14, 2024; however, we encountered certain delays in receiving financial information to perform audit procedures, which in turn resulted in a delay in completing our audit according to the planned scope and timing previously communicated.

Significant Audit Findings and Issues

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by DCP are described in Note 3 to the consolidated financial statements. On July 1, 2023, DCP adopted Financial Accounting Standards Board (FASB) Accounting Standards Update No. 2016-03, *Financial Instruments-Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*. No other new accounting policies were adopted and there were no changes in the application of existing policies during 2024.

We noted no transactions entered into by DCP during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the consolidated financial statements in a different period than when the transaction occurred.

Significant Accounting Estimates

Accounting estimates are an integral part of the consolidated financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the consolidated financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the consolidated financial statements were the useful lives of capital assets, allocation of expense by nature and function, allowance for credit losses, and discount rate and lease terms related to the calculation of the operating lease right-of-use assets and related lease liabilities. We evaluated the key factors and assumptions used and determined that they were reasonable in relation to the consolidated financial statements as a whole.

Financial Statement Disclosures

The disclosures in the consolidated financial statements are consistent, clear, and understandable. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

- ***Liquidity and Availability*** – Information regarding DCP's financial assets available for general expenditures is provided in Note 5 to the consolidated financial statements.
- ***Long-Term Liabilities*** – Information regarding DCP's long-term liabilities is provided in Note 10 to the consolidated financial statements
- ***Net Assets with Donor Restrictions***- Information regarding DCP's net assets with donor restriction is provided in Note 11 to the consolidated financial statements.
- ***Commitments and Contingencies*** – Information regarding DCP's commitments and contingencies, including the discount rate used to calculate the operating right-of-use assets and related lease liabilities is provided in Note 14 to the consolidated financial statements.

- **Going Concern**– Information regarding DCP’s substantial doubt to continue as a going concern beyond one year from the issue date is provided in Note 16 to the consolidated financial statements.
- **Subsequent Events** – Information regarding DCP’s plan to discontinue operations after June 2025 is provided in Note 17 to the consolidated financial statements.

Significant Unusual Transactions

We encountered no significant unusual transactions during our audit of DCP’s consolidated financial statements.

Significant Difficulties Encountered in Performing the Audit

Professional standards require us to inform you of any significant difficulties encountered in performing the audit. Delays in receiving requested information for the audit resulted in a change from our planned scope and timing previously communicated to you in our engagement letter dated February 14, 2024. Additionally, the assessment of the substantial doubt to continue as a going concern resulted in additional time to complete the engagement.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the consolidated financial statements or the auditor’s report. No such disagreements arose during the course of our audit.

Circumstances that Affect the Form and Content of the Auditor’s Report

There may be circumstances in which we would consider it necessary to include additional information in the auditor’s report in accordance with U.S. GAAS. There is an emphasis of matter paragraph was included in the auditor’s report related to DCP’s evaluation of a going concern. There were no other circumstances that affected the form and content of the auditor’s report.

Uncorrected Misstatements

Professional standards require us to accumulate all factual and judgmental misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management.

There were no misstatements identified by us as a result of our audit and uncorrected by management that are material, either individually or in the aggregate, to the consolidated financial statements as a whole.

Management Representations

We have requested certain representations from management that are included in the attached management representation letter dated February 14, 2025.

Management Consultation with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to DCP’s consolidated financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Significant Audit Findings or Issues

We are required to communicate to you other findings or issues arising from the audit that are, in our professional judgment, significant and relevant to your oversight of the financial reporting process. This is reported in the schedule of findings and questioned costs as finding 2024-001.

This information is intended solely for the use of the Board of Directors and management of Across the Bridge Foundation dba Downtown College Preparatory, and is not intended to be, and should not be, used by anyone other than these specified parties.



San Francisco, California
February 14, 2025

