



Board Meeting Agenda

02/03/2020

6:00 p.m.

Encore Education Corporation

Phone: (760) 949-2036

Fax (760) 956-3338

www.encorehighschool.com

Sites:

Hesperia

MEETING AT: 16955 Lemon Street, Hesperia, CA
92345 – CLASSROOM F 29

Riverside

MEETING AT: 3460 Orange Street,
Riverside, CA 92501 – CLASSROOM H1

Board Members:

Suzanne Cherry, Board President

Rob Gabler, Board Vice President

Kelly Ahmed, Board Secretary/Treasurer

Evelyn Rojas, Board Member

Paula Gharib, Board Member

Mari Miller, Board Member

The Order of Business may be changed without notice: Notice is hereby given that the order of consideration of matters on this agenda may be changed without prior notice.

Reasonable Limitations May be placed on public testimony: The Governing Board's presiding officer reserves the right to impose reasonable time limits on public testimony to ensure that the agenda is completed. For any person requiring a translator, this time will be doubled to account for translation time.

Reasonable Accommodation for any individual with a Disability: Pursuant to the Rehabilitation Act of 1973, any individual with a disability who requires reasonable accommodation to attend or to participate in this meeting of the Governing board may request assistance by contacting the EEC (760) 949-2036.

Public Documents relating to Open Session Agenda items are available for review by the public at the Reception Desk at Encore Education Corporation's Executive office or on the internet at www.encorehighschool.com. For more information concerning this agenda, please contact EEC (760) 949-2036.

1.0 CALL TO ORDER. The meeting was called to order at ____ (time).

2.0 OPEN GENERAL SESSION

ROLL CALL	Present	Absent
Suzanne Cherry	___	___
Kelly Ahmed	___	___
Rob Gabler	___	___
Paula Gharib	___	___
Evelyn Rojas	___	___
Mari Miller	___	___

3.0 APPROVAL OF THE AGENDA

MOTION: _____ **Second:** _____ **Vote:** _____

ROLL CALL	AYE	NAY	ABSTENTION	ABSENT
Suzanne Cherry	___	___	___	___
Kelly Ahmed	___	___	___	___
Rob Gabler	___	___	___	___
Paula Gharib	___	___	___	___
Evelyn Rojas	___	___	___	___
Mari Miller	___	___	___	___

4.0 INVITATION TO ADDRESS THE BOARD, OPEN SESSION ITEMS. This is the time and place for the general public to address the Board of Directors on any matter within jurisdiction of the Board. Comments should be limited to 3 minutes. Unless an item has been placed on the published agenda in accordance with the Brown Act, there shall be no action taken, nor should there be comments on, responses to, or discussion of a topic not on the agenda. The Board members may: (1) acknowledge receipt of information/report; (2) refer to staff with no direction as to action or priority; or (3) refer the matter to the next agenda.

5.0 CONSENT ITEMS. It is recommended that the board considers approving a number of agenda items as a consent list. These items are routine in nature and can be enacted in one motion without further discussion. Consent items may be called up by any member at the meeting for clarification, discussion, or change.

- 5.1 Debit Account Reconciliation / ASB Team Bookkeeping Report**
- 5.2 Meeting Minutes December 2019**
- 5.3 PAC Agenda Meeting Minutes Hesperia**
- 5.4 PAC Agenda Meeting Minutes Riverside**
- 5.5 Discipline Report – Hesperia, Dean of Students**
- 5.6 Discipline Report – Riverside, Dean of Students**
- 5.7 Hesperia-Monday morning meeting notes**
- 5.8 Riverside-Monday morning meeting notes**
- 5.9 Survey – Results for Hybrid and IS Programs – December 2019**
- 5.10 DOJ Report – District**
- 5.11 January Meeting Minutes**

MOTION: _____ **Second:** _____ **Vote:** _____

ROLL CALL	AYE	NAY	ABSTENTION	ABSENT
Suzanne Cherry	___	___	___	___
Kelly Ahmed	___	___	___	___
Rob Gabler	___	___	___	___
Paula Gharib	___	___	___	___
Evelyn Rojas	___	___	___	___
Mari Miller	___	___	___	___

6.0 INFORMATION ITEMS. There are no actions needed for any of these items. These items are presented for informational purposes.

- 6.1 ASB REPORT - Riverside
- 6.2 ASB REPORT - Hesperia
- 6.3 STAFF LIAISON REPORT – Jamie Waggoner, Hesperia
- 6.4 DEAN OF ACADEMICS REPORT – Julia Dolf - District
- 6.5 DEAN OF STUDENTS REPORT – Steve Nutter - Hesperia
- 6.6 DEAN OF STUDENTS REPORT – Ramsey Hassen - Riverside
- 6.7 Academic Director Report Verbal Report – Jessica Meyer – District
- 6.8 Riverside Mold Test Report – John Griffin
- 6.9 COO Verbal Report – John Griffin
- 6.10 CEO Verbal Report – Denise Griffin
- 6.11 PAC Chair- Riverside
- 6.12 PAC Chair – Hesperia

7.0 ACTION ITEMS.

7.1 Action-Audited Actuals Year Ended June 30, 2019- Clifton Larson Allen LLP.

MOTION: _____ Second: _____ Vote: _____ Approve - _____

ROLL CALL	AYE	NAY	ABSTENTION	ABSENT
Suzanne Cherry	___	___	___	___
Kelly Ahmed	___	___	___	___
Rob Gabler	___	___	___	___
Paula Gharib	___	___	___	___
Evelyn Rojas	___	___	___	___
Mari Miller	___	___	___	___

8.0 BOARD COMMENTS / REPORTS. The Governing Board will take comments/updates from fellow board members, and the EEC Executive Administration for future agenda issues.

9.0 ADJOURN TO CLOSED SESSION

A. EXISTING LITIGATION (Subdivision (a) of Section 54956.9)

Case names unspecified: (Disclosure would jeopardize existing settlement negotiations).

C. PUBLIC EMPLOYEE APPOINTMENT

PUBLIC EMPLOYEE DISCIPLINE/DISMISSAL/RELEASE

(No additional information is required in connection with a closed session to consider discipline, dismissal, or release of a public employee. Discipline includes potential reduction of compensation.)

9.0 RECONVENE AFTER CLOSED SESSION.

PUBLIC REPORT ON ACTION TAKEN IN CLOSED SESSION (includes the vote or abstention of every member present).

11.0 ADJOURNMENT

MOTION: _____	Second: _____	Vote: _____		
ROLL CALL	AYE	NAY	ABSTENTION	ABSENT
Suzanne Cherry	___	___	___	___
Kelly Ahmed	___	___	___	___
Rob Gabler	___	___	___	___
Paula Gharib	___	___	___	___
Evelyn Rojas	___	___	___	___
Mari Miller	___	___	___	___

The meeting adjourned at _____ (time).

The next meeting will be held, **March 9, 2020** at 6:00 pm



Exhibit
5.1

February 3, 2020

Encore Education Corporation

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Paula Gharib, Board Member

Mari Miller, Board Member

INFO:

Debit Account Reconciliation/ASB Team Bookkeeping Report

NOVEMBER 2019

MONTH 5 OF 10

RECONCILED BALANCES

Nov-19

TEAM BALANCES - H & R	\$	277,178.26
SS BANK BALANCE 11/30/2019	\$	21,456.88
TOTAL SS BANK BALANCES	\$	21,456.88
RESERVE PENDING - new	\$	17,970.30
RESERVE PENDING - aging	\$	230,352.12
RESERVE PAYMENTS	\$	(6,988.63)
TOTAL RESERVE PENDING	\$	241,333.79
PENDING BACKUP - new	\$	9,862.35
PENDING BACKUP - aging	\$	5,412.13
FOUND BACKUP	\$	(5,163.33)
TOTAL PENDING BACKUP	\$	10,111.15
TEAM TOTALS	\$	(277,178.26)
TOTAL SS BANK BALANCES	\$	21,456.88
TOTAL RESERVE PENDING	\$	241,333.79
TOTAL PENDING BACKUP	\$	10,111.15

GAINS AND LOSS REPORT

DATE	BALANCE	TERMS	ACOUNT
11/2/2019	\$ (180.00)	pizza for Freight fest	Student Pay Plan
11/30/2019	\$ 5,522.29	NCR Funds	Student Pay Plan
11/19/2019	\$ (1,622.00)	Popcorn fundraiser	Student Pay Plan
11/2/2019	\$ (68.39)	The Home Depot -Maze for Carnival	2020 H
11/2/2019	\$ (65.51)	Spirit Store - Maze for Carnival	2020 H
11/2/2019	\$ (26.94)	Dollar Tree - Maze for carnival	2020 H
11/2/2019	\$ (79.51)	Walmart - Carnival Maze	2020 H
11/2/2019	\$ 1,718.50	Carnival	2020 H
11/13/2019	\$ (45.18)	Amazon - Homecoming Supplies	2020 H
11/13/2019	\$ (32.76)	Amazon - Homecoming Supplies	2020 H
11/14/2019	\$ (115.14)	Andersons - Homecoming Crowns	2020 H
11/18/2019	\$ (254.97)	Cold Stone - Homecoming	2020 H
11/20/2019	\$ (18.08)	Amazon - Homecoming Supplies	2020 H
11/21/2019	\$ (103.50)	Party City - Homecoming Supplies	2020 H
11/22/2019	\$ (8.49)	Subway - Special Dinner for Homecoming	2020 H
11/22/2019	\$ (175.32)	Smart & Final - Candy for Homecoming	2020 H
11/22/2019	\$ (329.90)	Costco - Homecoming food	2020 H
11/30/2019	\$ 6,025.00	NCR Funds	2020 H
11/22/2019	\$ (575.00)	Hoco Dj - DJ Frank	2020 H
11/22/2019	\$ (250.00)	Olson Photography - Photo Booth	2020 H
11/22/2019	\$ (1,866.33)	Sunset Hills - Hoco Venue	2020 H
11/16/2019	\$ (45.33)	Smart & Final - Water for Homecoming	2020 R
11/21/2019	\$ (297.23)	Smart & Final - Homecoming Supplies	2020 R
11/22/2019	\$ (25.24)	Walmart - Serving Supplies	2020 R
11/30/2019	\$ 6,306.00	NCR Funds	2020 R
11/30/2019	\$ 672.00	Carnival	2020 R
11/1/1919	\$ (1,232.23)	Premier Party & tent Rental	2020 R
11/18/2019	\$ (700.00)	Signature Protection Services - Hoco Security	2020 R
11/12/2019	\$ (1,616.25)	Jojos Grill a dog - Hoco Food	2020 R
11/12/2019	\$ (59.80)	U- Haul for Hoco	2020 R
11/22/2019	\$ (144.27)	U- Haul for Hoco	2020 R
11/22/2019	\$ (1,200.00)	Rythem Tech Productions - dj for hoco	2020 R
11/30/2019	\$ 60.00	NCR Funds	2021 H
11/30/2019	\$ 202.50	Carnival	2021 H
11/30/2019	\$ 127.00	NCR Funds	2021 R
11/30/2019	\$ 143.50	Carnival	2021 R
11/30/2019	\$ 61.00	NCR Funds	2022 H
11/19/2019	\$ (20.00)	Zoo Field Trip Refund	2022 H
11/30/2019	\$ 153.00	NCR Funds	2022 R
11/30/2019	\$ 128.50	Carnival	2022 R
11/30/2019	\$ 455.50	Carnival	2023 H
11/30/2019	\$ 129.50	Carnival	2023 R
11/8/2019	\$ (516.00)	Disneyland Tickets	Academic
10/30/2019	\$ (191.39)	College Flags & Banners	Academic
10/30/2019	\$ (52.67)	Crown Awards - Spelling Bee Awards	Academic
10/30/2019	\$ (161.35)	Amazon- Flags	Academic

GAINS AND LOSS REPORT

10/30/2019	\$ (76.82)	Ebay - Flags	Academic
11/21/2019	\$ 150.00	Team Payment	Ambassadors
11/2/2019	\$ (64.73)	Michaels	Ambassadors
11/7/2019	\$ (754.00)	Magic Of Christmas Show	Ambassadors
11/30/2019	\$ 1,921.10	NCR Funds	Ambassadors
11/30/2019	\$ 288.50	Carnival	Ambassadors
11/30/2019	\$ 161.00	Carnival	Ambassadors
11/7/2019	\$ (352.00)	denim Jackets printing	Ambassadors
11/7/2019	\$ (935.74)	Yankee Candle Fundraiser	Ambassadors
11/30/2019	\$ (85.92)	Transfer to EP - put NCR Funds in wrong account	Ambassadors
11/22/2019	\$ (303.26)	Amazon, Art Supplies	Art H
11/8/2019	\$ (1,195.08)	Disneyland Tickets	Art H
11/30/2019	\$ 127.00	Carnival	Art H
10/17/2019	\$ (15.00)	LA Zoo Refund	Art R
10/17/2019	\$ (15.00)	LA Zoo Refund	Art R
11/16/2019	\$ (15.00)	LA Zoo Refund	Art R
11/30/2019	\$ 151.00	NCR Funds	Art Crew H
11/30/2019	\$ 455.00	Carnival	Art Crew H
11/1/2019	\$ (177.78)	Party City	ASB H
11/1/2019	\$ (53.88)	Party City,	ASB H
11/1/2019	\$ (563.61)	Costco - Candy For Carnival	ASB H
11/1/2019	\$ (13.20)	Walmart - Candy Buckets for Canival	ASB H
11/1/2019	\$ (53.02)	Home Depot - Supplies for Carnival	ASB H
11/6/2019	\$ (90.36)	Dominoes - Advisor Lunch	ASB H
11/16/2019	\$ (31.05)	Smart & Final, Carnival Supplies	ASB H
11/19/2019	\$ (1,604.17)	Sams Club Student Store	ASB H
11/20/2019	\$ (64.62)	Amazon - Homecoming	ASB H
11/30/2019	\$ 21,270.83	NCR Funds	ASB H
11/30/2019	\$ 318.00	Carnival	ASB H
10/31/2019	\$ (350.00)	Carnival Security - Watchman	ASB H
10/31/2019	\$ (38.70)	Target - carnival supplies	ASB H
11/1/2019	\$ (107.70)	Hobby Lobby	ASB H
11/4/2019	\$ (2,902.63)	Jump & Jump - Carnival Jumpers	ASB H
11/12/2019	\$ (15.00)	Silen disco 2019 Refund	ASB H
10/29/2019	\$ (6,988.63)	Accounts Payable Check-Should have never gone	ASB H
10/30/2019	\$ (625.56)	Sams Club Student Store	ASB H
10/30/2019	\$ (32.28)	Sams Club Student Store	ASB H
10/30/2019	\$ (248.19)	Sams Club Student Store	ASB H
10/30/2019	\$ (77.45)	Dominoes- team summit	ASB H
10/30/2019	\$ (5.90)	Stater Bros -	ASB H
10/30/2019	\$ (8.48)	Stater Bros	ASB H
11/2/2019	\$ (13.13)	Family Dollar	Asb R
11/5/2019	\$ (129.09)	Pizza Hut	Asb R
11/7/2019	\$ (94.53)	Smart & Final	Asb R
11/12/2019	\$ (4.34)	Hobby Lobby	Asb R
11/14/2019	\$ (40.24)	Dollar Tree	Asb R
11/18/2019	\$ (358.59)	Home Depot - Carnival Supplies	Asb R

GAINS AND LOSS REPORT

11/20/2019	\$	(105.90)	Smart & Final	Asb R
11/25/2019	\$	(12.99)	Dunkin Donuts - ASB Work day Breakfast	Asb R
11/30/2019	\$	724.04	NCR Funds	Asb R
11/8/2019	\$	(10.23)	Walmart	Asb R
11/13/2019	\$	(33.44)	Traffic Management	Asb R
8/7/2019	\$	(10.99)	Jumpstart supplies - Amazon	Asb R
8/27/2019	\$	(10.85)	Smart & Final	Asb R
10/23/2019	\$	(5.44)	Dollar Tree - Basketball supplies	Asb R
11/30/2019	\$	296.50	Carnival	Band H
11/30/2019	\$	111.00	Carnival	Band H
11/30/2019	\$	134.00	Carnival	Band R
11/30/2019	\$	105.00	NCR Funds	B Ball H
11/30/2019	\$	315.50	Carnival	B Ball H
11/30/2019	\$	133.00	Carnival	B Ball H
11/30/2019	\$	60.00	NCR Fundraiser	B Ball H
11/30/2019	\$	100.00	Carnival	B Ball R
11/30/2019	\$	280.00	Carnival	B Ball R
11/1/2019	\$	(177.79)	Cheer Bows	Cheer H
11/6/2019	\$	235.00	student Payment	Cheer H
11/30/2019	\$	260.66	NCR Funds	Cheer H
11/30/2019	\$	186.50	Carnival	Cheer H
11/30/2019	\$	460.00	NCR Funds	Cheer R
11/30/2019	\$	39.50	Carnival	Cheer R
11/30/2019	\$	665.66	NCR Funds	Choir R
11/30/2019	\$	337.00	Carnival	Choir R
11/30/2019	\$	152.00	NCR Funds	Choir R
11/30/2019	\$	341.50	Carnival	Cooking H
11/30/2019	\$	20.00	NCR Funds	Cosplay H
11/30/2019	\$	196.00	Carnival	Cosplay H
11/30/2019	\$	154.50	Carnival	Cosplay H
11/30/2019		266.5	Carnival	Cosplay R
11/30/2019	\$	158.50	Carnival	Costume Design H
11/30/2019	\$	35.50	Carnival	Costume Design R
11/30/2019	\$	38.50	NCR Funds	CSF H
11/30/2019	\$	148.00	Carnival	CSF H
11/30/2019	\$	206.00	Carnival	CSF R
11/30/2019	\$	141.50	Carnival	CSF R
11/2/2019	\$	(32.71)	Smart & Final	Dir Griffin
11/16/2019	\$	(121.48)	Amazon - Phobia	EP
11/8/2019	\$	(1,745.40)	Amazon - Phobia	EP
11/30/2019	\$	85.92	Transferred from Ambassadors - NCR funds was	EP
11/6/2019	\$	(320.00)	Millienium Dance Comp	Hip Hop H
11/9/2019	\$	(1,610.00)	24/7 Dance Comp	Hip Hop H
11/30/2019	\$	395.00	NCR Funds	Hip Hop H
11/30/2019	\$	481.50	Carnival	Hip Hop H
11/30/2019	\$	75.00	Carnival	Hip Hop H
11/7/2019	\$	(150.00)	24/7 Dance Comp Per Diem	Hip Hop H

GAINS AND LOSS REPORT

11/7/2019	\$	(4,160.00)	24/7 Dance Comp	Hip Hop R
11/30/2019	\$	53.50	Carnival Sales	Hip Hop R
11/30/2019	\$	220.00	NCR Proceeds	Hip Hop R
11/7/2019	\$	(150.00)	24/7 Dance Comp Per Diem	Hip Hop R
11/19/2019	\$	(306.55)	Sams Club - Vending Machine	JHASB H
11/30/2019	\$	332.00	NCR Funds	JHASB H
11/30/2019	\$	458.50	Carnival	JHASB H
11/30/2019	\$	654.50	Carnival	JHASB H
11/4/2019	\$	(1,037.55)	Medevel Times	JHASB H
10/30/2019	\$	(580.30)	Sams Club - Vending Machine	JHASB H
10/30/2019	\$	(170.40)	Sams Club - Vending Machine	JHASB H
11/30/2019	\$	565.00	NCR Funds	JHASB R
11/30/2019	\$	73.50	Carnival	JHASB R
11/19/2019	\$	(140.00)	Gizel Lopez - T shirts	JHASB R
11/4/2019	\$	(1,037.55)	Medevel Times	JHASB R
11/7/2019	\$	(2,080.00)	24/7 Dance Comp	JR Dance H
11/30/2019	\$	1,310.00	NCR Proceeds	JR Dance H
11/7/2019	\$	(1,715.00)	24/7 Dance	JR Dance R
11/30/2019	\$	2,009.75	NCR Proceeds	JR Dance R
11/30/2019	\$	63.50	Carnival	JR Dance R
11/19/2019	\$	(774.90)	Cookie Dough Fundraiser	JR Dance R
11/5/2019	\$	250.00	E Rivas Tesm Payment	JV H
11/9/2019	\$	(1,090.00)	24/7 Dance Comp	JV H
11/22/2019	\$	(210.92)	Cheer Backpacks	JV H
11/22/2019	\$	(479.40)	Weissman Comp Costumes	JV H
11/30/2019	\$	69.99	NCR Funds	JV H
11/7/2019	\$	(150.00)	24/7 Dance Comp Per Diem	JV H
11/30/2019	\$	1,245.00	NCR Proceeds	JV R
11/30/2019	\$	139.00	Carnival	JV R
11/8/2019	\$	(415.00)	24/7 Dance Comp	JV R
11/7/2019	\$	(150.00)	24/7 Dance Comp Per Diem	JV R
11/19/2019	\$	(774.90)	Cookie Dough Fundraiser	JV R
11/30/2019	\$	319.50	Carnival Sales	Media Team H
11/30/2019	\$	125.00	NCR Funds	Media Team H
10/31/2019	\$	(96.44)	McDonals - fry fundraiser	Media Team H
11/30/2019	\$	48.00	Carnival	Media Team R
11/12/2019	\$	(2,350.00)	Social light Up dance Floor	USA Dance Floor
11/30/2019	\$	330.00	Carnival	Mocktrial H
11/30/2019	\$	489.50	Carnival	Music H
11/30/2019	\$	92.00	NCR Funds	Music H
11/30/2019	\$	90.50	NCR Funds	NHS H
11/30/2019	\$	298.50	Carnival	NHS H
11/13/2019	\$	(748.75)	B Swingle Refund	NHS H
11/30/2019	\$	221.50	Carnival	NHS R
11/30/2019	\$	109.00	Carnival	NHS R
11/30/2019	\$	13.00	NCR Funds	PAC H
11/30/2019	\$	25.00	Carnival	PAC H

GAINS AND LOSS REPORT

11/19/2019	\$	(232.70)	Walgreens- Headshots	Photo H
11/19/2019	\$	(15.00)	La Zoo Refund	Photo H
11/19/2019	\$	(15.00)	La Zoo Refund	Photo H
11/19/2019	\$	(15.00)	La Zoo Refund	Photo H
11/19/2019	\$	(15.00)	La Zoo Refund	Photo H
11/30/2019	\$	173.50	Carnival	Playhouse H
11/30/2019	\$	108.50	Carnival	Playhouse H
11/18/2019	\$	(287.00)	Pantages Theater - spongebob	Playhouse H
11/30/2019	\$	312.50	Carnival	PLayhouse R
11/30/2019	\$	96.00	Carnival	Pro X H
11/30/2019	\$	87.00	Carnival	Pro X H
11/30/2019	\$	250.00	NCR Funds	Pro X H
10/17/2019	\$	(658.54)	Custom Ink Backpacks	Pro X R
11/30/2019	\$	66.50	Carnival	Pro X R
11/30/2019	\$	158.00	Carnival	Snow H
11/30/2019	\$	40.50	Carnival	Snow R
11/16/2019	\$	(129.28)	Amazon- Jackets	Streetband
11/18/2019	\$	(156.66)	Amazon - Headlamps	Streetband
11/30/2019	\$	750.00	NCR Funds	Streetband
11/30/2019	\$	186.50	Carnival	Streetband
11/30/2019	\$	172.00	Carnival	Streetband
11/30/2019	\$	82.50	Carnival	Streetband
11/19/2019	\$	(183.14)	Amazon - Jackets	Streetband
11/19/2019	\$	(1,012.60)	Amazon -gear	Streetband
11/8/2019	\$	(72.11)	Amazon - Gear	Streetband
11/7/2019	\$	(288.66)	Amazon- Gear	Streetband
11/8/2019	\$	(62.48)	Amazon- bags	Streetband
11/15/2019	\$	(54.38)	Dollar Tree	Streetband
11/30/2019	\$	153.50	Carnival	Troupe H
11/30/2019	\$	348.00	Carnival	Troupe H
11/12/2019	\$	(1,546.00)	Pantages Theater	Troupe H
11/30/2019	\$	174.00	Carnival	Troupe R
11/12/2019	\$	(1,546.00)	Pantages Theater	Troupe R
11/9/2019	\$	(1,220.00)	24/7 Dance Comp	V Dance H
11/30/2019	\$	158.16	NCR Funds	V Dance H
11/7/2019	\$	(150.00)	24/7 Dance Comp Per Diem	V Dance H
11/7/2019	\$	(1,220.00)	24/7 Dance comp	V Dance R
11/30/2019	\$	250.50	carnival	V Dance R
11/30/2019	\$	100.00	ncr	V Dance R
11/7/2019	\$	(150.00)	24/7 Dance Comp Per Diem	V Dance R
11/30/2019	\$	3,710.00	NCR Funds	World Scholars
11/30/2019	\$	62.50	Carnival	World Scholars
11/1/2019	\$	(282.84)	Little Ceasers - Pizza for Carnival	Yearbook H
11/2/2019	\$	(565.69)	Little Ceasers - Pizza for Carnival	Yearbook H
11/30/2019	\$	1,216.50	Carnival	Yearbook H
11/30/2019	\$	291.50	Carnival	Yearbook H
11/1/1919	\$	(80.00)	Yearbook Refund	Yearbook H

GAINS AND LOSS REPORT

11/30/2019 \$

34.00 Carnival

Yearbook R

TEAM RECONCILIATION
19/20 SCHOOL YEAR

TEAM	BALANCE 11/30/2019	ADVISER
2020 - H	\$ 14,051.17	KELSEY WHITE
2020 - R	\$ 5,868.61	
2021 - H	\$ 2,236.87	HALEY WHITING
2021 - R	\$ (4,489.41)	MICHELLE STONE
2022 - H	\$ 3,716.72	WINDI COLLINS
2022 - R	\$ 1,315.94	Irene Meadows
2023 - H	\$ 2,959.50	SANDI DEL SOLE
2023 - R	\$ 5,026.50	TBD
ACADEMIC	\$ 181.25	JORDAN LEVERETTE
AMBASSADORS	\$ 25,811.70	JOHNNA RAE
ART - H	\$ 6,610.19	RYAN TAYLOR/Gomar
ART - R	\$ 694.89	TBD
Art Crew H	\$ 606.00	A Gomar
ASB - H	\$ 36,938.78	KIKI SAMPSON
ASB - R	\$ 9,322.68	JUSTIN BARKDULL
BAND - H	\$ 1,906.58	BRIAN FORBES
BAND - R	\$ 497.45	DANIELLE PAHMEIER
BASKETBALL - H	\$ 1,909.00	JERRY ELIAS
BASKETBALL - R	\$ 816.41	CHILL KERNEY
BENEFIT	\$ 120.00	ASHLIN BARKDULL
BOWLING - H	\$ -	TBD
BOWLING - R	\$ 352.18	TBD
CHEER - H	\$ 2,038.74	HAILEY WHITING
CHEER - R	\$ 4,727.46	LEXI LEGUMINA
CHOIR - H	\$ 1,313.00	JAY GIBSON-HILL
CHOIR - R	\$ 12,606.18	BOB HEKEL
CIRCUS ELITE	\$ 659.58	JOHNNA RAE
CIRQUE - H	\$ 322.00	WINDI COLLINS
CIRQUE - R	\$ -	NONE
CONCERT ATTIRE - H	\$ -	ASHLIN BARKDULL
CONCERT ATTIRE - R	\$ -	ASHLIN BARKDULL
COOKING - H	\$ 1,406.50	Radzick
COSPLAY - H	\$ 803.39	CHRISTIE SCOTT
COSPLAY - R	\$ 1,132.50	DAWN LIVAUDIS
COSTUME DESIGN - H	\$ 357.86	SANDI DEL SOLE
COSTUME DESIGN - R	\$ 330.50	DAWN LIVAUDIS
COSTUME FEES	\$ -	SANDI DEL SOLE
CSF - H	\$ 597.07	JOHN PARKER
CSF - R	\$ 676.30	
DANCE - H		JAY GIBSON-HILL
DANCE - R		CAMEREN ALANIZ
DIRECTOR GRIFFIN	\$ 426.60	DENISE GRIFFIN
DIRECTOR RAE		JOHNNA RAE

TEAM RECONCILIATION
19/20 SCHOOL YEAR

DRAMA PRO - H	\$ 1,390.71	TBD
DRAMA PRO - R	\$ 864.63	TBD
EP	\$ (4,954.80)	JOHNNA RAE
FOUNDER - H	\$ 500.00	Ashlin Barkdull
FOUNDER - R	\$ 500.00	
GEN THEATER - H	\$ -	KELSEY WHITE
GEN THEATER - R	\$ -	KELSEY WHITE
HIP HOP - H	\$ 3,257.52	TAYLOR KITCHENS
HIP HOP - R	\$ 3,153.91	CHILL KERNEY
ITS	\$ 1,767.22	Jordan LEVERETTE
JASB - H	\$ 5,601.97	SAMANTHA OROS
JASB - R	\$ 7,373.33	LISA BALL
JR ART - R		NONE
JR DANCE - H	\$ 1,640.33	AL ZORN III
JR DANCE - R	\$ 4,443.85	
JV DANCE - H	\$ 779.89	HALEY WHITING
JV DANCE - R	\$ 4,128.60	CAMEREN ALANIZ
LEGACY BALL BENEFIT	\$ 1,000.00	ASHLIN BARKDULL
MEDIA TEAM - H	\$ 2,784.95	JOSH BARKDULL
MEDIA TEAM - R	\$ 755.00	TBD
MIXED ASB	\$ (790.00)	ASHLIN BARKDULL
MTRIAL - H	\$ 551.50	TBD
MUSIC - H	\$ 1,744.80	BRIAN FORBES
MUSIC - R	\$ 50.00	DANIELLE PAHMEIER
MUSICAL PRO - H	\$ 2,731.17	TBD
MUSICAL PRO - R	\$ 4,903.35	TBD
NHD - H		KIM FERRANTE
NHD - R		TBD
NHS - H	\$ 59.02	BERNICE SWINGLE
NHS - R	\$ 372.09	
PAC - H	\$ 493.50	MRS. FOX
PAC - R	\$ 7,614.18	
PHOTO - H	\$ 1,819.93	TBD
PHOTO - R	\$ 130.00	TBD
PLAYHOUSE - H	\$ 2,045.01	Glisson
PLAYHOUSE - R	\$ 2,329.00	
PRINT		TBD
PROD X - H	\$ 6,025.54	JAY GIBSON HILL
PROD X - R	\$ (104.00)	Jay Gibson Hill
SCREEN - R	\$ 300.00	ALDORA THACKERAY
SNOW - H	\$ 264.04	Erin Cherry
SNOW - R	\$ 265.21	LEXI LEGUMINA
SR. PROD - H	\$ 2,287.62	DENISE GRIFFIN
SR. PROD - R	\$ 295.00	DENISE GRIFFIN

TEAM RECONCILIATION
19/20 SCHOOL YEAR

STAR QUEST	\$ 5.00	JOHNNA RAE
Street Band	\$ (1,503.83)	DANIELLE PAHMEIER
TROUPE - H	\$ (600.79)	MICHAEL NEVAREZ
TROUPE - R	\$ (3,585.26)	BRANDON HILL
VDANCE - H	\$ 776.17	JAY GIBSON HILL
VDANCE - R	\$ 5,574.50	JENNACA SOTO
WORLD	\$ 8,692.50	JOHNNA RAE
YEARBOOK - H	\$ 18,073.77	TBD
YEARBOOK - R	\$ 16,339.50	TBD
STUDENT PAYMENT PLAN	\$ 21,181.94	ASHLIN BARKDULL
TOTAL TEAM BALANCES	\$ 277,178.26	

EXPENSE REPORT

Please Reimburse the following expenses to Encore Debit Card Account

Date: November 2019

Date	Vendor	Expense	Amount	Campus
10/30/2019	U-Haul/Charlies Auto	Stolen Trailer Temporary Replacement	\$ 129.09	50/50
11/1/2019	Facebook	Advertisement	\$ 14.00	50/50
11/1/2019	Shell	Transportation	\$ 35.16	50/50
10/31/2019	Nuttybolts.com	Maintenance	\$ 30.41	H
11/1/2019	Constant Contact	Parent Communication	\$ 125.00	50/50
11/2/2019	Arco	Transportation	\$ 64.87	50/50
11/2/2019	Shop N Go	Transportation	\$ 12.91	50/50
11/5/2019	Shop N Go	Transportation	\$ 146.85	50/50
11/5/2019	USPS	Postage	\$ 6.85	R
11/5/2019	76 Gas	Transportation	\$ 50.00	50/50
10/30/2019	E Radzick	Class Supplies	\$ 300.00	H
11/5/2019	Shop N Go	Transportation	\$ 12.00	50/50
11/6/2019	Shop N Go	Transportation	\$ 62.35	50/50
11/6/2019	Shop N Go	Transportation	\$ 50.00	50/50
11/6/2019	Shop N Go	Transportation	\$ 50.01	50/50
11/7/2019	Shop N Go	Transportation	\$ 65.32	50/50
11/7/2019	Magento	Professional Development	\$ 579.95	50/50
11/7/2019	Good Year Tires	Transportation	\$ 1,002.27	50/50
11/8/2019	Shell	Transportation	\$ 125.00	50/50
11/8/2019	Staples	Office Supplies	\$ 102.32	50/50
11/8/2019	Shell	Transportation	\$ 80.00	50/50
11/8/2019	CVS	Office Supplies	\$ 40.22	50/50
11/21/2019	Samuel French	Class Supplies	\$ 285.00	R
11/7/2019	Call Em All	Parent Communication	\$ 630.00	50/50
11/8/2019	U Printing	Advertisement	\$ 1,242.90	50/50
11/10/2019	U Printing	Advertisement	\$ 158.14	50/50
		Total Expenses	\$ 5,400.62	

All ASB EXPENSES must be EXECUTIVE approved and signed by a member of the executive team.

once this and accompanying backup has been reviewed, Students Services bookkeeper will send the files to backoffice. The completed report should be given to the Board for subsequent INFO items in Board meeting.

Date of Board Meeting

Signed by: _____ Date: _____

EXPENSE REPORT

Please Reimburse the following expenses to Encore Debit Card Account

Date: November 2019

Date	Vendor	Expense	Amount	Campus
11/12/2019	Arco	Transportation	\$ 100.35	50/50
11/14/2019	The Home Depot	Maintenance	\$ 79.15	50/50
11/14/2019	Shop N Go	Transportation	\$ 54.50	50/50
11/14/2019	Shop N Go	Transportation	\$ 118.00	50/50
11/14/2019	Arco	Transportation	\$ 50.69	50/50
11/14/2019	Arco	Transportation	\$ 45.35	50/50
11/15/2019	Shop N Go	Transportation	\$ 100.00	50/50
11/15/2019	Staples	Office Supplies	\$ 21.54	H
11/15/2019	Amazon	Transportation	\$ 122.70	50/50
11/16/2019	Hesperia Depot	Transportation	\$ 64.21	50/50
11/16/2019	The Home Depot	Maintenance	\$ 65.18	R
11/18/2019	Arco	Transportation	\$ 40.35	50/50
11/18/2019	Arco	Transportation	\$ 40.35	50/50
11/18/2019	Johns Incredible Pizza	Student Incentives	\$ 215.07	R
11/18/2019	Arco	Transportation	\$ 46.85	50/50
11/18/2019	Shop N Go	Transportation	\$ 107.78	50/50
11/18/2019	Uhaul/Charlies Auton	Stolen Trailer Temporary Replacement	\$ 262.06	50/50
11/18/2019	Amazon	Class Supplies	\$ 79.32	50/50
11/20/2019	Shop N Go	Transportation	\$ 90.00	50/50
11/20/2019	Shop N Go	Transportation	\$ 100.00	50/50
11/20/2019	Shop N Go	Transportation	\$ 158.21	50/50
11/21/2019	Tri City Car Wash	Transportation	\$ 27.99	50/50
1/21/2019	Circle K	Transportation	\$ 60.53	50/50
11/20/2019	E Radzick	Class Supplies	\$ 600.00	H
11/22/2019	Tri City Car Wash	Transportation	\$ 66.48	50/50
11/22/2019	Arco	Transportation	\$ 100.35	50/50
		Total Expenses	\$ 2,817.01	

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Date of Board Meeting

Signed by: _____ Date: _____

EXPENSE REPORT

Please Reimburse the following expenses to Encore Debit Card Account

Date: November 2019

Date	Vendor	Expense	Amount	Campus
11/24/2019	WP Engine	Internet Advertising	\$ 115.00	50/50
11/25/2019	76 Gas	Transportation	\$ 28.46	R
10/30/2019	Amazon	Class Supplies	\$ 92.64	50/50
10/30/2019	Amazon	Class Supplies	\$ 616.07	50/50
10/26/2019	Smart & Final	WASC Lunch	\$ 388.24	R
10/27/2019	Target	WASC Lunch	\$ 11.05	R
10/27/2019	Food 4 Less	WASC Lunch	\$ 46.96	R
10/16/2019	Arco	Transportation	\$ 20.35	50/50
10/18/2019	Circle K	Transportation	\$ 25.00	50/50
10/18/2019	Circle K	Transportation	\$ 25.00	50/50
10/19/2019	Arco	Transportation	\$ 20.00	50/50
11/4/2019	Arco	Transportation	\$ 100.00	50/50
11/1/2019	Orchid Gas	Transportation	\$ 80.00	50/50
11/14/2019	California batteries In	Transportation	\$ 87.20	50/50
11/14/2019	The Tire Place	Transportation	\$ 100.00	50/50
11/14/2019	Shop N Go	Transportation	\$ 50.00	50/50
11/14/2019	Best Price Auto Glass	Transportation	\$ 140.00	50/50
11/5/2019	Orchid Gas	Transportation	\$ 100.00	50/50
11/13/2019	Arco	Transportation	\$ 120.00	50/50
11/15/2019	Arco	Transportation	\$ 80.00	50/50
10/22/2019	Big Apple Automotive	Stolen Trailer-Impound	\$ 130.27	50/50
10/22/2019	Big Apple Automotive	Stolen Trailer-Impound	\$ 400.00	50/50
10/28/2019	Shop N Go	Transportation	\$ 60.00	50/50
10/10/2019	Arco	Transportation	\$ 50.00	50/50
10/9/2019	Orchid Gas	Transportation	\$ 100.00	50/50
10/29/2019	Desert Valley Towing	Stolen Trailer-Towing Fee	\$ 1,577.50	50/50
		Total Expenses	\$ 4,563.74	

All ASB EXPENSES must be EXECUTIVE approved and signed by a member of the executive team.

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Date of Board Meeting

Signed by: _____ Date: _____

EXPENSE REPORT

Please Reimburse the following expenses to Encore Debit Card Account

Date: November 2019

Date	Vendor	Expense	Amount	Campus
10/22/2019	Velero Pic N Pump	Transportation	\$ 29.73	50/50
10/22/2019	Porgies	Transportation	\$ 100.00	50/50
10/22/2019	Monicas Tacos	Professional Development	\$ 109.10	H
10/22/2019	Shop N Go	Transportation	\$ 120.00	50/50
10/21/2019	Rio Ranch	Professional Development	\$ 25.37	R
10/11/2019	Patton Sales Corp	Maintenance	\$ 115.87	H
8/8/2019	Century Publishing	Advertising	\$ 2,396.24	50/50
6/12/2019	RPS	Parking	\$ 6.05	R
6/12/2019	Chevron	Transportation	\$ 59.58	50/50
6/18/2019	RPS	Parking	\$ 5.00	R
7/1/2019	USPS	Postage	\$ 6.30	R
7/28/2019	Old Spaghetti Factory	Exeutive Meeting	\$ 304.65	R
10/3/2019	Stater Bros	Student Incentives	\$ 64.87	R
8/2/2019	Walmart	Staff Luch	\$ 159.92	H
8/9/2019	Century Publishing	Advertising	\$ 1,299.24	50/50
9/25/2019	Shop N Go	Transportation	\$ 40.00	50/50
9/24/2019	RPS	Parking	\$ 8.00	R
9/24/2019	RPS	Parking	\$ 5.00	R
9/26/2019	RPs	Transportation	\$ 4.00	50/50
9/30/2019	Lowe's	Transportation	\$ 116.11	50/50
10/16/2019	Ace Hardware	Maintenance	\$ 49.20	50/50
10/29/2019	Mission Inn	WASC Lunch	\$ 164.70	R
Total Expenses			\$ 5,188.93	

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Date of Board Meeting

Signed by: _____ Date: _____



Exhibit
5.2

February 3, 2020

Encore Education Corporation

Phone: (760) 949-2036

Fax (760) 956-3338

www.encorehighschool.com

Sites:

Hesperia

MEETING AT: 16955 Lemon Street, Hesperia, CA 92345 –
CLASSROOM F 29

Riverside

MEETING AT: 3460 Orange Street,
Riverside, CA 92501 – CLASSROOM H1

Board Members:

Suzanne Cherry, Board President

Rob Gabler, Board Vice President

Kelly Ahmed, Board Secretary/Treasurer

Evelyn Rojas, Board Member

Paula Gharib, Board Member

Mari Miller, Board Member

INFO:

Meeting Minutes Jan. 2020



Special Board Meeting Minutes

01/29/2020

8:00 a.m.

Encore Education Corporation

Phone: (760) 949-2036

Fax (760) 956-3338

www.encorehighschool.com

Sites:

Hesperia

MEETING AT: 16955 Lemon Street, Hesperia, CA
92345 – CLASSROOM F 29

Riverside

MEETING AT: 3460 Orange Street,
Riverside, CA 92501 – CLASSROOM H1

Board Members:

Suzanne Cherry, Board President

Rob Gabler, Board Vice President

Kelly Ahmed, Board Secretary/Treasurer

Evelyn Rojas, Board Member

Paula Gharib, Board Member

Mari Miller, Board Member

The Order of Business may be changed without notice: Notice is hereby given that the order of consideration of matters on this agenda may be changed without prior notice.

Reasonable Limitations May be placed on public testimony: The Governing Board's presiding officer reserves the right to impose reasonable time limits on public testimony to ensure that the agenda is completed. For any person requiring a translator, this time will be doubled to account for translation time.

Reasonable Accommodation for any individual with a Disability: Pursuant to the Rehabilitation Act of 1973, any individual with a disability who requires reasonable accommodation to attend or to participate in this meeting of the Governing board may request assistance by contacting the EEC (760) 949-2036.

Public Documents relating to Open Session Agenda items are available for review by the public at the Reception Desk at Encore Education Corporation's Executive office or on the internet at www.encorehighschool.com. For more information concerning this agenda, please contact EEC (760) 949-2036.

1.0 CALL TO ORDER. The meeting was called to order at **8:20 am**(time).

2.0 OPEN GENERAL SESSION

ROLL CALL	Present	Absent
Suzanne Cherry	<u>X</u>	___
Kelly Ahmed	___	<u>X</u>
Rob Gabler	<u>X</u>	___
Paula Gharib	<u>X</u>	___
Evelyn Rojas	___	<u>X</u>
Mari Miller	___	<u>X</u>

3.0 APPROVAL OF THE AGENDA

Approve: Approved	MOTION: Paula Gharib	Second: Rob Gabler	Vote: 3/0	
ROLL CALL	AYE	NAY	ABSTENTION	ABSENT
Suzanne Cherry	<u>X</u>	___	___	___
Kelly Ahmed	___	___	___	<u>X</u>
Rob Gabler	<u>X</u>	___	___	___
Paula Gharib	<u>X</u>	___	___	___
Evelyn Rojas	___	___	___	<u>X</u>
Mari Miller	___	___	___	<u>X</u>

4.0 INVITATION TO ADDRESS THE BOARD, OPEN SESSION ITEMS. This is the time and place for the general public to address the Board of Directors on any matter within jurisdiction of the Board. Comments should be limited to 3 minutes. Unless an item has been placed on the published agenda in accordance with the Brown Act, there shall be no action taken, nor should there be comments on, responses to, or discussion of a topic not on the agenda. The Board members may: (1) acknowledge receipt of information/report; (2) refer to staff with no direction as to action or priority; or (3) refer the matter to the next agenda.

5.0 ACTION ITEMS.

5.1 Action- APPROVAL OF CALIFORNIA SCHOOL FINANCE AUTHORITY (CSFA) 2020 LOAN AGREEMENT, ENCORE EDUCATION CORPORATION AND CHARTER ASSET MANAGEMENT FUND, L.P.

Approve: Approved	MOTION: Rob Gabler	Second: Paula Gharib	Vote: 3/0	
ROLL CALL	AYE	NAY	ABSTENTION	ABSENT
Suzanne Cherry	<u>X</u>	___	___	___
Kelly Ahmed	___	___	___	<u>X</u>
Rob Gabler	<u>X</u>	___	___	___
Paula Gharib	<u>X</u>	___	___	___
Evelyn Rojas	___	___	___	<u>X</u>
Mari Miller	___	___	___	<u>X</u>

6.0 ADJOURNMENT

Approve: Approved	MOTION: Rob Gabler	Second: Paula Gharib	Vote: 3/0	
ROLL CALL	AYE	NAY	ABSTENTION	ABSENT
Suzanne Cherry	<u>X</u>	___	___	___
Kelly Ahmed	___	___	___	<u>X</u>
Rob Gabler	<u>X</u>	___	___	___
Paula Gharib	<u>X</u>	___	___	___
Evelyn Rojas	___	___	___	<u>X</u>
Mari Miller	___	___	___	<u>X</u>

The meeting adjourned at **8:28 AM** (time). The next meeting will be held, **February 3, 2020** at 6:00 pm



Exhibit
5.6

February 3, 2020

Encore Education Corporation

Phone: (760) 949-2036

Fax (760) 956-3338

www.encorehighschool.com

Sites:

Hesperia

MEETING AT: 16955 Lemon Street, Hesperia, CA 92345 –
CLASSROOM F 29

Riverside

MEETING AT: 3460 Orange Street,
Riverside, CA 92501 – CLASSROOM H1

Board Members:

Suzanne Cherry, Board President

Rob Gabler, Board Vice President

Kelly Ahmed, Board Secretary/Treasurer

Evelyn Rojas, Board Member

Paula Gharib, Board Member

Mari Miller, Board Member

INFO:

Discipline Report – Riverside, Dean of Students

Board Meeting – 2/3/20

Ramsey Hassen – Asst. Dean of Students

RIVERSIDE DISCIPLINE DATA FOR JANUARY 2020

COMPLAINT FORMS: (53 TOTAL)				
Date:	Stu ID	Reason:	Action/Result	Status:
01/06/2020	9877	Reported phone being stolen in class and belied a particular student had taken it		Inconclusive
01/06/2020	9897	Student reported witnessing student #11314 reach into student #9877 backpack during the same period that #9877 went missing, reported #11314 acting suspicious	No action, student did not admit to taking phone, phone was returned	Inconclusive
01/07/2020	11314	Reported a student's phone being lost in class, claimed she was working on her quiz during the incident		
01/07/2020	Staff	Reported information regarding incident involving student #11314 and a stolen phone in class		
01/06/2020	9702	Student reported witnessing #11314 moving/touching student #9877's backpack but reported it was normal to move others things because of the lack of space available in the classroom		
01/07/2020	9942	Reported seeing two girls go into the girls restroom during the time a classmates phone was taken and left in the restroom		
01/07/2020	10937	Reported a student taking a key off her computer and had not been returned for weeks		

01/08/2020	11190	Reported being given permission to take key off a keyboard and was unaware the student would have to pay to replace it for damages	No Action, student #10937 gave permission for key to be taken	Closed
01/08/2020	9955	Student reported hearing a comment about a certain racial group, student proceed to make a racial remark in response to the comment	After school detention assigned for racial remark	Closed
01/08/2020	9871	Student reported making a comment about her race when student #9955 responded with an offensive racial response		
01/08/2020	Staff	Reported incident in which #9955 and #9871 were arguing, when questioning both students #9955 was being defiant and disrespectful after warnings to stop		
01/09/2020	10270	Reported being called names by a student on several occasions		
01/10/2020	9877	Reported incident involving student #10270 where he was rude and disrespectful and called the student names but stated the other student also acted the same way	Verbal warning given for calling student names	Closed
01/10/2020	9933	Student reported receiving physical advances from another student that made her uncomfortable		
01/10/2020	11073	Student hugged another student after being told not to, he proceeded to do it anyway and states he apologized after	Verbal warning given for invasion of another student's space	Closed
01/09/2020	10792	Student admitted to ditching class and going to different places	1 day on campus suspension	Closed

01/06/2020	Staff	Reported potential bullying activity on student #10076 and #9713 email addresses	Both students given warning for being off task and disrespectful behavior	Closed
01/09/2020	10694	Admitted to skipping class multiple times, did not have a reason or excuse	Parent meeting with Mr. Hassen, student is on behavior contract, parent will be withdrawing student	Pending
01/10/2020	10361	Student failed a quiz online multiple times, asked another student to take quiz for him	Verbal warning for plagiarism, student given a 0 on assignment	Closed
01/10/2020	9183	Student helped another student take a quiz online in order to get a higher score	Verbal warning for plagiarism	
01/13/2020	Staff	Flagged inappropriate internet access on a student's account (#10266)	Student #10266 assigned afterschool detention	Closed
01/15/2020	9886	Student was sent up to 3rd floor for sniffing a marker in class	Verbal warning for "joking" about sniffing a marker	Closed
01/15/2020	9695	Student reported using phone in class, when grabbing it after class phone was missing, believes it was stolen		Inconclusive
01/17/2020	8101	Student reported being touched by student #8324 in chest area	Student #8324 apologized to student, based on information, incident was an accident	Closed
01/17/2020	8154	Student reported being touched by student #8324 in chest area, believed it was an accident but happened to a friend as well		
01/17/2020	8324	Explained incident in which he accidentally touched a person's chest area	Apologized to student	Closed
01/17/2020	11223	Reported being approached by a creepy man who was trying to flirt with girl student/felt uncomfortable	Reported to police	Closed

01/17/2020	11017	Reported incident involving a man at subway who was giving the student a hard time and calling her names	Reported to police	Closed
01/17/2020	10961	Student flickered light switch in O building and ran away causing tenants to stop them and reported incident to 3rd floor	After school detention assigned	Closed
01/17/2020	11006	Student flickered light switch in O building and ran away causing tenants to stop them and reported incident to 3rd floor	After school detention assigned	Closed
01/21/2020	11169	Student reported incident involving #11170 where there is constant bad talking from both sides, believes if they are in the same classes, a fight will eventually ensue		Closed
01/21/2020	11170	Student admitted to posting a threat on social media after hearing rumors about student #11169 talking bad about her	Verbal warning for potential behavior and threats	Closed
01/21/2020	10682	Student reported incident involving #10694 where there is constant bad talking from both sides, believes if they are in the same classes, a fight will eventually ensue	Informed counselor and teacher to separate both students	Closed
01/13/2020	Staff	Saw student #9842 on campus but was no present during her class, possible truancy	Inconclusive- unable to contact parent to confirm students absence	Closed
01/15/2020		Reported incident in which student #9004 took his hydro flask and ran around with it, became frustrated and student #9004 returned bottle	No action- students are friends and resolved issue on their own	Closed
01/07/2020		Reported student making a comment about his weight that offended him.	No action- student addressed behavior directly with students and	Closed

			requested no further action take place from discipline	
01/15/2020		Reported incident in which a student made a comment that offended him and made him upset	No action- student addressed behavior directly with students and requested no further action take place from discipline	Closed
01/17/2020		Reported incident involving #8180 and other students taking Adderall at school and multiple occasions, in this instant the student #8180 was acting irrational and this student was concerned for her health and safety so she chose to report it to the health office		
01/17/2020		Student admitted to taking Adderall at school, claimed to have bought the medication before winter break at school but did not take it until this day	1 day off campus suspension	Closed
01/17/2020		Student admitted to supplying Adderall to other student "for fun" and to see the effects on others, gave to several students in street band	Student withdrew from Encore before discipline action could be taken	Closed
01/27/2020		Student stated she was given Adderall from student #9275, admitted to taking this while at a school performance during school hours, off campus	1 day off campus suspension	Closed
01/27/2020		Student admitted to taking Adderall in class which was provided by student #9275	1 day off campus suspension	Closed
01/27/2020		Student asked student #9275 for ibuprofen, student #9275 gave this student Adderall without disclosing this information		Closed

01/27/2020		Reported student #9275 giving student #8982 a pill but is not aware what the substance was		
01/22/2020	Staff	Reported incident involving #9955 and another student being around a keyboard that was dropped and as a result broke a key student #9955 talked back to the teacher when asking students not to play with keyboards without permission		
01/22/2020	9955	student stated he was playing on piano when the keyboard next to him fell, teacher blamed him for incident		
01/22/2020	10980	Student reported a man on a bike taking his backpack	Inconclusive- theft-campus aides were informed of situation to keep an eye out for suspect	Closed
01/22/2020		Student reported sitting with friends when a man in a bike rode by and stole student #10980's backpack		
01/22/2020		Student provided description of a man who stole student # 10980's back pack while sitting outside		
01/23/2020		Student stated she has been threatened by student #7571 including death threats	No evidence of threats- Teachers were informed about issue to avoid conflicts in shared classes	Closed
01/23/2020		Student saw a mouse on a trap in the high school building, in the process of freeing the mouse, the mouse bit the student causing an injury to her hand	Parent was called and took student to urgent care	Closed
01/23/2020		Student emailed statement stating she is unaware of situation occurring with student #8143		

01/23/2020		Student admitted to ditching class to help student #7294 and #7541 through an emotional issue they were facing, wanted to be there for his friends		Closed
01/22/2020	9955	student stated he was playing on piano when the keyboard next to him fell, teacher blamed him for incident		
01/22/2020	10980	Student reported a man on a bike taking his backpack	Inconclusive- theft-campus aides were informed of situation to keep an eye out for suspect	Closed
01/22/2020		Student reported sitting with friends when a man in a bike rode by and stole student #10980's backpack		
01/22/2020		Student provided description of a man who stole student # 10980's back pack while sitting outside		
01/23/2020		Student stated she has been threatened by student #7571 including death threats	No evidence of threats- Teachers were informed about issue to avoid conflicts in shared classes	Closed
01/23/2020		Student saw a mouse on a trap in the high school building, in the process of freeing the mouse, the mouse bit the student causing an injury to her hand	Parent was called and took student to urgent care	Closed
01/23/2020		Student emailed statement stating she is unaware of situation occurring with student #8143		
01/23/2020		Student admitted to ditching class to help student #7294 and #7541 through an emotional issue they were facing, wanted to be there for his friends		Closed

DEMERITS (19 TOTAL)		
Stu ID:	Date:	Offense:
11075	01/07/2020	Disruptive behavior not on task at all
11176	01/07/2020	Disruptive behavior not on task at all
9941	01/08/2020	Off task and disrespectful behavior
9955	01/08/2020	Off task and disrespectful behavior
10986	01/10/2020	Sub stated he was misbehaving
10961	01/10/2020	Sub stated he was misbehaving
12254	01/11/2020	Sub stated he was misbehaving
10220	01/13/2020	Student was on phone, refused to hand to sub when confiscating it
9932	01/13/2020	Disrespectful towards teacher during midterm. Talking after multiple verbal warnings
10430	01/13/2020	Disrespectful and off task, talking during midterm
10877	01/13/2020	Student was on phone, when asked to hand it over student refused
11012	01/13/2020	No lanyard
10694	01/15/2020	Talking during final after warnings
10457	01/15/2020	Talking during finals after warnings
9887	1/15/2020	Talking during final after warnings
9844	01/15/2020	Talking during finals/ Closing computer of someone taking final
9868	01/15/2020	Talking during final after warnings

10660	01/15/2020	Talking during final after warning, phone out during final
10015	01/15/2020	Talking during final after warnings

**AFTER-SCHOOL DETENTIONS
(7 TOTAL)**

Date:	Stu ID:	Offense:
1/7/2020	11110	Excessive Horseplay
1/8/2020	10980	Excessive Horseplay
1/8/2020	11123	Excessive Horseplay
1/15/2020	10266	Accessing inappropriate content on Chromebook
1/17/2020	10961	Disrespectful behavior and horseplay.
1/17/2020	11006	Disrespectful behavior and horseplay.
1/9/2020	9955	Racial remarks, inappropriate behavior (parent plans to dispute this during next IEP meeting on 01/28/2020- spoke to mom on 01/16/2020- Letty

**ALTERNATE LEARNING CENTER (ON-CAMPUS SUSPENSION)
(17 TOTAL)**

Date:	Stu ID:	Offense:	Type:	Date Served:
01/07/2020	10660	Excessive physical horseplay and disrespectful behavior towards another student.	1-Day	01/10/2020
01/09/2020	10792	Ditching class multiple times	1-Day	01/21/2020
01/09/2020	10515	Missed 2 after school detentions for: Constant profanity in class after several warnings	1-Day	01/21/2020

01/16/2020	11216	Inappropriate remarks and obscene language towards another student in class.	1-Day	01/22/2020
01/16/2020	11176	Eating in class and being disrespectful/defiant towards teacher.	1-Day	01/22/2020
01/16/2020	9941	Excessive horseplay and defiance in the restroom	1-Day	01/23/2020
01/24/2020	10993	Excessive horseplay and disrespectful behavior towards other	1-Day	01/28/2020
01/27/2020	8180	Use of a controlled substance (Adderall)	1-Day Off Campus	01/29/2020
01/27/2020	7552	Use of a controlled substance (Adderall)	1-Day Off Campus	01/29/2020
01/27/2020	9288	Disrespectful behavior, obscene language towards a teacher, and causing drama that disrupts school activities.	1- Day	01/29/2020
01/27/2020	10249	Disrespectful behavior, obscene language towards a teacher, and causing drama that disrupts school activities.	1-Day	01/29/2020
01/27/2020	11247	Disrespectful behavior, obscene language towards a teacher, and causing drama that disrupts school activities.	1-Day	01/30/2020
01/27/2020	9968	Use of a controlled substance (Adderall)	1-Day Off Campus	01/30/2020
01/28/2020	11230	Ditched class, left campus	1-Day	02/03/2020
01/28/2020	7294	Ditched class, left campus	1-Day	02/04/2020
01/28/2020	7541	Ditched class, left campus	1-Day	02/05/2020

DISCIPLINARY HEARINGS
(0 TOTAL)

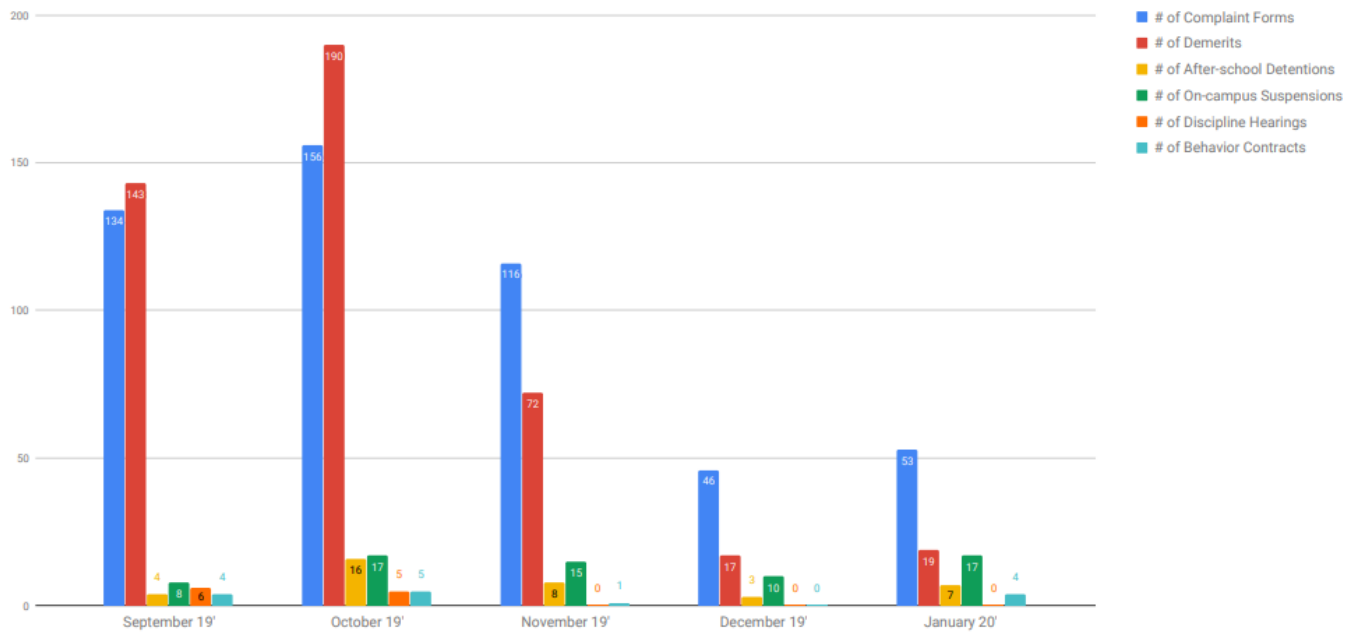
NONE

BEHAVIOR CONTRACTS (4 TOTAL)		
Date:	Stu ID:	Offense:
1/30/2020	12211	Vandalism
1/30/2020	9874	Vandalism
1/31/2020	8774	Vandalism
1/31/2020	9896	Vandalism

*REFER TO NEXT PAGE FOR GRAPH

	September 19'	October 19'	November 19'	December 19'	January 20'
# of Complaint Forms	134	156	116	46	53
# of Demerits	143	190	72	17	19
# of After-school Detentions	4	16	8	3	7
# of On-campus Suspensions	8	17	15	10	17
# of Discipline Hearings	6	5	0	0	0
# of Behavior Contracts	4	5	1	0	4

Riverside Discipline Data (month by month)



Riverside Discipline Data (by type)

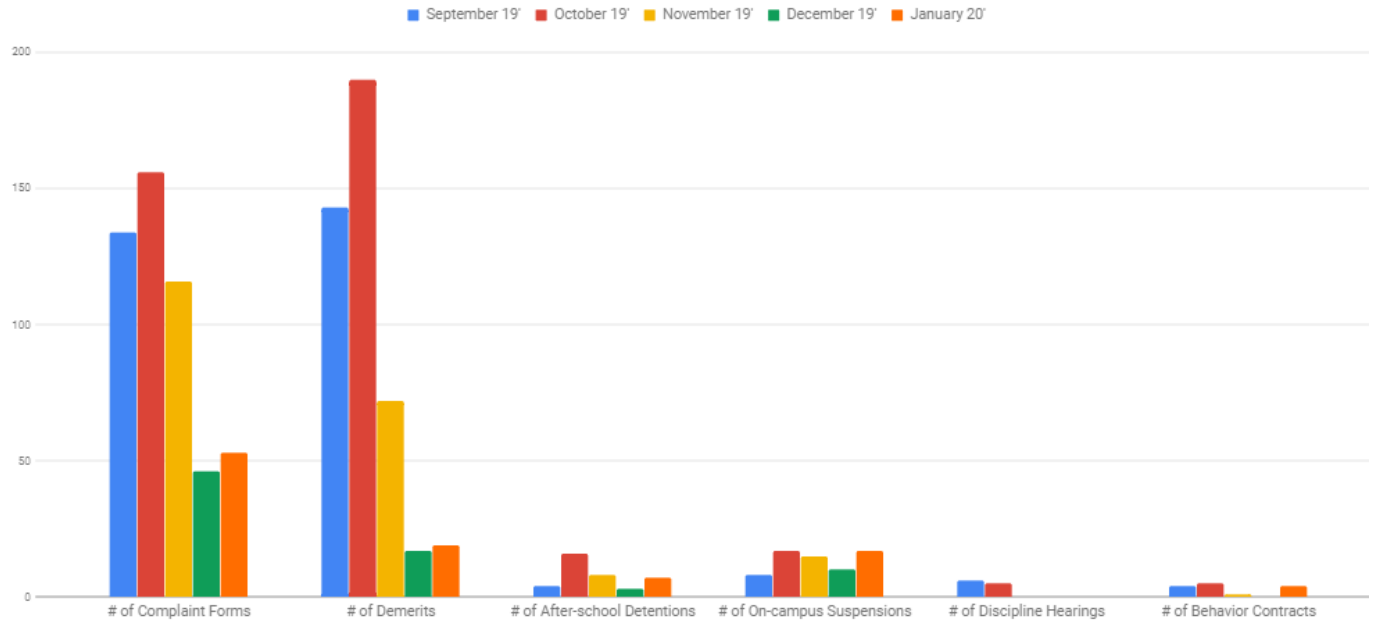




Exhibit
5.7

February 3, 2020

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Sites:

Hesperia

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Paula Gharib, Board Member

Mari Miller, Board Member

INFO:

Hesperia Monday Morning Meeting Notes

Hesperia Morning Meeting Notes
February 3, 2020

-Hope everyone had a great weekend!

-Make sure all students are logging into Cyber High and completing assignments everyday. This takes the workload off of you for IS as well.

-Everyone should have a Google Classroom at this point. Each day, you need to post the agenda for your students. Make it an easy morning habit when you're writing your daily objectives and agendas on the board.

-We will have an after school meeting on Tuesday for all teachers and instructors.

-Pacing and Emergency Sub plans for Q3 are due 2/7/2020

-Cyber High Unit 6 Finals are this Tuesday and Wednesday, 2/4 and 2/5

-Board Meeting tonight at 6 pm.

-Wed. Feb. 5th, Team Advisors Meeting in F29 at 10:55

--

- Julia Dolf
Assistant Dean of Academics
Encore Education Corporation
www.encorehighschool.com



Exhibit
5.8

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INFO:

Riverside Monday Morning Meeting Notes

Monday Meeting

1/6/20

- Thank you for those who attended the Barnes and Noble fundraiser!
- Be sure to check your emails on a regular basis.
- Finals review week is this week. Complete Unit 5 as well for Cyber High if needed.
- Finals are next week.
- Tuesday after school meeting TBD (1/7/20)
- Health Screening are today in the N Building (1/6/20)
- Cocoa and Canvas is Wednesday 1/8/20 in room H5 from 4-6 pm. Money is due today.
- Chalk Walk is this Friday at the H Building
- Basketball game is this Saturday 1/11/20 starting at 4:00 at RCC
- Keep turning in complete IS forms to me. If the student is on an active IS, hang on to the form until the student returns.

Monday Meeting

1/14/2020

-Great Job Chill on the boys victory this Saturday at the game! The girls team put up a great fight as well!

-Tuesday meeting has been postponed to 1/22/2019 (after school).

-All attendance and weekly attendance reports are due by this Friday, 1/17/2020

-EWS is due tomorrow, 1/15/2020. Please turn in all papers and EWS submissions ASAP.

-Continue assigning finals the entire week. For Friday, have students make up and finals if a student was absent or needed additional time.

-Grades are due 1/22/2020. Make sure that all SPED and 504 comments are in Aeries as well.

-Master Teacher lists are due Friday, 1/17/2020.

-Saturday is Encores Social in Ontario.

-ASB will start distributing Social tickets during Homeroom classes today, 1/15/2020.

-Mr. Hassesn will reach out via email with additional information with room changes. If you have any questions, please reach out to the both of us.

-No School on Monday 1/20/2020!

Wednesday Meeting

1/22/2020

-Thank you for all your help with the second semester transition!

-Be sure to check your emails on a regular basis.

-Please submit your EWS requests as well as paper form as soon as you return from absence.

-Keep turning in your IS forms. Interns will be walking around asking for work evidence forms as well as contracts.

-Now that semester grades are posted, I need all staff with teams to email me the names of students we need to bench.

-All staff meeting will be tomorrow afterschool at 3:30 in

-Please see Ms. Meyers email about setting up gradebooks for your students. Have gradebook set up by the end of the week.

-Bohemian in Hesperia this weekend. 1/23 @ 4:00, 1/24 @ 7:30, 1/25 @ 2:30 & 7:30

Monday Morning Meeting Notes- Riverside
1/27/2020

-Thank you all for the help and assistance with our new school vision and schedule changes! Each and everyone of you have been a great support to our students.

-EWS is due this Friday, 1/31 so please add your requests on EWS and fill out paperwork promptly.

-Continue to call off students one by one on attendance for the next two weeks. We want to make sure that students are in their correct classes. If their name is not on your Aeries attendance (not printed attendance), please send them to the third floor.

-Academic parent/teacher conferences is this Thursday, 1/30 starting at 3:30. Locations TBD

-Continue to turn in IS work evidence and contracts.

-Conservatory Auditions are 1/28 at 3:30. If you're a conservatory instructor you need to be there. Remind students they need to RSVP no walk ups.

-Monthly academic teacher prep period rotation to grade IS work will start soon.

-Reminder when calling out: Please reach out to Dolf, Meyer, Hassen and Letty via text and email. I don't always check emails until I get to work so please text.

-Don't forget about our Friday Rallies!

-Happy Birthday Mr. Allen!

Monday Morning Meeting Notes - Hesperia
1/27/2020

- Thank you for everything that you have done with the changes in the past week.
- EWS is due this Friday, 1/31 so please add your requests on EWS and fill out paperwork promptly.
- Please make sure the students you have in your room are on your roster. We want to make sure that students are in their correct classes. If their name is not on your Aeries attendance (not printed attendance), please send them to the G office.
- Academic parent/teacher conferences is this Thursday, 1/30 starting at 3:30. Locations same as usual.
- Continue to turn in IS work evidence and contracts.
- Conservatory Auditions are 1/28 at 3:30. If you're a conservatory instructor you need to be there. Remind students they need to RSVP no walk ups.
- Monthly academic teacher prep period rotation to grade IS work will start soon.
- Reminder when calling out: Please reach out to Dolf, Meyer, Nutter and Kathy via text and email. I don't always check emails until I get to work so please text.
- Don't forget about our Friday Rallies! Rhythm and Combo on Friday!



Exhibit
5.10

February 3, 2020

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Mari Miller, Board Member

INFO:

DOJ Report - District



August - January 2020

Completed and Cleared

Livescans

- 35823
- 35824
- 35825
- 35826
- 35827
- 35829
- 35830

Subsequent Arrest/Disposition Notices

- None to report at this time



Exhibit
6.1

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INFO:

ASB Report - Riverside

ASB President's Report for the Month of February 2020

by Lilliane Vargas

Encore Social was the biggest dance of the school year and it turned out to be a huge success. We had over 230 kids from each campus attend the event. Everything came together, from the decorations, to the staff performances, DJ, photo booth, and the delicious food. We are extremely grateful for the administration and all of ASB who helped bring this event to life. Prom is the next major dance for us, and we plan to announce the theme and venue in the coming weeks.

This past Friday we had a rally that showcased a sneak preview to the upcoming show Puffs. Many of our students filled our school parking lot to see the cast of Puffs perform. The cast did a phenomenal job, and we are excited to see the full show on the following dates, February 20th, 21st, and 22nd

Later that day, our Flashlight Army event took place. We had a great turn out, I'd say approximately 70 or more students showed up. We played four rounds of hide and seek, where ASB students hid in blacked out classrooms and the participants searched for them. At the end of the night we handed out prizes to the teams that found the most kids. Everyone seemed to have a really great time all around. Overall, the Flashlight Army was very successful.

The month of February is Black History Month. ASB has been brainstorming new ways celebrate Black History on our campus, and bring out the importance of this month. One idea is to have the art department create poster-sized portraits of famous black artists and innovators to be posted outside of the respective classrooms. We also want to engage the students and give them an opportunity to have a voice on some of the ideas. Our goal is to have a Student Council meeting this week to discuss Black History Month and hear potential ideas that they might have for a rally to wrap up the month. We plan to keep the administration involved every step of the way.

The Hesperia Basketball Game is later this month on the 25th and it will be our first Away Game of the season. Our ASB Team did a great job preparing for our Home Game last month, but we definitely received some much needed help from the Hesperia ASB Team when they arrived at the venue. We are so excited for the challenge of bringing the Riverside School Spirit up to the HD and win us another game of Basketball.

Also on our minds is the Silent Disco. This event was probably the most fun event of last year, but unfortunately, it was also one of the lowest attended. The Silent Disco can be hard to market, especially if you have never been to one. To ensure that it be a complete hit this year we are looking at creative marketing strategies and including other fun aspects to the event such as a Game Room.

This is all I have to report at this time.



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6.2

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INFO:

ASB Report - Hesperia



ASB Report

Board Meeting 2/3/2020

Good Evening, I would first like to introduce myself to the board of Encore Education Corporation. My name is Angel Parra, I am a Senior, and I am the ASB General President of Encore High School in Hesperia.

On Saturday, December 14th, 2019, Encore Hesperia held its' annual Barnes & Noble Fundraiser in which \$4,200 were raised. During this event, elite performers from each conservatory performed and blew everyone away. It was an awesome way to show the community what Encore has to offer. Everyone was impressed and Encore Hesperia had five new enrollments from this event alone. The California Scholarship Federation (CSF) and National Honors Society (NHS) were also present during this fundraiser offering complimentary gift wrapping. Having CSF and NHS there was a great way to show the community involvement Encore encourages for all its' students.

On Thursday, January 9th, Encore hosted this year's Jr. High Spelling Bee in which twenty-eight middle school students from both campuses participated in. The winner not only won a mini fridge, but also the opportunity to compete in the county competition on Tuesday, March 24, 2020, at the Moreno Valley Conference and Recreation Center. Students a part of CSF and NHS were also present during this academic event volunteering their time as judges, round-announcers, recorders, and ushers. These high school students were so impressed with the competition, they are pushing to have a Spelling Bee competition of their own!

On Saturday, January 18th, Encore held its combined annual Encore Social. The ASB General officers from both campuses worked together diligently and effectively to produce this year's Crayon Box Met Gala themed Social. It was our goal to make this event special and memorable for the student body. This long awaited dance was a huge success, drawing 237 students from the Hesperia campus and 237 students from the Riverside campus. As soon as we heard of this year's theme, we knew we wanted the visual department's involvement. Ms. Gomar and her Art Crew produced a majority of our decorations and some of our centerpieces. Their passion and talent was seen by everyone at the dance!

The event itself was a huge success! ASB took complete advantage of the venue and transformed the California Education and Performing Arts Center in Ontario to the Encore Met Gala everyone was excited to see. Encore's Alumni Band kick-started the event with spectacular



performances by alumni and staff. During these performances the room glowed with Encore pride and spirit as everyone was out of their seat dancing and cheering their favorite teachers along. One of the most anticipated factors of the dance was the free tacos! Students and staff both enjoyed these tacos throughout the dance. Overall, it has been the most successful Encore Social we have seen yet!



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6.3

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INFO:

Staff Liaison Report – Jamie Waggoner



Exhibit
6.4

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INFO:

Dean of Academics Report – Julia Dolf

**Dean of Academics
Board Meeting Notes
February 3, 2020**

Teacher/Instructor Vacancies and Updates

Riverside:

-Part time Cirque Aerialist position remains vacant with a long term sub two days a week.

Hesperia:

-No vacancies

Critical needs and classroom wants for teachers

Riverside and Hesperia:

-N/A

Academic Events/Rallies etc...

Both

-The new schedule transition in Middle School is going well. Feedback from students has been positive.

-Benchmarks, Cyber high Unit 6 and 7 assessments are set for February.

-Rallies continue every Friday on each campus

-Student, Teacher and Employee of the Month continues.

-Informal Teacher Observations will continue.

-Meyer and Dolf met with both campuses to discuss the new changes. Meyer and Dolf to work on both campuses.

Riverside

-Providing extra support with TA's and aides to our middle school classes.

-Department Chair meeting has been rescheduled to next week.

Hesperia

-Dolf and Meyer to discuss the next meeting date for Department Chair meetings

Riverside Student to Teacher Complaints January 2020

Date	Student ID #	Teacher ID #	Reason	Action/Result
December-Janua	Multiple student complaints	339	Students report that teacher makes another student uncomfortable and is aggressive with student when student puts their academics first over higher level arts classes and teams.	Both deans worked with teacher and student. Student was purposely missing this teachers arts class to work in other academic class and missing important call times. Teacher and student worked things out and student knows to attend all call times. Executive team will meet with teacher as well.
1/29/2020	8143	All teachers	Student emiled complaint to a teacher in Hesperia about how she hates Cyber High and cannot learn from it. She wants an ASL teacher and not a computer program teaching her.	Contacted counselor, parents and teacher 450 in order to explain Cyber High and why it exists at Encore. Teacher created plans with student and parent about ways to get familiar with Cyber High so they can be more comfortable with the curriculum

Parent to Teacher Complaints- Riverside
January 2020

Date	Teacher ID	Reason	Action/Result
1/27/2020	613	Parent called and left message for the Dean of Academics about how their student is afraid to make a complaint about this teacher due to his aggressive behavior and comments in class. Parent wants the teacher observed on a daily basis, period by period.	Dean of Academics investigated the complaint for three days making observations throughout the school day. DOA observed that the teacher has great classroom management and demands students to work to their best and behave at their best. Ongoing observations will continue and executive team was notified of complaint.
1/17/2020	785	Email complaint came in from a parent stating that this teacher does not respond to emails or update grades. Parent had to reach out for two weeks until a response was provided.	Dean of Academics emailed teacher asking for them to respond to parent. A week later, teacher did not respond to parent. Dean of Academics called for a meeting with teacher discussing Encore policy of communicating with parents about student progress. DOA will add this goal to the teachers quarterly observations.



Exhibit
6.5

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INFO:

**Dean of Students Report – Stephen Nutter – No Report – Out
Sick**



Exhibit
6.6

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INFO:

Dean of Students Report – Ramsey Hassen - Riverside

Board Meeting – 2/3/20

Ramsey Hassen – Asst. Dean of Students

RIVERSIDE ASST. DEAN OF STUDENTS REPORT

- Campus aides have been instructed to reinforce our lanyard policy. We plan on teaming up with PAC to brainstorm ideas that will help reinforce students to wear lanyards.
- Meetings conducted with our campus aides were done to go over our weekly progress. Campus aides were very helpful in moving items for teachers this past week. All Items from Opera House Bld. have been relocated (except for items that need to be sent to storage).
- Flooring in H11 has been successfully reconstructed after being checked by inspectors. Dance classes have now returned to normal operations.
- Lately, we have been dealing with some vandalism in the restrooms. Students are taking items like soap, light bulbs, and drains and throwing away. This past week we were able to resolve this issue through thorough investigating. We also are no longer using pump soaps and have decided to use refillable dispensers in order to alleviate any issues in the future.
- Weekly and daily checklists/logs that are placed in bathrooms and buildings are now being collected and updated through my instruction while Curtis is out. I have also implemented a reward system for or campus aides to encourage teamwork, communication, and thorough cleaning of our buildings. Feedback from this new system has been positive.
- Next week, our goal is to reorganize and label all of our custodial stock in all buildings to make sure we are up-to-date and organized.



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6.7

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CLASSROOM F 29

Riverside

MEETING AT: 3460 Orange Street,
Riverside, CA 92501 – CLASSROOM H1

Board Members:

Suzanne Cherry, Board President

Rob Gabler, Board Vice President

Kelly Ahmed, Board Secretary/Treasurer

Evelyn Rojas, Board Member

Paula Gharib, Board Member

Mari Miller, Board Member

INFO:

Academic Director Report- Verbal – Jessica Meyer – District



Exhibit
6.8

February 3, 2020

Encore Education Corporation

Phone: (760) 949-2036

Fax (760) 956-3338

www.encorehighschool.com

Sites:

Hesperia

MEETING AT: 16955 Lemon Street, Hesperia, CA 92345 –
CLASSROOM F 29

Riverside

MEETING AT: 3460 Orange Street,
Riverside, CA 92501 – CLASSROOM H1

Board Members:

Suzanne Cherry, Board President

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Evelyn Rojas, Board Member

Paula Gharib, Board Member

Mari Miller, Board Member

INFO:

Riverside Mold Test Report

**General Environmental
Management Services, Inc. – Environmental Testing and Consulting**

INVOICE

INVOICE DATE: 1-20-20

INVOICE NO.: 2486A

CUSTOMER: Encore Education
16955 Lemon Street
Riverside, CA 92345

LOCATION: Encore High School
Room 11

GEM Job ID: 10241A

PO #:

Claim No.

Item #	Quantity	Description of Services	Price	Units	Total
1	1.0	On-site sample collection for mold	\$ 395.00	ea.	\$ 395.00
2	3.0	Air sample analysis for total spores	\$ 95.00	ea.	\$ 285.00
3	2.0	Surface sample analysis for total spores	\$ 95.00	ea.	\$ 190.00

TOTAL

\$ 870.00

Make Checks Payable to GEM Services

ALL INVOICES ARE DUE AND PAYABLE UPON RECEIPT. THOSE INVOICES NOT PAID WITHIN 30 DAYS OF INVOICE DATE ARE SUBJECT TO PENALTIES IN THE AMOUNT OF 1.5% OF THE TOTAL INVOICE AMOUNT PER MONTH.

PLEASE SEND PAYMENT TO:

**10808 FOOTHILL BLVD., #160-241
RANCHO CUCAMONGA, CA 91730**

10808 Foothill Blvd. #160-241, Rancho Cucamonga, CA 91730
(909) 980-7020

**General Environmental
Management Services, Inc. – Environmental Testing and Consulting**

January 20, 2020

Joe Griffin
Encore Education
16955 Lemon Street
Hesperia, CA 92345

Re: *Microbial sampling report;*
Encore High School, 3460 Orange Street, Riverside, CA – room 11

Pursuant to your request, GEM Services visited the structure at the above referenced location to measure the concentrations of fungal spores on surfaces and in the air.

Surface samples are collected to determine that fungal spores are not present at concentrations in excess of anticipated trappings (the type and quantity of fungal spores expected to be seen on surfaces where no significant mold proliferation is present). Air samples are collected to measure the concentrations of total fungal spores in the work areas, non-work areas and/or exterior of the structure. Post remediation air sampling criteria is defined as a comparison of the work area, non work area and/or exterior spore concentrations whereby the work area concentrations are similar to those measured outside the work area. Additionally, the types and distributions of spores should be consistent for the work area and those measured outside the work area.

Surface sampling for fungal spores:

2 samples (samples T1 through T2) were collected from randomly selected horizontal surfaces within the work area (see section 2 of this report for details on the sample locations). The samples were collected by pressing a piece of transparent tape (sticky side down) on to a horizontal surface and lightly pressing. The tape is then lifted off the surface and placed on to a clear microscope glass slide (sticky side down). The samples were submitted to Ecologics Laboratory for analysis.

The surface sample results detected the presence of fungal spores at anticipated trappings. Post remediation surface sampling criteria for fungal spores has been achieved.

Air sampling for total spores:

3 air samples (samples NVA-1 through NVA-3) were collected using “Allergenco-D” volumetric air samplers to measure the total fungal spore concentrations in the air. Two samples were collected from within the work area. One sample was collected from outdoors (see section 2 of this report for details on the sample locations). The samples collected outdoors will be used to compare the fungal spore concentrations in the work area. The air samples were submitted to Ecologics Laboratory for analysis.

10808 Foothill Blvd., #160-241, Rancho Cucamonga, CA 91730
(909) 980-7020

Post microbial remediation sampling report; Encore High School – room 11
January 20, 2020
Page two of two

The total airborne fungal spore concentrations in the work area were comparable to those measured outdoors with similar spore types and distributions.

In summary, the fungal spore concentrations in the work area appear typical and are consistent with those found outdoors.

The work conducted by GEM Services on this project was conducted in compliance with guidelines as published by the American Conference of Governmental Industrial Hygienists (ACGIH) *Bioaerosols; Assesment and Control (1999)*; and the American Industrial Hygiene Association (AIHA) *Field Guide for the Determination of Biological Contaminants in Environmental Samples (1997)*.

GEM Services appreciates the opportunity to assist you with this project. If you have any questions regarding this report, please contact the undersigned.

Best regards,



Joseph Johnson, Industrial Hygienist,
CIAQC, CIEC,
Principal, GEM Services



Ecology Laboratories
1012 Segovia Circle, Placentia, CA 92870

Spore trap Fungal Report

Company: General Environmental Management Services
Address : 11010 Arrow Route, Rancho Cucamonga, CA
Phone : (800)886-2589
E-mail : joej@solangem.org

Project Name : Encove H.S. Rm 11
Project No : 10241
Project Location: 3460 Orange St Riverside, CA
Lab Order No.: 20011715
Date Collected: 01/16/2020
Date Received: 01/17/2020
Date Reported: 01/18/2020

Location/ Client ID Lab ID Volume	Spore Types																				Total Fungi / Spores Level	Insect Fragment	Skin Fragments (1-5)	Fibrous Particulate (1-5)	Background (1-5)				
	Alternaria	Arthrinium	Asco-sporia	Basidiospores	Bipolaris/Drechislera group	Botrytis	Chaetomium	Cladosporium	Curvularia	Epicoccum	Fusarium	Nigrospora	Other Brown	Penicillium/Aspergillus types	Rusts	Scopulariopsis	Smuts, Myxomycetes	Stachybotrys	Stemphylium	Torula						Ulocladium	Zygomycetes	Other:	
North parking lot - Outdoors /NVA 1 /20011715.01 /75	Raw Count.	8					3	1	2		27				2	12							3	31					
	Spores/m3	107					40	13	27		27				27	160							40	/					
	Comparison Chart																												
Rm 11 - IWA /NVA 2 /20011715.02 /75	Raw Count.	5				2			3						9								3	22					
	Spores/m3	67				27			40						120								40	/					
	Comparison Chart																												

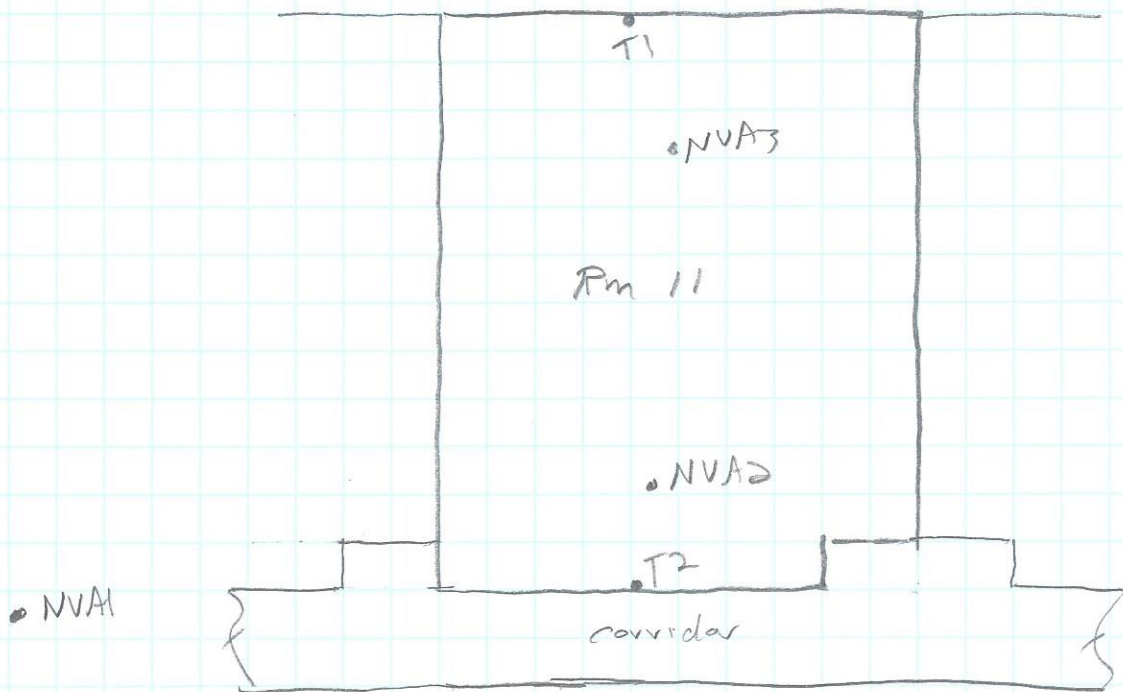
Spores Level

Comparison Chart	High level (Greater than 1000)	Intermediate level (100-1000 Spores)	Light contamination (11-99 Spores)	Few spores found (1-10 Spores)	None detected (0)

Hugo Fuentes MD-Analyst

Armando Ducoing - Approved By

Analytical results and reports are generated by Ecology Laboratories at the request of and for the exclusive use of the person or entity (client) named on such report. Results, reports or copies of same will not be released by Ecology Laboratories to any third party without prior written request from client. This report applies only to the sample(s) tested. Supporting laboratory documentation is available upon request. This report must not be reproduced except in full, unless approved by Ecology Laboratories. The Client is solely responsible for the use and interpretation of test results and reports requested from Ecology Laboratories. Ecology Laboratories is not able to assess the degree of hazard resulting from materials analyzed. Ecology Laboratories reserves the right to dispose of all samples after a period of thirty (30) days, according to all state and federal guidelines, unless otherwise specified. Unless otherwise noted, these samples were not blank corrected. All samples were received in acceptable condition unless otherwise noted.



Site Sketch

Encore H.S. - Rm 11

• Sample Locations



Exhibit
6.9

February 3, 2020

Encore Education Corporation

Phone: (760) 949-2036

Fax (760) 956-3338

www.encorehighschool.com

Sites:

Hesperia

MEETING AT: 16955 Lemon Street, Hesperia, CA 92345 –
CLASSROOM F 29

Riverside

MEETING AT: 3460 Orange Street,
Riverside, CA 92501 – CLASSROOM H1

Board Members:

Suzanne Cherry, Board President

Rob Gabler, Board Vice President

Kelly Ahmed, Board Secretary/Treasurer

Evelyn Rojas, Board Member

Paula Gharib, Board Member

Mari Miller, Board Member

INFO:

COO Verbal Report



Exhibit
6.10

February 3, 2020

Encore Education Corporation

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www.encorehighschool.com

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Hesperia

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Riverside

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Rob Gabler, Board Vice President

Kelly Ahmed, Board Secretary/Treasurer

Evelyn Rojas, Board Member

Paula Gharib, Board Member

Mari Miller, Board Member

INFO:

CEO Verbal Report



Exhibit
6.11

February 3, 2020

Encore Education Corporation

Phone: (760) 949-2036

Fax (760) 956-3338

www.encorehighschool.com

Sites:

Hesperia

MEETING AT: 16955 Lemon Street, Hesperia, CA 92345 –
CLASSROOM F 29

Riverside

MEETING AT: 3460 Orange Street,
Riverside, CA 92501 – CLASSROOM H1

Board Members:

Suzanne Cherry, Board President

Rob Gabler, Board Vice President

Kelly Ahmed, Board Secretary/Treasurer

Evelyn Rojas, Board Member

Paula Gharib, Board Member

Mari Miller, Board Member

INFO:

PAC Chair - Riverside



Exhibit
6.12

February 3, 2020

Encore Education Corporation

Phone: (760) 949-2036

Fax (760) 956-3338

www.encorehighschool.com

Sites:

Hesperia

MEETING AT: 16955 Lemon Street, Hesperia, CA 92345 –
CLASSROOM F 29

Riverside

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Rob Gabler, Board Vice President

Kelly Ahmed, Board Secretary/Treasurer

Evelyn Rojas, Board Member

Paula Gharib, Board Member

Mari Miller, Board Member

INFO:

PAC Chair - Hesperia



Exhibit
7.1

February 3, 2020

Encore Education Corporation

Phone: (760) 949-2036

Fax (760) 956-3338

www.encorehighschool.com

Sites:

Hesperia

MEETING AT: 16955 Lemon Street, Hesperia, CA 92345 –
CLASSROOM F 29

Riverside

MEETING AT: 3460 Orange Street,
Riverside, CA 92501 – CLASSROOM H1

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Suzanne Cherry, Board President

Rob Gabler, Board Vice President

Kelly Ahmed, Board Secretary/Treasurer

Evelyn Rojas, Board Member

Paula Gharib, Board Member

Mari Miller, Board Member

INFO:

**Audited Actuals Year Ended June 30, 2019 – Clifton Larson
Allen., LLP**



CliftonLarsonAllen LLP
CLAconnect.com

To the Board of Encore Education Corporation

We have audited the financial statements of Encore Education Corporation as of and for the year ended June 30, 2019, and have issued our report thereon dated January 17, 2020. We have previously communicated to you information about our responsibilities under auditing standards generally accepted in the United States of America, *Government Auditing Standards*, and Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the *2018-19 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, published by the Education Appeals Panel, as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

Significant audit findings

Qualitative aspects of accounting practices

Accounting policies

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Encore Education Corporation are described in Note 1 to the financial statements.

As described in Note 1, the Organization changed accounting policies related to the change in accounting principle by adopting Financial Accounting Standards Board (FASB) Accounting Standards Update No. 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*, in 2019. Accordingly, the accounting change has been retrospectively applied to prior periods presented as if the policy had always been used.

We noted no transactions entered into by the entity during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates

Accounting estimates are an integral part of the 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 financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There were no accounting estimates affecting the financial statements which were particularly sensitive or required substantial judgments by management.

Financial statement disclosures

The financial statement disclosures are neutral, consistent, and clear.

Difficulties encountered in performing the audit

We encountered some difficulties related to audit adjustments and state compliance findings in performing and completing our audit. This delayed the issuance of the report past the state audit deadline.

Uncorrected misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements.

Corrected misstatements

The attached schedule summarizes all misstatements (material and immaterial) detected as a result of audit procedures that were corrected by management.

Disagreements with management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. No such disagreements arose during our audit.

Management representations

We have requested certain representations from management that are included in the management representation letter dated January 17, 2020.

Management consultations 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 the entity's financial statements or a determination of the type of auditors' 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.

Significant issues discussed with management prior to engagement

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to engagement as the entity's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our engagement.

Other audit findings or issues

The following describes findings or issues arising from the audit that are, in our professional judgment, significant and relevant to your oversight of the financial reporting process:

- 2019-001 Significant Deficiency in Financial Close and Reporting
- 2019-002 Unduplicated Count
- 2019-003 P-2 Attendance

The entity's ability to continue as a going concern

The following conditions and events, when considered in the aggregate and after considering management's plans, caused us to conclude that substantial doubt about the entity's ability to continue as a going concern for a reasonable time remains:

- Deficit net assets

These conditions and events and management's plans for addressing them are disclosed in Note 8 to the financial statements. Management's use of the going concern basis of accounting, when relevant, is appropriate in the preparation of the financial statements. We concluded the disclosures are adequate. The outcome of these uncertainties could result in the realizability of assets and the settlement of liabilities at amounts materially different than their carrying values in the financial statements which were prepared on a going concern basis.

Other information in documents containing audited financial statements

With respect to the supplementary information accompanying the financial statements, on which we were engaged to report in relation to the financial statements as a whole, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period or the reasons for such changes, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves. We have issued our report thereon dated January 17, 2020. With respect to the schedules required by the *2018-2019 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, published by the Education Audit Appeals Panel (Local Education Agency Organization Structure, Schedule of Instructional Time, Schedule of Average Daily Attendance, Reconciliation of Annual Financial Report with Audited Financial Statements), accompanying the financial statements, on which we were engaged to report in relation to the financial statements as a whole, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period or the reasons for such changes, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves. We have issued our report thereon dated January 17, 2020.

Other information in documents containing audited financial statements

With respect to the schedule of expenditures of federal awards (SEFA) accompanying the financial statements, on which we were engaged to report in relation to the financial statements as a whole, we made certain inquiries of management and evaluated the form, content, and methods of preparing the SEFA to determine that the SEFA complies with the requirements of the Uniform Guidance, the method of preparing it has not changed from the prior period or the reasons for such changes, and the SEFA is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the SEFA to the underlying accounting records used to prepare the financial statements or to the financial statements themselves. We have issued our report thereon dated January 17, 2020.

With respect to the Local Education Agency Organization Structure, Schedule of Instructional Time, Schedule of Average Daily Attendance, and Reconciliation of Annual Financial Report with Audited Financial Statements (collectively, the supplementary information) accompanying the financial statements, on which we were engaged to report in relation to the financial statements as a whole, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period or the reasons for such changes, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves. We have issued our report thereon dated January 17, 2020.

Our auditors' opinion, the audited financial statements, and the notes to financial statements should only be used in their entirety. Inclusion of the audited financial statements in a document you prepare, such as an annual report, should be done only with our prior approval and review of the document.

Other audit issues and upcoming new standards

Recent accounting standards

Our promise is to get to know you and help you. For your consideration, we provided recent accounting standards applicable to your entity.

Revenue recognition –

- Effective for fiscal years beginning after December 15, 2017 for public entities and December 15, 2018 for nonpublic entities. For your entity – June 30, 2020's financial statements. Early adoption is permitted.
- Principles-based revenue standard to be applied to all industries.
- 5-step process for revenue recognition.
- Recognize revenue when an entity transfers goods or services to a customer, the amount recognized should represent the consideration to which the entity expects to be entitled.

Statement of cash flows –

- Effective for fiscal years beginning after December 15, 2017 for public entities and December 15, 2018 for nonpublic entities. For your entity – June 30, 2020's financial statements.
- Streamlines activities between cash and restricted cash as operating, investing or financing, or as a combination of those activities.
- Provides explanation for the change in cash, cash equivalents and restricted cash.

Grants and Contracts –

- Effective for fiscal years beginning after June 15, 2018 for public entities and December 15, 2018 for nonpublic entities. For your entity – June 30, 2020's financial statements.
- Provides decision trees to assist in evaluating transactions in determining revenue recognition of grant and contracts.
- Defines nonreciprocal transactions (contributions) and conditional contributions that have been placed on the resourced provided.
- Conditional contributions only if both criteria exist:

- Contributor retains either a right of return to the resources provided, and,
- An entity must overcome a barrier in order to be entitled to the resources provided.
- Refers to the revenue recognition standard for reciprocal transactions (exchange).

Leases –

- Effective for fiscal years beginning after December 15, 2019 for public entities and December 15, 2020 for nonpublic entities. For your entity – June 30, 2022's financial statements.
- Requires lessees to recognize the assets and liabilities arising from all leases on the statement of financial position.
- A lessee should recognize the liability to make lease payments (the lease liability) and a right-of-use asset representing its right to use the underlying asset for the lease term.
- Continued differentiation between finance and operating leases.

* * *

This communication is intended solely for the information and use of the Board of Directors and management of Encore Education Corporation and is not intended to be, and should not be, used by anyone other than these specified parties.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Glendora, CA
January 17, 2020

Corrected Misstatements

Account	Description	Debit	Credit
Adjusting Journal Entries JE # 1			
Audit identified AJE to move ABM Energy Retrofit Project out of WIP, project was completed on 9/28/18.			
62-6900	Central Admin-Depreciation	8,872.00	
62-9440	Equipment	315,205.00	
62-9445	Accumulated Depreciation - Equipment		8,872.00
62-9450	Work in Progress		315,205.00
Total		324,077.00	324,077.00
Adjusting Journal Entries JE # 6			
Audit identified AJE to correct the year end accrual of the Facility Grant (SB740) Funding			
09-8590	Other State Revenue	82,726.00	
62-8590	Other State Revenue	18,238.00	
09-9200	Accounts Receivable		82,726.00
62-9200	Accounts Receivable		18,238.00
Total		100,964.00	100,964.00
Adjusting Journal Entries JE # 7			
Audit identified AJE to record the Deferred Rent Liability from the leases for Riverside			
09-5610	Facility Rents & Leases-Rent & Leases	46,230.00	
09-9495	Lease Adj for SL Amortization (Riverside)		46,230.00
Total		46,230.00	46,230.00
Adjusting Journal Entries JE # 8			
Audit identified AJE to accrue for the settlement cost paid in FY 19.20 for the Cross Complaint against RUSD			
09-5810	Central Admin-Legal	28,500.00	
09-9550	Prior Year AP		28,500.00
Total		28,500.00	28,500.00
	Total Adjusting Journal Entries	816,549.00	816,549.00

ENCORE EDUCATION CORPORATION
**ENCORE JR./SR. HIGH SCHOOL FOR THE PERFORMING &
VISUAL ARTS - #0971**
ENCORE HIGH SCHOOL FOR THE ARTS – RIVERSIDE - #1747
**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**
YEAR ENDED JUNE 30, 2019



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**WEALTH ADVISORY
OUTSOURCING
AUDIT, TAX, AND
CONSULTING**

**ENCORE EDUCATION CORPORATION
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YEAR ENDED JUNE 30, 2019**

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Encore Education Corporation
Hesperia, California

Report on the Financial Statements

We have audited the accompanying financial statements of Encore Education Corporation (the Organization), a California nonprofit public benefit corporation, which comprise the statement of financial position as of June 30, 2019, and the related statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to on page 1 present fairly, in all material respects, the financial position of the Organization as of June 30, 2019, 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.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the Organization's financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. The accompanying supplementary schedules are presented for purposes of additional analysis and are not a required part of the basic 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 information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated January 17, 2020 on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness on 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.



CliftonLarsonAllen LLP

Glendora, California
January 17, 2020

ENCORE EDUCATION CORPORATION
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2019

ASSETS	Encore Jr. Sr. High School for the Performing and Visual Arts	Encore High School for the Arts - Riverside	Total
CURRENT ASSETS			
Cash and Cash Equivalents	\$ 2,098,817	\$ 865,428	\$ 2,964,245
Accounts Receivable - Federal and State	1,016,018	1,629,535	2,645,553
Prepaid Expenses and Other Assets	31,578	114,423	146,001
Total Current Assets	3,146,413	2,609,386	5,755,799
LONG-TERM ASSETS			
Deferred Rent Asset	856,503	-	856,503
Property, Plant, and Equipment, Net	910,852	1,383,863	2,294,715
Total Long-Term Assets	1,767,355	1,383,863	3,151,218
Total Assets	\$ 4,913,768	\$ 3,993,249	\$ 8,907,017
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES			
Accounts Payable and Accrued Liabilities	\$ 625,387	\$ 755,658	\$ 1,381,045
Deferred Rent Liability	-	46,230	46,230
Factored Receivables	3,951,742	3,757,343	7,709,085
Capital Lease, Current Portion	43,318	36,327	79,645
Revolving Loan Payable, Current Portion	-	50,000	50,000
Settlement Payable, Current Portion	150,000	100,000	250,000
Total Current Liabilities	4,770,447	4,745,558	9,516,005
LONG-TERM LIABILITIES			
Capital Lease	26,300	26,300	52,600
Revolving Loan Payable	-	50,002	50,002
Settlement Payable	262,500	175,000	437,500
Total Long-Term Liabilities	288,800	251,302	540,102
NET ASSETS			
Without Donor Restriction	(145,479)	(1,003,611)	(1,149,090)
Total Net Assets	(145,479)	(1,003,611)	(1,149,090)
Total Liabilities and Net Assets	\$ 4,913,768	\$ 3,993,249	\$ 8,907,017

See accompanying Notes to Financial Statements.

**ENCORE EDUCATION CORPORATION
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2019**

	<u>Encore Jr. Sr. High School for the Performing and Visual Arts</u>	<u>Encore High School for the Arts - Riverside</u>	<u>Total</u>
REVENUES, WITHOUT DONOR RESTRICTION			
State Revenue:			
State Aid	\$ 8,936,085	\$ 5,971,131	\$ 14,907,216
Other State Revenue	2,171,453	1,625,641	3,797,094
Federal Revenue:			
Grants and Entitlements	580,525	235,419	815,944
Local Revenue:			
In-Lieu Property Tax Revenue	345,062	1,466,175	1,811,237
Other Revenue	(27,962)	69,809	41,847
Net Asset Released from Restrictions	101,594	-	101,594
Total Revenues	<u>12,106,757</u>	<u>9,368,175</u>	<u>21,474,932</u>
EXPENSES			
Program Services	8,916,510	7,271,710	16,188,220
Management and General	2,540,165	2,252,688	4,792,853
Total Expenses	<u>11,456,675</u>	<u>9,524,398</u>	<u>20,981,073</u>
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTION	650,082	(156,223)	493,859
REVENUES, WITH DONOR RESTRICTION			
Net Asset Released from Restrictions	<u>(101,594)</u>	<u>-</u>	<u>(101,594)</u>
CHANGE IN NET ASSETS WITH DONOR RESTRICTION	<u>(101,594)</u>	<u>-</u>	<u>(101,594)</u>
CHANGE IN NET ASSETS	<u>548,488</u>	<u>(156,223)</u>	<u>392,265</u>
Net Assets, Beginning of Year	<u>(693,967)</u>	<u>(847,388)</u>	<u>(1,541,355)</u>
NET ASSETS, END OF YEAR	<u>\$ (145,479)</u>	<u>\$ (1,003,611)</u>	<u>\$ (1,149,090)</u>

See accompanying Notes to Financial Statements.

ENCORE EDUCATION CORPORATION
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2019

	Encore Jr. Sr. High School for the Performing and Visual Arts	Encore High School for the Arts - Riverside	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Change in Net Assets	\$ 548,488	\$ (156,223)	\$ 392,265
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:			
Depreciation	173,463	221,878	395,341
Change in Operating Assets:			
Accounts Receivable - Federal and State	(203,489)	(702,297)	(905,786)
Intracompany Receivable	205,500	-	205,500
Prepaid Expenses and Other Assets	(1,637)	(87,075)	(88,712)
Deferred Rent Asset	(259,558)	-	(259,558)
Change in Operating Liabilities:			
Accounts Payable and Accrued Liabilities	(68,214)	315,662	247,448
Deferred Rent Liability	-	46,230	46,230
Intercompany Payable	-	(205,500)	(205,500)
Net Cash Provided (Used) by Operating Activities	<u>394,553</u>	<u>(567,325)</u>	<u>(172,772)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of Property, Plant, and Equipment	(338,128)	(211,895)	(550,023)
Net Cash Used by Investing Activities	<u>(338,128)</u>	<u>(211,895)</u>	<u>(550,023)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Net Proceeds from Factored Receivables	(64,818)	731,717	666,899
Payments on Revolving Loan	-	(49,998)	(49,998)
Repayments on Capital Lease	(31,711)	(4,927)	(36,638)
Repayments of Notes Payable	(150,000)	(595,000)	(745,000)
Net Cash Provided (Used) by Financing Activities	<u>(246,529)</u>	<u>81,792</u>	<u>(164,737)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	(190,104)	(697,428)	(887,532)
Cash and Cash Equivalents, Beginning of Year	<u>2,288,921</u>	<u>1,562,856</u>	<u>3,851,777</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 2,098,817</u>	<u>\$ 865,428</u>	<u>\$ 2,964,245</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION			
Cash Paid for Interest	<u>\$ 519,688</u>	<u>\$ 221,878</u>	<u>\$ 741,566</u>

See accompanying Notes to Financial Statements.

ENCORE EDUCATION CORPORATION
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2019

	<u>Program Services</u>	<u>Management and General</u>	<u>Total Expenses</u>
Salaries and Wages	\$ 8,609,658	\$ 610,308	\$ 9,219,966
Pension Expense	1,385,176	109,773	1,494,949
Other Employee Benefits	1,258,683	84,026	1,342,709
Payroll Taxes	373,504	30,580	404,084
Management Fees	-	166,132	166,132
Legal Expenses	28,500	44,929	73,429
Accounting Expenses	-	347,387	347,387
Instructional Materials	277,561	10,135	287,696
Other Fees for Services	1,843,403	1,134,683	2,978,086
Advertising and Promotion Expenses	31,878	64,939	96,817
Office Expenses	14,778	78,248	93,026
Occupancy Expenses	1,720,198	1,084,669	2,804,867
Travel Expenses	23,222	57,485	80,707
Interest Expense	-	741,566	741,566
Depreciation Expense	188,720	89,752	278,472
Insurance Expense	223,914	95,965	319,879
Other Expenses	209,025	42,276	251,301
	<u>\$ 16,188,220</u>	<u>\$ 4,792,853</u>	<u>\$ 20,981,073</u>
Total	<u>\$ 16,188,220</u>	<u>\$ 4,792,853</u>	<u>\$ 20,981,073</u>

See accompanying Notes to Financial Statements.

ENCORE EDUCATION CORPORATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Encore Education Corporation (the Organization) is a California nonprofit public benefit corporation and is organized to manage and operate a public charter school. For the year ended June 30, 2019, the Organization operated two public charter schools: Encore Jr./Sr. High School for the Performing and Visual Arts and Encore High School for the Arts – Riverside (the Schools). The mission of the Schools is to provide a creative, challenging, and nurturing environment that offers students innovative preparation for a university education and pursuit of the arts.

On October 22, 2007, the Hesperia Unified School District (HUSD) (Sponsor) approved the petition of a charter for the establishment and operation of Encore Jr./Sr. High School for the Performing and Visual Arts (Hesperia). Hesperia's current charter granted is for the term of five years beginning July 1, 2016 through June 30, 2021. Hesperia is a site-based, traditional calendar charter school, serving students in seventh through twelfth grades.

On December 8, 2014, the Riverside Unified School District (RUSD) (Sponsor) approved the petition of a charter for the establishment and operation of Encore High School for the Arts – Riverside (Riverside). Riverside's current charter granted is for the term of five years beginning July 1, 2015 through June 30, 2020. Riverside is a site-based, traditional calendar charter school, serving students in seventh through tenth grades. Riverside will expand its program to eventually serve students in seventh through twelfth grades over the next two years.

The Schools are charter schools organized and existing under the laws of the state of California. The Schools receive most of their funding from both state sources and local taxes through the state of California general-purpose entitlement funding system. Charters may be revoked by the sponsoring district for material violations of the charter, failure to meet student goals identified in the charter, failure to meet generally accepted standards of fiscal management, or violation of any provision of the law.

Basis of Accounting

The financial statements have been prepared on the accrual method of accounting and accordingly reflect all significant receivables and liabilities.

Basis of Presentation

The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America as prescribed by the Financial Accounting Standards Board.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and disclosures. Accordingly, actual results could differ from those estimates.

ENCORE EDUCATION CORPORATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Functional Allocation of Expenses

Costs of providing the Organization's programs and other activities have been presented in the statement of functional expenses. During the year, such costs are accumulated into separate groupings as either direct or indirect. Indirect or shared costs are allocated among program and support services by a method that best measures the relative degree of benefit.

Cash and Cash Equivalents

The Organization defines its cash and cash equivalents to include only cash on hand, demand deposits, and liquid investments with original maturities of three months or less.

Net Asset Classes

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor imposed 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 (or certain grantor) restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed 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-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Accounts Receivable

Accounts receivable primarily represent amounts due from federal and state governments as of June 30, 2019. Management believes that all receivables are fully collectible; therefore, no provisions for uncollectible accounts were recorded.

Property and Equipment

Property and equipment are recorded at cost when purchased. Donated fixed assets are recorded at fair value on the date of donation. Purchases and donations greater than \$5,000 are capitalized. Contributions of donated property and equipment are reported as increases to net assets without donor restriction unless the donor has stipulated that the donation has a specific purpose. Expenditures for repairs and maintenance are charged to expense as incurred, whereas renewals and betterments that extend the lives of property are capitalized. Depreciation is computed on the straight-line method over the estimated useful lives of the assets. The Schools are both in the progress of renovating facilities used for instructional purposes. Amounts paid to contractors and costs associated with the renovation have been recorded as construction in progress in the accompanying statement of financial position.

ENCORE EDUCATION CORPORATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property Taxes

Secured property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on September 1 and are payable in two installments on or before November 1 and February 1. Unsecured property taxes are not a lien against real property and are payable in one installment on or before August 31. The County bills and collects property taxes for all taxing agencies within the County and distributes these collections to the various agencies. The sponsor agency of the Organization is required by law to provide in-lieu property tax payments on a monthly basis, from August through July. The amount paid per month is based upon an allocation per student, with a specific percentage to be paid each month.

Revenue Recognition

Amounts received from the California Department of Education are recognized as revenue by the Organization based on the average daily attendance (ADA) of students. Revenue that is restricted is recorded as an increase in net assets without donor restriction, if the restriction expires in the reporting period in which the revenue is recognized. All other restricted revenues are reported as increases in net assets with donor restriction.

Contributions

All contributions are considered to be available for use unless specifically restricted by the donor. Amounts received that are restricted to specific use or future periods are reported as contributions with donor restrictions. Restricted contributions that are received and released in the same period are reported as promises to give without donor restrictions. Unconditional promises to give expected to be received in one year or less are recorded at net realizable value. Unconditional promises to give expected to be received in more than one year are recorded at fair value at the date of the promise. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met.

Income Taxes

The Organization is a nonprofit entity exempt from the payment of income taxes under Internal Revenue Code Section 501(c)(3) and California Revenue and Taxation Code Section 23701d. Accordingly, no provision has been made for income taxes. Management has determined that all income tax positions are more likely than not of being sustained upon potential audit or examination; therefore, no disclosures of uncertain income tax positions are required. The Organization is subject to income tax on net income that is derived from business activities that are unrelated to the exempt purposes. The Organization files an exempt return and applicable unrelated business income tax return in the U.S. federal jurisdiction and with the California Franchise Tax Board.

ENCORE EDUCATION CORPORATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Change in Accounting Principle

On August 18, 2016, FASB issued Accounting Standards Update (ASU) 2016-14, Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. The Organization has implemented ASU 2016-14 and have adjusted the presentation in these financial statements accordingly.

Subsequent Events

The Organization has evaluated subsequent events through January 17, 2020, the date these financial statements were available to be issued.

NOTE 2 LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure are those without donor or other restrictions limiting their use within one year of the statement of financial position date. Financial assets available for general expenditures comprise cash and cash equivalents and grants receivable for the total amount of \$5,609,798.

As part of the Organization's liquidity management plan, they invest cash in excess of daily requirements in short term investments, CDs, and money market funds.

NOTE 3 CONCENTRATION OF CREDIT RISK

The Organization maintains cash balances held in banks which are insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC). At times, cash in this account exceeds the maximum insured amount. The Organization has not experienced any losses regarding this account and believes it is not exposed to any significant credit risk on its cash and cash equivalents.

NOTE 4 PROPERTY, PLANT, AND EQUIPMENT

Property, plant, and equipment in the accompanying financial statements are presented net of accumulated depreciation. Depreciation expense for the year ended June 30, 2019 was \$278,472.

The components of property, plant, and equipment as of June 30, 2019 are as follows:

Building	\$ 1,246,838
Furniture, Fixtures, and Equipment	2,337,935
Less: Accumulated Depreciation and Amortization	<u>(1,290,058)</u>
Property, Plant, and Equipment, Net	<u>\$ 2,294,715</u>

ENCORE EDUCATION CORPORATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 5 DEBT

Factored Receivables

The Organization has entered into multiple agreements to factor receivables. The amount of factored receivables due at June 30, 2019 was \$7,709,085.

Capital Lease

The Organization leases certain equipment under three capital lease agreements with a combined capitalized cost of \$524,826. There are two leases, which mature in August 2019 and June 2021 and bears an interest rate of 6.98% and 8.00%, respectively. The outstanding balance under these leases at June 30, 2019 was \$132,245.

Future minimum lease payments under the lease agreement are as follows:

<u>Year Ending June 30.</u>	<u>Amount</u>
2020	\$ 86,220
2021	50,850
2022	4,238
Subtotal	<u>141,308</u>
Less: Interest	(9,063)
Total	<u><u>\$ 132,245</u></u>

Charter School Revolving Loan

Charter School Revolving Loan Fund Program approved by the California School Finance Authority in the amount of \$250,000. The note is dated August 12, 2015, with principal payment offsets occurring six times annually for five years with final payment in March 2021, and bears an interest rate of .035%.

Settlement Payable

On January 22, 2018, the Organization entered into a Settlement Agreement with Gaines & Gaines APLC on behalf of current and former employees relating to three areas of wage/hour administrative requirement penalties, including (a) paying employees monthly vs. semimonthly or biweekly; (b) sufficiently itemized wage statements containing the full name of the nonprofit corporation as IRS employer as well as the charter school name and including hourly rate detail vs. total pay amount only; and (c) payment of final paycheck on regularly scheduled payday vs. within 72 hours of resignation. The total amount of the Settlement Agreement is \$1,000,000, payable in sixteen (16) quarterly payments of \$62,500 beginning June 15, 2018 and ending March 15, 2022. All payments have been made on time and in full. The outstanding balance on the Settlement Agreement as of June 30, 2019 is \$687,500.

ENCORE EDUCATION CORPORATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 5 DEBT (CONTINUED)

The schedule of repayment of debt is as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2020	\$ 250,000
2021	250,000
2022	187,500
Total	<u>\$ 687,500</u>

NOTE 6 RELATED PARTIES

The chief operating officer is the husband of the chief executive officer. Both have extensive backgrounds in business operations and management, and the chief operating officer is a veteran certificated teacher. There are other related parties that are employed by the Organization. However, pursuant to Encore Education policy, no such relationship exists between any employee of the school and a member of the board. Moreover, the board and unrelated employee supervisors oversee all such related employees, and all decisions related to their employment and compensation.

Bonds Payable – Western Encore Properties

On November 1, 2016, Western Encore Properties Incorporated, a California nonprofit public benefit corporation (the Borrower), borrowed a total of \$17,440,000 by issuing Charter School Revenue Bonds (the 2016 Revenue Bonds) through the California School Finance Authority.

The Borrower established 16955 Lemon Street, LLC (the LLC), a wholly owned subsidiary of the Borrower, to act as the holder of the Organization’s main school campus located at 16955 Lemon Street in Hesperia, California (the Encore Facility). The LLC has no other activities. The LLC is expected to have no assets, other than holding title to the Encore Facility, and is expected to have no revenue other than payments received pursuant to the Lease Agreement described below.

At issuance, the entire proceeds of the 2016 Revenue Bonds were loaned to the LLC to i) finance certain costs of the acquisition, construction, improvement, equipping, and furnishing of the Encore Facility at 16955 Lemon Street, ii) fund a debt service reserve account, and iii) pay the costs of issuance for the 2016 Revenue Bonds.

Under the terms of the 2016 Revenue Bonds, the LLC then leased the campus to the Corporation pursuant to a Lease Agreement, dated November 1, 2016. The payments under this Lease Agreement match the principal and interest payments on the 2016 Revenue Bonds, and are automatically intercepted by the California School Finance Authority on a quarterly basis and transferred to US Bank Trust Company, the trustee for the 2016 Revenue Bonds. The trustee then applies all such payments semiannually to make the principal and interest payments to holders of the 2016 Revenue Bonds.

**ENCORE EDUCATION CORPORATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

NOTE 6 RELATED PARTIES (CONTINUED)

The Corporation has pledged all assets and revenues of its Hesperia campus towards payment of these lease payments. The Corporation's Riverside campus is not a member of the "obligated group" of these 2016 Revenue Bonds, which were used solely by the Hesperia campus and are paid from the Hesperia campus' revenues each year. Future maturities of the bonds are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2020	\$ 500,000
2021	355,000
2022	215,000
2023	225,000
2024	240,000
Thereafter	<u>14,625,000</u>
Total	<u>\$ 16,160,000</u>

NOTE 7 EMPLOYEE RETIREMENT

Multi-Employer Defined Benefit Pension Plan

Qualified employees are covered under multi-employer defined benefit pension plans maintained by agencies of the state of California.

The risks of participating in these multi-employer defined benefit pension plans are different from single-employer plans because: (a) assets contributed to the multi-employer plan by one employer may be used to provide benefits to employees of other participating employers, (b) the required member, employer, and state contribution rates are set by the California Legislature, and (c) if the Organization chooses to stop participating in the multi-employer plan, it may be required to pay a withdrawal liability to the plan. The Organization has no plans to withdraw from this multi-employer plan.

State Teachers' Retirement System (STRS)

Plan Description

The Organization contributes to the State Teachers' Retirement System (STRS), a cost-sharing multi-employer public employee retirement system defined benefit pension plan administered by STRS. Plan information for STRS is not publicly available. The plan provides retirement, disability and survivor benefits to beneficiaries. Benefit provisions are established by state statutes, as legislatively amended, within the State Teachers' Retirement Law. According to the most recently available Comprehensive Annual Financial Report and Actuarial Valuation Report for the year ended June 30, 2018, total STRS plan net assets are \$225 billion, the total actuarial present value of accumulated plan benefits is \$374 billion, contributions from all employers totaled \$4.9 billion, and the plan is 64% funded. The Organization did not contribute more than 5% of the total contributions to the plan.

Copies of the STRS annual financial reports may be obtained from STRS, 7667 Folsom Boulevard, Sacramento, CA 95826 and www.calstrs.com.

**ENCORE EDUCATION CORPORATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

NOTE 7 EMPLOYEE RETIREMENT (CONTINUED)

Funding Policy

Active plan members hired before January 1, 2013 are required to contribute 10.25% of their salary and those hired after are required to contribute 9.205% of their salary. The Organization is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by the STRS Teachers' Retirement Board. Under the 2014 funding plan, employer contributions on compensation creditable to the program will increase every year for the next seven years, up to 19.10% in 2020–21. The required employer contribution rate for year ended June 30, 2019 was 16.28% of annual payroll. The contribution requirements of the plan members are established and may be amended by state statute.

The Organization's contributions to STRS for the past three years are as follows:

<u>Year Ending June 30,</u>	<u>Required Contribution</u>	<u>Percent Contributed</u>
2017	\$ 527,029	100 %
2018	\$ 685,076	100 %
2019	\$ 785,803	100 %

Public Employees' Retirement System (PERS)

Plan Description

The Organization contributes to the Schools Employer Pool under the California Public Employees' Retirement System (CalPERS), a cost-sharing multi-employer public employee retirement system defined benefit pension plan administered by CalPERS. Plan information for PERS is not publicly available. The plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by state statutes, as legislatively amended, within the Public Employees' Retirement Law. According to the most recently available Actuarial Valuation Report for the year ended June 30, 2017, the Schools Employer Pool total plan assets are \$60.9 billion, the present value of accumulated plan benefits is \$99.6 billion, contributions from all employers totaled \$1.8 billion, and the plan is 72.1% funded. The Organization did not contribute more than 5% of the total contributions to the plan.

Copies of the CalPERS' annual financial reports may be obtained from the CalPERS Executive Office, 400 P Street, Sacramento, CA 95814 and www.calpers.ca.gov.

Funding Policy

Active plan members brought into PERS membership prior to January 1, 2013 are required to contribute 7.0% of their salary while new members after January 1, 2013 are required to contribute 6.0% of their salary. The Organization is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by the CalPERS Board of Administration. The required employer contribution rate for year ended June 30, 2019 was 18.062%. The contribution requirements of the plan members are established and may be amended by state statute.

ENCORE EDUCATION CORPORATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 7 EMPLOYEE RETIREMENT (CONTINUED)

The Organization's contributions to PERS for each of the last three years are as follows:

<u>Year Ending June 30,</u>	<u>Required Contribution</u>	<u>Percent Contributed</u>
2017	\$ 701,109	100 %
2018	\$ 769,089	100 %
2019	\$ 709,146	100 %

NOTE 8 OPERATING LEASES

The Organization occupies office and classroom space for its operations and educational programs under separate operating leases. Total expense for rental of space under operating leases was \$2,276,230 for the year ended June 30, 2019. The property is being financed by the issuance of \$17,440,000 in Charter School Revenue Bonds (the 2016 Revenue Bonds) through the California School Finance Authority.

Future minimum annual lease payments remaining under the lease terms outstanding are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2020	\$ 2,638,527
2021	1,672,916
2022	1,021,703
2023	987,654
2024	990,889
Thereafter	<u>27,594,102</u>
Total	<u><u>\$ 34,905,791</u></u>

NOTE 9 MANAGEMENT'S PLANS

The Organization's negative ending balance and low cash reserves require that budget cuts be made to ensure budget solvency and return to positive fund balances by fiscal year-end and restoration of minimum reserve levels by the following year.

In response to this need, the Organization's staff and management have worked collaboratively to make a series of staffing cuts to match lower levels of enrollment. The projected net revenues of \$1,383,555 will bring the organization from a negative ending balance of \$1,149,090 to a positive ending balance by the end of the 19-20 fiscal year.

ENCORE EDUCATION CORPORATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 10 CONTINGENCIES

The Organization has received state and federal funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate disallowances under terms of the grants, it is believed that any required reimbursement would not be material.

NOTE 11 FUNCTIONALIZED EXPENSES

The cost of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and support services benefited.

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated on the basis of facility usage are occupancy, insurance, depreciation, and some office expenses. Other items being allocated such as salaries and wages, benefits, payroll taxes, and pension expense are being allocated on the basis of estimates of time and effort.

SUPPLEMENTARY INFORMATION

**ENCORE EDUCATION CORPORATION
LOCAL EDUCATION AGENCY ORGANIZATION STRUCTURE
YEAR ENDED JUNE 30, 2019**

Encore Education Corporation (the Organization) was established in 2007 and is a nonprofit public benefit corporation organized to manage and operate public charter schools. For the year ended June 30, 2019, the Organization operated two public charter schools: Encore Jr./Sr. High School for the Performing & Visual Arts and Encore High School for the Arts – Riverside.

Encore Jr./Sr. High School for the Performing & Visual Arts began serving students in August 2008. The charter has been renewed for a term of five years beginning July 1, 2016 through June 30, 2021 and is sponsored by the Hesperia Unified School District. The charter number authorized by the state of California is 971.

Encore High School for the Arts – Riverside began serving students in August 2015. The charter was granted on December 8, 2014 by the Riverside Unified School District for a term of five years beginning July 1, 2015 through June 30, 2020. The charter number authorized by the state of California is 1747.

The board of directors and the administrators as of the year ended June 30, 2019 were as follows:

BOARD OF DIRECTORS

<u>Member</u>	<u>Office</u>	<u>Term Expires</u>
Suzanne Cherry	President	May 2022
Rob Gabler	Vice President	May 2022
Kelly Ahmed	Board Secretary	May 2022
Kathy Nielsen	Member	May 2022
Mari Miller	Member	May 2022
Paula Gharib	Member	May 2022

ADMINISTRATORS

Denise Griffin	Chief Executive Officer
John Griffin	Chief Operations Officer
Steve Dekany	Executive Officer of Enrollment/Marketing

**ENCORE EDUCATION CORPORATION
SCHEDULE OF INSTRUCTIONAL TIME
YEAR ENDED JUNE 30, 2019**

Encore Jr. Sr. High School for the Performing and Visual Arts

	Instructional Minutes		Traditional Instructional	Status
	Requirement	Actual	Days	
Grade 7	50,400	68,797	179	In compliance
Grade 8	54,000	68,797	179	In compliance
Grade 9	54,000	68,797	179	In compliance
Grade 10	54,000	68,797	179	In compliance
Grade 11	54,000	68,797	179	In compliance
Grade 12	54,000	68,797	179	In compliance

Encore High School for the Arts – Riverside

	Instructional Minutes		Traditional Instructional	Status
	Requirement	Actual	Days	
Grade 7	50,400	70,546	179	In compliance
Grade 8	54,000	70,546	179	In compliance
Grade 9	54,000	70,546	179	In compliance
Grade 10	54,000	70,546	179	In compliance
Grade 11	54,000	70,546	179	In compliance
Grade 12	54,000	70,546	179	In compliance

See accompanying Auditors' Report and Notes to Supplementary Information

**ENCORE EDUCATION CORPORATION
SCHEDULE OF AVERAGE DAILY ATTENDANCE
YEAR ENDED JUNE 30, 2019**

Encore Jr. Sr. High School for the Performing and Visual Arts

	Second Period Report		Corrections		Second Period Report (Audited)	
	Classroom		Classroom		Classroom	
	Based	Total	Based	Total	Based	Total
Grades 7-8	379.62	381.20	0.55	2.05	380.17	383.25
Grades 9-12	552.50	559.28	1.41	4.15	553.91	563.43
ADA Totals	<u>932.12</u>	<u>940.48</u>	<u>1.96</u>	<u>6.20</u>	<u>934.08</u>	<u>946.68</u>
	Annual Period Report		Corrections		Annual Period Report (Audited)	
	Classroom		Classroom		Classroom	
	Based	Total	Based	Total	Based	Total
Grades 7-8	373.49	377.30	-	-	373.49	377.30
Grades 9-12	544.84	554.78	-	-	544.84	554.78
ADA Totals	<u>918.33</u>	<u>932.08</u>	<u>-</u>	<u>-</u>	<u>918.33</u>	<u>932.08</u>

Encore High School for the Arts – Riverside

	Second Period Report		Corrections		Second Period Report (Audited)	
	Classroom		Classroom		Classroom	
	Based	Total	Based	Total	Based	Total
Grades 7-8	313.97	313.97	1.94	1.94	315.91	315.91
Grades 9-12	488.37	489.92	7.77	7.53	496.14	497.45
ADA Totals	<u>802.34</u>	<u>803.89</u>	<u>9.71</u>	<u>9.47</u>	<u>812.05</u>	<u>813.36</u>
	Annual Period Report		Corrections		Annual Period Report (Audited)	
	Classroom		Classroom		Classroom	
	Based	Total	Based	Total	Based	Total
Grades 7-8	315.92	315.92	-	-	315.92	315.92
Grades 9-12	489.71	490.93	-	-	489.71	490.93
ADA Totals	<u>805.63</u>	<u>806.85</u>	<u>-</u>	<u>-</u>	<u>805.63</u>	<u>806.85</u>

See accompanying Auditors' Report and Notes to Supplementary Information

**ENCORE EDUCATION CORPORATION
RECONCILIATION OF ANNUAL FINANCIAL REPORT WITH
AUDITED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019**

	Encore Jr. Sr. High School for the Performing and Visual Arts	Encore High School for the Arts - Riverside
June 30, 2019 Annual Financial Report Fund Balances (Net Assets)	\$ (96,322)	\$ (695,622)
Adjustments and Reclassifications:		
Increase (Decrease) of Fund Balance (Net Assets):		
Cash and Cash Equivalents	(25,253)	25,253
Property, Plant and Equipment	(8,872)	(82,726)
Accounts Receivable- Federal & State	(18,238)	-
Accounts Payable and Accrued Liabilities	(22,047)	(179,033)
Deferred Rent Liabilities	-	(46,230)
Notes Payable	25,253	(25,253)
Net Adjustments and Reclassifications	(49,157)	(307,989)
June 30, 2019 Audited Financial Statement Fund Balances (Net Assets)	\$ (145,479)	\$ (1,003,611)

See accompanying Auditors' Report and Notes to Supplementary Information

**ENCORE EDUCATION CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2019**

<u>Federal Grantor/Pass-Through Grantor/ Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Encore Jr. Sr. High School for the Performing and Visual Arts</u>	<u>Encore High School for the Arts - Riverside</u>	<u>Total Federal Expenditures</u>
U.S. Department of Education					
Pass-Through Program from California Department of Education:					
Every Student Succeeds Act					
Title I, Part A, Basic Grants - Low-Income and Neglected	84.010	14329	\$ 235,832	\$ 96,813	\$ 332,645
Title II, Part A, Teacher Quality	84.367	14341	44,902	22,642	67,544
Title IV	84.424A	N/A	16,507	10,000	26,507
Special Education Cluster:					
Special Ed: IDEA	84.027	13379	100,616	105,964	206,580
Total U. S. Department of Education			<u>397,857</u>	<u>235,419</u>	<u>633,276</u>
U.S. Department of Agriculture					
Pass-Through Program from California Department of Education:					
Child Nutrition Cluster	10.555	N/A	<u>182,668</u>	<u>-</u>	<u>182,668</u>
Total U.S. Department of Agriculture			<u>182,668</u>	<u>-</u>	<u>182,668</u>
Total Expenditures of Federal Awards			<u>\$ 580,525</u>	<u>\$ 235,419</u>	<u>\$ 815,944</u>

N/A - Pass-through entity number not readily available or not applicable.

See accompanying Auditors' Report and Notes to Supplementary Information

**ENCORE EDUCATION CORPORATION
NOTES TO SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2019**

PURPOSE OF SCHEDULES

NOTE 1 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.

NOTE 2 SCHEDULE OF AVERAGE DAILY ATTENDANCE

Average daily attendance 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 charter schools. This schedule provides information regarding the attendance of students at various grade levels.

NOTE 3 RECONCILIATION OF ANNUAL FINANCIAL REPORT WITH AUDITED FINANCIAL STATEMENTS

This schedule provides the information necessary to reconcile the net assets of the charter schools as reported on the Annual Financial Report form to the audited financial statements.

NOTE 4 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the Corporation under programs of the federal government for the year ended June 30, 2019. The information in this Schedule 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 Corporation, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Encore Education Corporation.

Expenditures reported on the Schedule are reported on the accrual basis of accounting. 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.

NOTE 5 INDIRECT COSTS

Encore Education Corporation has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance, but has used the California Department of Education approved indirect cost rate of 5%.



**INDEPENDENT AUDITORS' 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***

Board of Directors
Encore Education Corporation
Hesperia, 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, the financial statements of Encore Education Corporation (the Organization), a nonprofit California public benefit corporation, which comprise the statement of financial position as of June 30, 2019, and the related statements of activities, cash flows, and functional expenses for the year then ended, the related notes to the financial statements, and have issued our report thereon dated January 17, 2020.

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) to determine the 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 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. We did identify certain deficiencies in Encore Education Corporation's internal controls, described in the accompanying schedule of findings and questioned costs as item 2019-001 Financial Closing Process that we consider to be a significant deficiency.

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 determination of financial statement amounts. 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 entity’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Glendora, California
January 17, 2020



CliftonLarsonAllen LLP
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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL PROGRAM, AND REPORT ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Board of Directors
Encore Education Corporation
Hesperia, California

We have audited the compliance of Encore Education Corporation (the Organization) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019. The Organization's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and terms and conditions of federal awards applicable to its federal program.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Organization's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Organization's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Organization's compliance.

Opinion on Each Major Federal Program

In our opinion, the Organization complied, in all material respects, with the types of 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, 2019.

Report on Internal Control Over Compliance

Management of the Organization is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Organization's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance, for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Organization's 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 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, 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of this Report

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.



CliftonLarsonAllen LLP

Glendora, California
January 17, 2020



INDEPENDENT AUDITORS' REPORT ON STATE COMPLIANCE

Board of Directors
Encore Education Corporation
Hesperia, California

We have audited Encore Education Corporation's (the Organization) compliance with the types of compliance requirements described in the *2018-2019 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, published by the Education Audit Appeals Panel for the year ended June 30, 2019. The Organization's state compliance requirements are identified in the table below.

Management's Responsibility

Management is responsible for the compliance with the state laws and regulations as identified below.

Auditors' Responsibility

Our responsibility is to express an opinion on the Organization's compliance based on our audit of the types of compliance requirements referred to below. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *2018-2019 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, published by the Education Audit Appeals Panel. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the specific areas listed below has occurred. An audit includes examining, on a test basis, evidence about the Organization's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion on state compliance. Our audit does not provide a legal determination of the Organization's compliance.

Compliance Requirements Tested

In connection with the audit referred to above, we selected and tested transactions and records to determine the Organization's compliance with the laws and regulations applicable to the following items:

<u>Description</u>	<u>Procedures Performed</u>
School Districts, County Offices of Education, and Charter Schools:	
California Clean Energy Jobs Act	Yes
Before and After School Education and Safety Program	Not applicable
Proper Expenditure of Education Protection Account Funds	Yes

<u>Description</u>	<u>Procedures Performed</u>
Unduplicated Local Control Funding Formula Pupil Counts	Yes
Local Control and Accountability Plan	Yes
Independent Study-Course Based	Yes
Charter Schools:	
Attendance	Yes
Mode of Instruction	Yes
Nonclassroom-based instructional/independent study	Yes
Determination of funding for nonclassroom-based instruction	Yes
Annual instructional minutes – classroom based	Yes
Charter School Facility Grant Program	Yes

Opinion on State Compliance

In our opinion, the Organization complied with the laws and regulations of the state programs referred to above in all material respects for the year ended June 30, 2019.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the *2018-2019 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* and are described in the accompanying schedule of findings and questioned costs as items 2019-001, 2019-002 and 2019-003. Our opinion on each state program is not modified with respect to these matters.

The Organization’s response to the noncompliance findings identified in our audit are 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 responses.

Purpose of this Report

The purpose of this report on state compliance is solely to describe the results of testing based on the requirements of the *2018-2019 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, published by the Education Audit Appeals Panel. Accordingly, this report is not suitable for any other purpose.



CliftonLarsonAllen LLP

Glendora, California
January 17, 2020

**ENCORE EDUCATION CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2019**

Section I – Summary of Auditors’ Results

Financial Statements

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? _____ yes x no
 - Significant deficiency(ies) identified? x yes _____ none reported
3. Noncompliance material to financial statements noted? _____ yes x no

Federal Awards

1. Internal control over major federal programs:
- Material weakness(es) identified? _____ yes x no
 - Significant deficiency(ies) identified? _____ yes x none reported
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? _____ yes x no

Identification of Major Federal Programs

CFDA Number(s)	Name of Federal Program or Cluster
84.010	Title I
Dollar threshold used to distinguish between Type A and Type B programs:	\$ <u> 750,000 </u>
Auditee qualified as low-risk auditee?	<u> x </u> yes _____ no

**ENCORE EDUCATION CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2019**

All audit findings must be identified as one or more of the following categories:

<u>Five Digit Code</u>	<u>Finding Types</u>
10000	Attendance
20000	Inventory of Equipment
30000	Internal Control
40000	State Compliance
42000	Charter School Facilities Program
43000	Apprenticeship
50000	Federal Compliance
60000	Miscellaneous
61000	Classroom Teacher Salaries
62000	Local Control Accountability Plan
70000	Instructional Materials
71000	Teacher Misassignments
72000	School Accountability Report Card

Section II – Financial Statement Findings

2019-001 Financial Closing Process **30000**

**Encore Jr./Sr. High school for the Performing and Visual Arts #0971
Encore High School for the Arts- Riverside # 1747**

Type of Finding:

- Significant Deficiency in Internal Control over Financial Reporting

Condition: During the course of the audit, the Organization had to make a significant amount of adjustments that were identified as a result of the audit.

Criteria or specific requirement: The closing process should include a timely reconciliation of accounts to ensure proper ending balances are being reported.

Context: Our audit procedures consisted of reconciling accounts to supporting agreements and other documentation. While performing these procedures, the auditors would inquired about unexpected variances.

Effect: Significant adjustments were needed to the Organization’s accounts.

Cause: Deficiencies in the Organization’s internal control over closing processes and financial reporting.

Repeat Finding: No

Recommendation: We recommend the Organization update its year end closing procedures to include additional review procedures to ensure accounts and transactions are reconciled before the audit.

**ENCORE EDUCATION CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2019**

2019-001 Financial Closing Process (Continued)

30000

Views of responsible officials and planned corrective actions: The Organization has added additional testing and review procedures at the accounting provider level. They have also improved communication channels to ensure reconciliation and review processes are being followed.

Section III – Federal Findings

Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).

State Compliance Findings

2019-002 Unduplicated Local Control Funding Formula Pupil Counts

40000

Encore Jr./Sr. High school for the Performing and Visual Arts #0971

Criteria: Education code section 42238.02 (b)(2) requires a charter school to submit its enrolled free and reduced-price meal eligibility, foster youth and English learner pupil-level records for enrolled pupils using the California Longitudinal Pupil Achievement Data System (CalPADS). The CalPADS 1.17 and 1.18 reports should accurately report the number of students eligible for free and reduced price meals and those identified as “English Learners”.

Condition: During testing we compared student’s family income per Free and Reduced Price Meal (FRPM) eligibility applications to the Income Eligibility Scales for 2018-19, and found that the School inaccurately reported students as eligible for free or reduced price meals. Two out of the twenty six samples selected for FRPM testing contained errors. During testing, we also verified student’s English Learner classification by comparing their English Language Proficiency Assessments for California (ELPAC) results with the school’s student reclassification policy. One out of the six samples selected contained errors. An error rate was applied to calculate the questioned costs below. Finding is related to Encore Jr./Sr. High school for the Performing and Visual Arts #0971.

Effect: The school is not in compliance with Education code section 42238.02 (b)(2). The 1.17 and 1.18 reports contained errors as follows:

Charter School Audit Adjustments to CALPADS Data - Encore Education Corporation for June 30, 2019

School Name	CDS Code	Original		Updated		Net Change		LCFF Entitlement		
		Enrollment Count	Unduplicated Count	Enrollment Count	Unduplicated Count	Enrollment Count	Unduplicated Count	Original Entitlement	Revised Entitlement	Adjustment
Encore Jr./Sr. High school for the Performing and Visual Arts	3675044	1,017	622	1,017	609	-	-13	7,265,170	7,258,397	(6,773)

Cause: Employees entering eligibility data in the student information system did not report classification changes to CalPADS.

Questioned Costs & Units: After an error rate was applied, a total of thirteen students were included in the CALPADS report as eligible for free or reduced meals or as an English Learner that were not eligible. The total impact on LCFF Entitlement is a decrease of \$6,773.

**ENCORE EDUCATION CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2019**

2019-002 Unduplicated Local Control Funding Formula Pupil Counts (Continued) 40000

Repeat Finding: No

Recommendation: We recommend that the organization employ additional monitoring processes to review the Free and Reduced Price Meal (FRPM) eligibility data and English Learner data to ensure that reporting errors are minimized and corrections are made on a timely basis.

Views of responsible officials and planned corrective actions: Management has implemented more oversight procedures to ensure the compliance requirements for CalPADS have been met. This will include ensuring any modifications to the system are appropriately reported to the CalPADS reporting system.

2019-003 ADA Reporting 10000

**Encore Jr./Sr. High school for the Performing and Visual Arts #0971
Encore High School for the Arts- Riverside # 1747**

Criteria: Pursuant to the provisions of Education Code Section 19850, the Second Principal (P2) and Annual reports of attendance submitted to the California Department of Education should be supported by written contemporaneous records that document all pupil attendance included in the charter school's Average Daily Attendance (ADA) calculations.

Condition: During our testing on ADA we calculated that the Schools' P2 Reports under-reported ADA for locations Encore Jr./Sr. High school for the Performing and Visual Arts #0971 and Encore High School for the Arts- Riverside # 1747.

Effect: The Schools under-reported ADA for the P2 ADA Report by 15.67 ADA. Refer to Questioned Costs and Units for location detail.

Cause: The Schools had modified the attendance records of students but did not revise the originally filed P-2 report.

Questioned Costs and Units: None. Average Daily Attendance (ADA) was adjusted as follows:

	<u>Second Period Report</u>		<u>Corrections</u>		<u>Second Period Report (Audited)</u>	
	<u>Classroom Based</u>	<u>Total</u>	<u>Classroom Based</u>	<u>Total</u>	<u>Classroom Based</u>	<u>Total</u>
Encore Jr./Sr High School						
Grades 7-8	379.62	381.20	0.55	2.05	380.17	383.25
Grades 9-12	552.50	559.28	1.41	4.15	553.91	563.43
ADA Totals	<u>932.12</u>	<u>940.48</u>	<u>1.96</u>	<u>6.20</u>	<u>934.08</u>	<u>946.68</u>
Encore High School-Riverside						
Grades 7-8	313.97	313.97	1.94	1.94	315.91	315.91
Grades 9-12	488.37	489.92	7.77	7.53	496.14	497.45
ADA Totals	<u>802.34</u>	<u>803.89</u>	<u>9.71</u>	<u>9.47</u>	<u>812.05</u>	<u>813.36</u>

Repeat Finding: No

**ENCORE EDUCATION CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2019**

2019-003 ADA Reporting (Continued)

10000

Recommendation: We recommend that the Organizations implement procedures to accurately report ADA in its P2 ADA Reports.

Corrective Action Plan: Management has increased the amount of training associated with the reporting attendance. The Organization has also implemented more review procedures to ensure the P-2 report filed matches the most up to date attendance records. The Schools have submitted the corrected P-2 report and anticipates receiving approximately \$152,794 during the next fiscal year.

**ENCORE EDUCATION CORPORATION
STATUS OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2019**

There were no findings in the prior year.

