



## El Camino Charter High School

### Board Meeting

#### Date and Time

Wednesday November 18, 2015 at 5:00 PM PST

#### Location

ECRCHS Library, 5440 Valley Circle Blvd, Woodland Hills, CA 91357

El Camino Real Charter High School Library 5440 Valley Circle Blvd Woodland Hills, CA 91367

#### Agenda

	Purpose	Presenter	Time
<b>I. Opening Items</b>			<b>5:00 PM</b>
A. Call the Meeting to Order		Jonathan Wasser	2 m
B. Pledge of Allegiance		Jonathan Wasser	2 m
C. Record Attendance and Guests		Terri Keas	2 m
D. Teacher/Student Presentation			10 m
E. Public Comment on Non-Agenda Items and Agenda Items		Jonathan Wasser	10 m
F. Discuss Charter Oversight Committee - Roles and Election committee	Discuss	Jonathan Wasser	10 m
G. Committee and Board Updates		Jonathan Wasser	5 m
<b>II. Governance</b>			<b>5:41 PM</b>
A. Review and Approve October 26, 2015 Special Board Meeting Minutes	Approve Minutes	Jonathan Wasser	5 m
Approve minutes for Board Meeting on October 26, 2015			
B. Discuss and Vote for Supplemental Items to Post Before and After Board Meetings	Vote	Jonathan Wasser	5 m
C. Discuss and Vote to Move the December 9th Regular Meeting to December 16th.	Vote	Jonathan Wasser	5 m
<b>III. Policies</b>			<b>5:56 PM</b>
A. Fiscal Policies Update Request from LAUSD	FYI	Marshall Mayotte	5 m

<b>IV. Financial</b>			<b>6:01 PM</b>
<b>A.</b> Educator Effectiveness Funding Update	FYI	Marshall Mayotte	5 m
<b>B.</b> Review and Approval of the 2015-16 EPA Resolution and Expenditure Plan	Vote	Marshall Mayotte	5 m
<b>C.</b> Review and Approval of an RFP for continuous project/repair management on the ECRCHS campus	Vote	Marshall Mayotte	5 m
<b>D.</b> Review and Approval of the September Check Register	Vote	Marshall Mayotte	5 m
<b>E.</b> Review and Approval of the Material Revision to Recognize Enrollment and Preference Changes	Vote	Marshall Mayotte	5 m
<b>F.</b> Review and Approval of the 2014/15 Audited Financial Statements	Vote	Marshall Mayotte	10 m
<b>G.</b> Update on ECR's Highlander K-8 STEM School	FYI	Marshall Mayotte	5 m
<b>H.</b> Update on the Financial and Operational Impact of Losing Oso	FYI	Marshall Mayotte	5 m
<b>I.</b> Financial Update Based on EdTec's Financials of ECRCHS	FYI	Marshall Mayotte	5 m
<b>V. Administrators</b>			<b>6:51 PM</b>
<b>A.</b> Update from Business and Operations	FYI	Melanie Horton	5 m
<b>B.</b> Update from Academic Administrators	FYI		5 m
<b>C.</b> Update from Executive Director	FYI	David Fehte	5 m
<b>VI. Other Business</b>			<b>7:06 PM</b>
<b>A.</b> Future Agenda Items	Discuss	Jonathan Wasser	5 m
<b>B.</b> Closed session - Conference with Labor Negotiators	FYI	David Fehte	20 m
<b>VII. Closing Items</b>			<b>7:31 PM</b>
<b>A.</b> Adjourn Meeting	Vote		

# Cover Sheet

## Review and Approve October 26, 2015 Special Board Meeting Minutes

**Section:** II. Governance  
**Item:** A. Review and Approve October 26, 2015 Special Board Meeting Minutes  
**Purpose:** Approve Minutes  
**Submitted by:**  
**Related Material:** Minutes for Board Meeting on October 26, 2015

APPROVED



## El Camino Charter High School

### Minutes

#### Board Meeting

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**Date and Time**

Monday October 26, 2015 at 4:30 PM

**Location**

El Camino Real CHS, Library, 5440 Valley Circle Blvd, Woodland Hills, CA 91367

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**Directors Present**

Jackie Keene, Jonathan Wasser, Obie Slamon, Odus Caldwell

**Directors Absent**

Dennis Thompson, Peter Vastenhold

**Guests Present**

David Fehte, Duc Quach, Fernando Delgado, Janelle Raney, Kyna Collins, Marshall Mayotte, Melanie Horton, Terri Keas

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**I. Opening Items****A. Call the Meeting to Order**

Jonathan Wasser called a meeting of the board of directors of El Camino Charter High School to order on Monday Oct 26, 2015 @ 4:36 PM at El Camino Real CHS, Library, 5440 Valley Circle Blvd, Woodland Hills, CA 91367.

**B. Record Attendance and Guests****C. Teacher/Student Presentation**

There were no Teacher/Student presentations.

**D. Charter Oversight Committee Update**

The Board agreed to bring up discussion on the creation of an Oversight committee that is in accordance with the Charter Bylaws. To enact the Oversight

Committee the Board must establish the length of the term of service of the Committee and hold an election including all interested stakeholders.

**E. Public Comment on Non-Agenda Items and Agenda Items**

Nine ECR teachers and a community member voiced their opinions on ECRA purchasing the Shoup property to expand ECR's Independent Study program.

**F. Committee and Board Updates**

None

**G. Discussion on Board Technology**

Fernando Delgado informed the Board members of the fix for connectivity issues that they were experiencing with ipads during Board meetings in the Library. The tech team is taking comment and feedback to redesign and improve the Board page on the website to incorporate more Board information and Speaker Cards that can be downloaded and completed prior to meetings.

**H. Discussion on Board agenda order and priorities**

Jon Wasser opened a discussion on encouraging students to attend Board meetings and having a regular student speaker, possibly from Student Council, attend the meetings. The Board members also discussed the placement of the order of items on the Agenda to best accommodate stakeholders and visitors. Mr. Wasser would like to start each meeting with a student or teacher showcasing something of interest, either in academics, athletics, etc.

**I. Discussion on bylaws, voting and membership**

Jackie Keene made a motion to create a committee to nominate a community member to fill the Board vacancy.

Odus Caldwell seconded the motion.

The board **VOTED** to approve the motion. The committee consists of Obie Slamon, Jackie Keene and Odus Caldwell.

**J. Discussion about Board Meeting Time**

The 5:00pm starting time for the Board meetings was discussed and approved by the Board at a previous meeting.

**II. Governance**

**A. Discussion regarding identifying potential board positions and procedures for filling positions**

**B. Review and approve September 16, 2015 regular board meeting minutes**

Jackie Keene made a motion to approve minutes from the Board Meeting on 09-16-15.

Odus Caldwell seconded the motion.

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

**C. Review and approve September 16, 2015 special board meeting minutes**

**D. Approval of the Pledge of Allegiance to future board meetings**

Obie Slamon made a motion to approve reciting the Pledge of Allegiance at the beginning of future Board meetings.

Jackie Keene seconded the motion.

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

### III. Policies

#### **A. Review and Approval of the Progressive Discipline Policy**

Jackie Keene made a motion to to Approve the Progressive Discipline Policy.  
Odus Caldwell seconded the motion.  
The board **VOTED** unanimously to approve the motion.

#### **B. Review and Approval of the Uniform Complaint Procedure**

Obie Slamon made a motion to Approve the Uniform Complaint Procedure.  
Jackie Keene seconded the motion.  
The board **VOTED** unanimously to approve the motion.

#### **C. Review and Approval of the Staff / Student Interaction Policy**

Obie Slamon made a motion to Approve the Staff/Student Interaction Policy.  
Odus Caldwell seconded the motion.  
The board **VOTED** unanimously to approve the motion.

### IV. Financial

#### **A. Review and approval of the July check register**

Jackie Keene made a motion to approve the July check register.  
Odus Caldwell seconded the motion.  
The board **VOTED** unanimously to approve the motion.

#### **B. Review and approval of the August check register**

Obie Slamon made a motion to approve the August check register.  
Jackie Keene seconded the motion.  
The board **VOTED** unanimously to approve the motion.

#### **C. Review and approval of the types of CDs the ECRA Schwab investment account may invest**

Jackie Keene made a motion to approve the types of corporate CD's the ECRA Schwab investment account can invest.  
Odus Caldwell seconded the motion.  
The board **VOTED** unanimously to approve the motion.

#### **D. Approval to switch business banking relationships to Hanmi Bank by January 1, 2016**

Jackie Keene made a motion to approve to switch business banking to Hanmi Bank by January 1, 2016.  
Odus Caldwell seconded the motion.  
The board **VOTED** unanimously to approve the motion.

#### **E. Approval to delegate authority to ED Fehte to executive transition to Hanmi Bank**

Obie Slamon made a motion to approve to delegate authority Executive Director, Dave Fehte, to executive transition to Hanmi Bank.  
Odus Caldwell seconded the motion.  
The board **VOTED** unanimously to approve the motion.

#### **F. Approval of ED Fehte to open a line of credit of up to \$5MM with Hanmi Bank**

Obie Slamon made a motion to approve Executive Director, Dave Fehte, to open a line of credit of up to \$5MM with Hanmi Bank.  
Jackie Keene seconded the motion.  
The board **VOTED** unanimously to approve the motion.

**G. Approval to open three Hanmi bank accounts for ECRA's operations**

Obie Slamon made a motion to approve to open three bank accounts at Hanmi Bank for ECRA's operations.

Odus Caldwell seconded the motion.

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

**H. Approval to authorize AP Halski, AP Bennett and ED as check signers on the Hanmi Accounts**

Obie Slamon made a motion to approve Asst. Principal Yvonne Halski, Asst.

Principal Dean Bennett and Executive Director Dave Fehte as check signers on the Hanmi Bank accounts.

Odus Caldwell seconded the motion.

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

**I. Approval to authorize CBO to close all Pacific Western Bank Accounts by December 31, 2015**

Jackie Keene made a motion to approve to authorize CBO Marshall Mayotte to close all Pacific Western Bank accounts by December 31, 2015.

Odus Caldwell seconded the motion.

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

**J. Review and approval of the purchase of 7401 Shoup property**

Obie Slamon made a motion to approve to authorize the purchase of the 7401 Shoup Property.

Jackie Keene seconded the motion.

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

**K. Approval of Pacific Charter School Development to oversee the improvements of 7401 Shoup property**

Does not need to be approved at this time. The Shoup property is move-in ready and could house independent study students immediately so no major renovations are necessary now.

**L. Educator Effectiveness Funding Update**

Marshall Mayotte updated the Board on one time funds from the State of California that must be spent by July 2018 and the restrictions on how the funds can be spent.

**V. Administrators**

**A. Update from Academic Administrators**

None

**B. Update from Business Administrators**

Marshall Mayotte informed the Board that ECR's charter renewal and the K-8 petitions will be voted on at the Nov. 10th LAUSD Board meeting.

**C. Update from Executive Director**

Mr. Fehte stated there are 7 weeks left in the semester. UTLA has been transparent and open going into negotiations with ECRA.

**VI. Other Business**

**A. Future Agenda Items**

Jon Wasser suggested that the Board have a discussion regarding adding supplemental information on Agenda items to the website before the meetings so stakeholders can review the information and be well informed prior to meetings.

**B. Closed Session - Public Employee Discipline/Dismissal/Release**

Obie Slamon made a motion to Approve staff dismissal from Closed Session.

Odus Caldwell seconded the motion.

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

**VII. Closing Items**

**A. Adjourn Meeting**

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 6:55 PM.

Respectfully Submitted,  
Terri Keas



# Cover Sheet

## Review and Approval of the 2015-16 EPA Resolution and Expenditure Plant

**Section:** IV. Financial  
**Item:** B. Review and Approval of the 2015-16 EPA Resolution and Expenditure Plant  
**Purpose:** Vote  
**Submitted by:**  
**Related Material:** Exhibit\_EducationProtectionAccount-1516.pdf  
resolution\_EducationProtectionAccount\_1516.doc

2015-16 Education Protection Account  
 Program by Resource Report  
 Expenditures by Function - Detail

El Camino Real High School

**Expenditures through: June 30, 2016**  
**For Fund 01, Resource 1400 Education Protection Account**

Description	Object Codes	Amount
<b>AMOUNT AVAILABLE FOR THIS FISCAL YEAR</b>		
Adjusted Beginning Fund Balance	9791-9795	0.00
Revenue Limit Sources	8010-8099	5,587,980.00
Federal Revenue	8100-8299	0.00
Other State Revenue	8300-8599	0.00
Other Local Revenue	8600-8799	0.00
All Other Financing Sources and Contributions	8900-8999	0.00
Deferred Revenue	9650	0.00
<b>TOTAL AVAILABLE</b>		<b>5,587,980.00</b>
<b>EXPENDITURES AND OTHER FINANCING USES</b>		
<b>(Objects 1000-7999)</b>		
Instruction	1000-1999	5,587,980.00
Instruction-Related Services		
Instructional Supervision and Administration	2100-2150	0.00
AU of a Multidistrict SELPA	2200	0.00
Instructional Library, Media, and Technology	2420	0.00
Other Instructional Resources	2490-2495	0.00
School Administration	2700	0.00
Pupil Services		
Guidance and Counseling Services	3110	0.00
Psychological Services	3120	0.00
Attendance and Social Work Services	3130	0.00
Health Services	3140	0.00
Speech Pathology and Audiology Services	3150	0.00
Pupil Testing Services	3160	0.00
Pupil Transportation	3600	0.00
Food Services	3700	0.00
Other Pupil Services	3900	0.00
Ancillary Services	4000-4999	0.00
Community Services	5000-5999	0.00
Enterprise	6000-6999	0.00
General Administration	7000-7999	0.00
Plant Services	8000-8999	0.00
Other Outgo	9000-9999	0.00
<b>TOTAL EXPENDITURES AND OTHER FINANCING USES</b>		<b>5,587,980.00</b>
<b>BALANCE (Total Available minus Total Expenditures and Other Financing Uses)</b>		<b>0.00</b>

\*Amount not final

**Note to user:**  
 Specific cells in column C have been protected so that you can't enter data. The "Amount" column is protected for the following revenues: Federal Revenue, Other State Revenue, Other Local Revenue, and All Other Financing Sources and Contributions.  
 The "Amount" column is protected for the following expenditure functions: 2100-2150, 2200, 2700, 6000-6999, and 7000-7999.

**2015-16 Education Protection Account  
Program by Resource Report  
Expenditures by Function - Detail**

**El Camino Real High School**  
**RESOLUTION REGARDING THE EDUCATION PROTECTION ACCOUNT**

WHEREAS, the voters approved Proposition 30 on November 6, 2012;

WHEREAS, Proposition 30 added Article XIII, Section 36 to the California Constitution effective November 7, 2012;

WHEREAS, the provisions of Article XIII, Section 36(e) create in the state General Fund an Education Protection Account to receive and disburse the revenues derived from the incremental increases in taxes imposed by Article XIII, Section 36(f);

WHEREAS, before June 30<sup>th</sup> of each year, the Director of Finance shall estimate the total amount of additional revenues, less refunds that will be derived from the incremental increases in tax rates made pursuant to Article XIII, Section 36(f) that will be available for transfer into the Education Protection Account during the next fiscal year;

WHEREAS, if the sum determined by the State Controller is positive, the State Controller shall transfer the amount calculated into the Education Protection Account within ten days preceding the end of the fiscal year;

WHEREAS, all monies in the Education Protection Account are hereby continuously appropriated for the support of school districts, county offices of education, charter schools and community college districts;

WHEREAS, monies deposited in the Education Protection Account shall not be used to pay any costs incurred by the Legislature, the Governor or any agency of state government;

WHEREAS, a community college district, county office of education, school district, or charter school shall have the sole authority to determine how the monies

received from the Education Protection Account are spent in the school or schools within its jurisdiction;

WHEREAS, the governing board of the district shall make the spending determinations with respect to monies received from the Education Protection Account in open session of a public meeting of the governing board;

WHEREAS, the monies received from the Education Protection Account shall not be used for salaries or benefits for administrators or any other administrative cost;

WHEREAS, each community college district, county office of education, school district and charter school shall annually publish on its Internet website an accounting of how much money was received from the Education Protection Account and how that money was spent;

WHEREAS, the annual independent financial and compliance audit required of community college districts, county offices of education, school districts and charter schools shall ascertain and verify whether the funds provided from the Education Protection Account have been properly disbursed and expended as required by Article XIII, Section 36 of the California Constitution;

WHEREAS, expenses incurred by community college districts, county offices of education, school districts and charter schools to comply with the additional audit requirements of Article XIII, Section 36 may be paid with funding from the Education Protection Act and shall not be considered administrative costs for purposes of Article XIII, Section 36.

NOW, THEREFORE, IT IS HEREBY RESOLVED:

1. The monies received from the Education Protection Account shall be spent as required by Article XIII, Section 36 and the spending determinations on how the money will be spent shall be made in open session of a public meeting of the governing board of **El Camino Real High School**;

2. In compliance with Article XIII, Section 36(e), with the California Constitution, the governing board of the **El Camino Real High School** has determined to spend the monies received from the Education Protection Act as attached.

DATED: \_\_\_\_\_, 2015

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Board Member

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Board Member

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Board Member

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Board Member

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Board Member

# Cover Sheet

## Review and Approval of the September Check Register

**Section:** IV. Financial  
**Item:** D. Review and Approval of the September Check Register  
**Purpose:** Vote  
**Submitted by:**  
**Related Material:** El Camino - Check Register - 2015.09.pdf

**Check Register**



**El Camino Real High School  
September 2015**

Grand Total 803,856.62

Vendor	Check Number	Date	Description	Check Amount
Stephanie Jaquez	10245	9/1/2015	08/31/15 Payroll Manual Check	73.70
Steve Graves	10246	9/1/2015	08/31/15 Manual Payroll Check	575.86
Monique Trujillo	10247	9/1/2015	08/31/15 Manual Payroll Check	601.70
Vanessa Cordero	10269	9/1/2015	Student, Parent, Teacher Materials	220.62
Jeff Falgien	10270	9/1/2015	Football-Laundry Supplies	269.15
Terrence Fischer	10271	9/1/2015	Ink Cartridges	205.04
Terrence Fischer	10272	9/1/2015	2015-16 Wrestling Rules, Case Books	121.27
Shih-hung Lin	10273	9/1/2015	Canon 128 Toner Cartridges	171.58
Angel Lerma	10274	9/1/2015	Water	78.40
Jon Beckerman	10275	9/1/2015	Travel Reimbursement: Miles	50.53
Keon Lee	10276	9/1/2015	Travel Reimbursement: Hotel	1,062.18
Lori Pratt	10282	9/1/2015	Travel Reimbursement: Miles	50.53
Kathleen Nicholson	10283	9/1/2015	Padding Compound, Padding Brushes for Notepads	24.53
Ilda Luna	10285	9/1/2015	Student Scissors, Pencils, erasers, Glue	23.65
Terrence Fischer	10384	9/1/2015	08/31 NSF Reimbursement Fees	20.00
Sylvia Yi	10447	9/1/2015	Reim: 09/16 - CSU Conference, Meal, Mileage	135.76
Lynsey Ulibarri	10448	9/1/2015	Reim: 09/16 - CSU Conference, Meal, Mileage	135.76
Devon Knadle	M2135	9/1/2015	FSA Claim Reimbursement	2,499.96
Mutual of Omaha	10250	9/2/2015	08/15 - Life Insurance	1,788.91
Crespi Carmelite High School	10251	9/2/2015	09/03/15 Football Field Rental/Permit	1,800.00
Oxnard High School Band	10252	9/2/2015	11/07 Oxnard Field Tournament Fee	250.00
Royal High Band Boosters	10253	9/2/2015	10/10 32nd Annual Royal Classic Field Tournament Fee	250.00
Instrumentalist Awards LLC	10254	9/2/2015	Sousa Combination	80.00
Hart High Music Boosters	10255	9/2/2015	10/24 30th Annual Rampage Field Show Tournament Fee	285.00
Herff Jones Company	10256	9/2/2015	2015 Grad Announcements	298.50
Slam Jam Basketball	10257	9/2/2015	01/16/16 Boys Basketball Tournament Entry Fee	75.00
Los Angeles Unified School District	10258	9/2/2015	12/14 - RSP Inclusion Prog A Johnston	787.69
Burroughs Girls Basketball	10259	9/2/2015	09/05 Fall League Varsity	625.00
Instrumentalist Awards LLC	10260	9/2/2015	Jazz and National Orch Combination	194.00
Lisa Sharp	10261	9/2/2015	Marching Band Shoes	332.55
Andi Azodi	10262	9/2/2015	LAPD Security Football Game 09/03 @ Crespi	220.00
Guillermo Rios	10263	9/2/2015	LAPD Security 09/03/15 Football Game @Crespi	220.00
John Pemberton	10264	9/2/2015	09/03/15 Referee Var Football vs LA HS	80.00

Note: Multiple expenses or "Itemized/Invoice Amounts" may be paid by one check. The total "Check Amount" will appear for each "Itemized/Invoice Amount" paid by the check.



Vendor	Check Number	Date	Description	Check Amount
Corinne Brennan	10387	9/2/2015	Travel Reimbursement: Meals	1,057.44
Michael Reynolds	10265	9/3/2015	09/03/15 Umpire Var Football vs LA HS	78.00
McKenzie, Wade	10266	9/3/2015	09/03/15 Linesman Var Football vs LA HS	78.00
Blaine West	10267	9/3/2015	09/03/15 Line Judge Var Football vs LA HS	78.00
Mark Clayton	10268	9/3/2015	09/03/15 Back Judge Var Football vs LA HS	78.00
Modular Space Corporation	10277	9/3/2015	8 x 28 Portable Storage	7,897.66
Net Results Tennis LLC	10278	9/3/2015	Girls Team Uniforms	616.60
JW Pepper & Son, Inc	10279	9/3/2015	Sheet Music	1,000.53
Gina Harapetian	10280	9/3/2015	09/08/15 Var Football Game vs LA HS Official Timer/Scorer	50.00
Andrew Delgado	10284	9/3/2015	2015 Fall Semester Tuition Reimbursement-Business Data	1,400.00
Team Play Events	10281	9/8/2015	09/08 Senior Picnic Event Cost Balance	5,796.50
Xenia Paniagua	10395	9/8/2015	Travel Reimbursement: Miles	78.09
Buddy's All Stars	10286	9/9/2015	Basketball Apparel	112.25
Buddy's All Stars	10287	9/9/2015	Basketball Apparel	119.90
Buddy's All Stars	10288	9/9/2015	Basketballs	563.88
Houghton Mifflin Harcourt	10289	9/9/2015	WJIV ACH Training Full Day On Site (Option 3)	3,000.00
Kelly Services, Inc.	10290	9/9/2015	Substitute Teachers Through 08/23/15	8,536.45
American Express	10291	9/9/2015	07/15 - Quickbooks Subscription	1,261.94
American Express	10292	9/9/2015	Best Buy - 32G Flash Drive	381.15
Brooks Transportation Inc.	10293	9/9/2015	08/27-8/28 - Buses for Football to La Salle HS	1,750.00
Montanez, Pedro	10294	9/9/2015	07/09/15 - 07/29/15 - Coaching Services	750.00
Wendy Treuhaft	10295	9/9/2015	08/31 Reimbursement NSF Fees	140.00
Herff Jones Inc.	10296	9/9/2015	DIPLOMA	1.47
Michael Freed	10297	9/9/2015	07/27 - 08/06 - Marching Band Camp Instruction	1,387.50
Department of Toxic Substances Control	10298	9/9/2015	2015 EPA Hazardous Waste Permit Renewal	232.50
PARS	10299	9/9/2015	8/15/15 - PARS	611.42
Susanna Jacobs	10390	9/9/2015	Swingline Electric 3 Hole Punch	151.31
Lori Chandler	10391	9/9/2015	Tennis Balls	168.44
Stephanie Franklin	10392	9/9/2015	Rental Car	200.57
Andrew Delgado	10394	9/9/2015	Travel Reimbursement: Miles	36.80
Sylvia Yi	M2136	9/9/2015	FSA Claim Reimbursement	416.66
American Express	10300	9/10/2015	Monty's - General Business Meeting	1,055.49
			The Parking Spot - Parking for Natl Charter Conf N Orleans	
American Express	10301	9/10/2015	Halski	23,218.32
American Express	10302	9/10/2015	Real Volleyball - Volleyballs	1,961.32
KQ Management Inc	10303	9/10/2015	7/01 - 09/02 - Services for Charter Renewal Petition	6,162.50
Pom Express LLC	10304	9/10/2015	Silver Holographic and Metallic Stock Pom	624.00

Note: Multiple expenses or "Itemized/Invoice Amounts" may be paid by one check. The total "Check Amount" will appear for each "Itemized/Invoice Amount" paid by the check.

Vendor	Check Number	Date	Description	Check Amount
Staples	10305	9/10/2015	Desk Protectors, Highlighters, Reinforcement, Paper	68.99
Staples	10306	9/10/2015	Pens, Sharpeners, Notepads, Post-Its, Markers	860.41
Staples	10307	9/10/2015	Toner	171.10
Staples	10308	9/10/2015	Toner	126.27
Staples	10309	9/10/2015	Toner	139.28
Staples	10310	9/10/2015	Binders	127.92
Staples	10311	9/10/2015	Hole Punchers, Scissors, Chair, Tape Dispenser, Tape, Trash Bags, Trash Can, Paper	648.70
Staples	10312	9/10/2015	Drawers	74.49
Staples	10313	9/10/2015	Envelopes	189.37
JW Pepper & Son, Inc	10314	9/10/2015	Sheet Music	54.50
JW Pepper & Son, Inc	10315	9/10/2015	Sheet Music	51.24
JW Pepper & Son, Inc	10316	9/10/2015	Sheet Music	690.95
Vista Paint Corporation	10317	9/10/2015	Primer, Base Paint	242.94
Vista Paint Corporation	10318	9/10/2015	Covers, Buckets, Base Paint	200.97
Vista Paint Corporation	10319	9/10/2015	Covers, Base Paint, Gloves	314.14
Vista Paint Corporation	10320	9/10/2015	Base Paint, Spray Shield, Tape	272.69
Vista Paint Corporation	10321	9/10/2015	Hose Airless, Spackle, Paint, Emulsion, Frame	178.64
Vista Paint Corporation	10322	9/10/2015	Primer	923.01
Vista Paint Corporation	10323	9/10/2015	Gloves, Caulk, Sponges, Caulk Gun, Spray Shield, Bucket	66.87
Deny Sportswear	10324	9/10/2015	Girls Basketball T-Shirts	453.49
The Help Group-North Hills Prep School	10325	9/10/2015	07/15 Special Ed Services	6,498.10
Richard Yi	10386	9/10/2015	09/09/15 Travel Reimbursement: Parking	6.00
Michael Consoletti	10446	9/10/2015	Name tags	1,169.98
John Burroughs High School	10326	9/11/2015	12/15 23rd Ralph Brandt Boys Soccer Tournament Entry Fee	600.00
NCS Pearson, Inc	10327	9/11/2015	(50) Write to Learn Subscriptions	997.50
PARS	10328	9/11/2015	06/15 - PARS Admin Fees	306.00
Staples	10329	9/11/2015	(1) Printer, (2) File Cabinets	887.64
Staples	10330	9/11/2015	Toner, Files	247.26
Advanced Office Automation, Inc.	10331	9/11/2015	Excess Copies	165.97
Staples	10332	9/11/2015	Printer	429.62
Cartricharge	10333	9/11/2015	Toners	386.73
Staples	10334	9/11/2015	Trash Can	49.04
Staples	10335	9/11/2015	Toner	167.53
Pacific Charter School Development	10336	9/11/2015	08/15 -Feasibility Study Fee	5,500.00
Kirk A. West	10337	9/11/2015	09/11 Referee- Var Football Game vs Kennedy	152.00
Robert Dinlocker	10338	9/11/2015	09/11 Umpire-Var Football Game vs Kennedy HS	148.00

Note: Multiple expenses or "Itemized/Invoice Amounts" may be paid by one check. The total "Check Amount" will appear for each "Itemized/Invoice Amount" paid by the check.

Vendor	Check Number	Date	Description	Check Amount
Mark Millsom	10339	9/11/2015	09/11 Linesman- Var Football Game vs Kennedy HS	78.00
Russell Nygaard	10340	9/11/2015	09/11 Line Judge- Var Football Game vs Kennedy HS	148.00
Owen Seiver	10341	9/11/2015	09/11 Back Judge- Var Football vs Kennedy HS	78.00
Robert Armas	10342	9/11/2015	09/11 Line Judge- JV Football vs KennedyHS	70.00
Curry, William	10343	9/11/2015	06/02-07/19/15 - Paint Labor	3,990.00
Verizon Wireless	10344	9/11/2015	07/15 - Communication Services	1,931.83
Rogue Fitness	10345	9/11/2015	10lb Rogue HG Bumper	17,932.87
Varsity Spirit Fashion	10346	9/11/2015	S6VR - VSF WOMEN'S SHELL	20,684.55
Steve Graves	10383	9/11/2015	08/31 Reimbursement NSF Fees	35.00
Diana Ryan	10385	9/11/2015	08/31 Reimbursement NSF Fees	35.00
Barbara Stanoff	10393	9/14/2015	Cell Phone Holder	9.15
Advanced Office Automation, Inc.	10347	9/15/2015	Excess Copies	209.08
Li, Lang	10348	9/15/2015	Streets of Bakersfield Robotics Extravaganza Competition Fees	225.00
Crespi Carmelite High School	10349	9/15/2015	11/30-12/05/15 Tournament Entry Fee	350.00
Simi Valley High School	10350	9/15/2015	12/08-12/12/15 Tournament Entry Fee	450.00
Thousand Oaks High School	10351	9/15/2015	04/23 - 04/30/16 Tournament Entry Fee	450.00
Calabasas High School	10352	9/15/2015	12/26-12/31/15 - Ernie Tournament Entry Fee	750.00
Josh Schaefer	10353	9/15/2015	Cables for Film Class	231.97
The Village Nation	10354	9/15/2015	07/15 - 09/15 Services	10,000.00
Far West Plywood Company	10355	9/15/2015	Wood for Woodshop Class	3,279.50
De Toledo High School	10356	9/15/2015	09/01-10/29/2015 Gym Rental Girls Basketball Team	2,080.00
Woodbridge High School	10357	9/15/2015	9/19/15 - 2015 Woodbridge Cross Country Classic EntryFee	385.00
William Burr	10358	9/15/2015	09-10/15 - Girls Basketball Varsity League Fee	600.00
Jeffrey Craig	10396	9/15/2015	Pictures- Senior Picnic	17.25
Jeffrey Craig	10397	9/15/2015	Student Council-Brother P-Touch Labeler	119.80
Alison Galliher	10445	9/15/2015	Performance Assessment, Keys to the Classroom eBooks	210.90
Staples	10359	9/16/2015	Markers	4.12
Staples	10360	9/16/2015	Index Cards, Glue, 3 Hole Punch, Tape Dispensers, Folders, Etc.	202.11
Staples	10361	9/16/2015	Tape, Highlighters	70.17
Staples	10362	9/16/2015	Markers	48.94
Staples	10363	9/16/2015	Folders, Envelopes, Toner	425.03
Staples	10364	9/16/2015	3 Hole Punch, Easel Post-Its	165.24
Staples	10365	9/16/2015	File Cabinet	277.94
Staples	10366	9/16/2015	Surge Protectors	89.87
Staples	10367	9/16/2015	Refrigerator	273.68

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Vendor	Check Number	Date	Description	Check Amount
The Home Depot	10368	9/16/2015	Woodshop Materials	443.35
Curry, William	10369	9/16/2015	07/20-09/03/15 Paint Services	3,450.00
Moorpark Highschool Baseball	10370	9/16/2015	02/27-03/08/16 Easton Tournament Entry Fee	925.00
EDD (Employment Development Dept.)	10371	9/16/2015	04/01/15 - 06/30/15 SEF Local Experience Charge	314.88
Canon Financial Services, Inc.	10372	9/16/2015	10/01-12/31/15 Copier Lease	6,523.34
Adobe Systems Incorporated	10373	9/16/2015	Annual DC Premium eSign Services	1,800.00
Brentwood High School	10374	9/16/2015	09/12/15 - 5th Annual Westside Classic Varsity Boys Water Polo Tournament Fee	400.00
Burroughs Girls Basketball	10375	9/16/2015	12/28 - 12/31/15 - Varsity Girls Basketball West Coast Holiday Festival Tournament Fee	550.00
Alert+Services, Inc.	10376	9/16/2015	Ankle Braces	183.43
Pyro Spectaculars	10377	9/16/2015	10/09/15 - Homecoming Fireworks Display Deposit	1,862.00
The Great Books Foundation	10378	9/16/2015	06/15/15 -Blended Shared Inquiry Essentials Course (15 participants) Tricot Reversible Shirt, Non Reversible Short-Girls	4,875.00
Barry Kay Enterprises, Inc.	10379	9/16/2015	Basketball Program	824.59
JW Pepper & Son, Inc	10380	9/16/2015	Sheet Music	57.99
School Health	10381	9/16/2015	Health Office Supplies	432.76
Alert+Services, Inc.	10382	9/16/2015	Portable Table With Case	798.99
Sylvia Yi	M2137	9/16/2015	FSA Claim Reimbursement	482.26
Lynsey Ulibarri	10388	9/17/2015	Conference Fee	106.39
Sylvia Yi	10389	9/17/2015	Conference Fee	108.10
Billy Ramirez	10450	9/17/2015	Travel Reim: Miles 08/21-9/18 to different High Schools	228.23
Lisa Sharp	M1733	9/17/2015	Drillmasters Black Shoes, Powersonic, Charms Annual Renewal	700.64
Ian Kogan	M1734	9/17/2015	Soccer Bracelets	100.00
SWN Communications, Inc.	10398	9/18/2015	7/15-7/16 Emergency Notification Service Fee	4,165.00
Raquel Wasserman	10399	9/18/2015	American Government-Textbook Refund	54.00
Marisa Nimis	10400	9/18/2015	American Vision-Textbook Refund	84.00
American Roundball Corporation	10401	9/18/2015	c/o Rich Goldberg-Gym Rental Refund	700.00
Perelman, Vlad	10402	9/18/2015	CSUN-Gym Rental Refund	160.00
Jon Russell	10403	9/18/2015	Refund Facilities Use-Academic Tutoring Services	140.00
Mark Hamper	10404	9/18/2015	Shirts and Skins-Gym Rental Refund	140.00
Ben Rozema	10405	9/18/2015	Farmers Insurance-Gym Rental Refund	140.00
Stuart Feldman	10406	9/18/2015	Gym Rental Refund-Woodland Hills Dental	140.00
Steve Bagumyan	10407	9/18/2015	09/18 Referee- Boys Water Polo vs Taft	72.00
World Unispec	10408	9/18/2015	PE Uniforms	3,116.20
Buddy's All Stars	10409	9/18/2015	Football Shirts	512.08
Law Offices of Young, Minney & Corr, LLP	10410	9/18/2015	08/15 - Legal Services	35,870.62

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Vendor	Check Number	Date	Description	Check Amount
Eastbay Team Sales	10411	9/18/2015	Training Bib	1,092.68
Chatsworth High School	10412	9/18/2015	11/23-11/28/15 - 2015 San Fernando Valley JV Invitational Tournament Entry Fee	450.00
Beverly Hills High School	10413	9/18/2015	12/07-12/12/15 75th Annual Sax Elliot Tournament Entry Fee	450.00
Brandon Stephens	10449	9/18/2015	Travel Reimbursement: Miles 9/16 IEP Training-	
Fernando Delgado	10451	9/18/2015	LAUSD@Beaudry Table, Storage Unit	52.80 2,086.37
Ronnie Watson	10452	9/18/2015	Travel Reim: Miles Football Supervision 08/04 - 08/28/15	168.07
Sylvia Yi	M2133	9/18/2015	FSA Claim Reimbursement	534.40
Jordi Ballester	DB092115B	9/21/2015	Tech consultant	1,500.00
San Fernando High School	10414	9/21/2015	04/09-04/30/16 Tiger Classic Tournament Entry Fee	670.00
Flinn Scientific Inc.	10415	9/21/2015	Lab Supplies	467.99
Lindamood-Bell Learning Processes	10416	9/21/2015	08/03-08/07/15 Instruction: Rachel Saray	1,780.00
Lindamood-Bell Learning Processes	10417	9/21/2015	08/17-08/21/15 Instruction: Rachel Saray	1,780.00
Lindamood-Bell Learning Processes	10418	9/21/2015	08/10-08/14/15 Instruction: Rachel Saray	1,780.00
Lindamood-Bell Learning Processes	10419	9/21/2015	08/24-08/28/15 Instruction: Rachel Saray	1,691.00
Palisades Charter High School	10420	9/21/2015	11/23-11/28/15 Palisades Beach Invitational Varsity Tournament Entry Fee	900.00
The Cruz Center	10421	9/21/2015	07/01-08/31 Special Ed Services (PT)	1,585.00
Flinn Scientific Inc.	10422	9/21/2015	Chemistry Lab Supplies	1,295.80
Department of Justice (State of CA)	10423	9/21/2015	08/15 - Fingerprint Apps	179.00
Valencia High School	10424	9/21/2015	12/01-12/05/15 Valencia High Tournament Entry Fee	400.00
Hart High School	10425	9/21/2015	02/27-03/05/16 - 2016 Hart Tournament Entry Fee	450.00
PARS	10426	9/21/2015	07/15 - PARS Admin Fees	312.12
Phillips & Associates	10427	9/21/2015	08/15 - Consulting Services	4,317.17
American Heritage Life Insurance Company	10428	9/21/2015	09/15 - Supplemental Health Insurance Premium	1,391.90
Unum Life Insurance Company of America	10429	9/21/2015	09/15 - Premium Life Insurance	4,011.42
Unum Life Insurance Company of America	10430	9/21/2015	10/15 - Premium Life Insurance	4,011.42
Piece of Mind Care Services	10431	9/21/2015	08/15 Special Ed Services	630.00
Four Seasons Tours	10432	9/21/2015	Deposit-Camerata Disney World Orlando 3/21-25/16 (Trust)	750.00
Taylor A. Hardie	10433	9/21/2015	06/09-08/05/15 Color Guard/Dance Instruction	442.50
American Express	10434	9/21/2015	Apple - (2) Macbook Pro	34,419.89
American Express	10435	9/21/2015	Birdbrain - Hummingbird Duo Premium Electronics Kit	456.58
El Camino Real Charter High School (Reimbursement)	10436	9/21/2015	Hook Up for Washing Machine, Conduit, Screw Box, Brass Adaptors	444.88
Rohan David Boone	10437	9/21/2015	09/10/15 Final Check	89.01

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Vendor	Check Number	Date	Description	Check Amount
Shafiq Nomair	10438	9/21/2015	9/15/15 Manual Check	50.70
American Foothill Publishing Co.	10439	9/22/2015	The Kings Courier issue September 3rd, 2015 Vol. 46, Issue 1	515.00
Smart & Final	10440	9/22/2015	Cooking Supplies	130.17
The Home Depot	10441	9/22/2015	Woodshop Materials	452.24
Aileen Ghobadi	10442	9/22/2015	Reim: Sr 2016 Picnic Decorations TGrad Class 2016 Trust	88.73
Zachary Krause	10443	9/22/2015	Reim: VEX Robotics Registration, Supplies	564.37
Maxim Staffing Solutions	10444	9/22/2015	08/24-08/29/15 - LVN One on One for SPED	1,032.50
Andrew Delgado	10453	9/22/2015	Computer Accessories	1,305.93
Kelly Services, Inc.	10454	9/25/2015	Substitute Teachers Through 08/30/15	10,871.88
Kelly Services, Inc.	10455	9/25/2015	Substitute Teachers Through 09/06/15	6,048.09
Benefit and Risk Management Services	10456	9/25/2015	10/15 - FSA Admin Fees	217.00
CCSA Employee Welfare Benefit Trust	10457	9/25/2015	10/15 - Health Benefits	272,303.17
Procopio, Cory, Hargreaves & Savitch LLP	10458	9/25/2015	08/15 - Legal Services	236.60
Social Studies School Services	10459	9/25/2015	Financial Literacy Activities Book	42.29
US Life Insurance Co of NY	10460	9/25/2015	10/15 -Voluntary Insurance	620.36
U.S. Bank PARS Account#: 6746022400	10461	9/25/2015	06/15 - PARS	483.66
Interscholastic Equestrian League	10462	9/25/2015	2015-16 IEL Insurance/Membership	350.00
The Click Source, Inc.	10463	9/25/2015	Data Recovery Services	165.88
The Shredders	10464	9/25/2015	08/15 -Shredding	204.00
Montanez, Pedro	10465	9/25/2015	08/03/15 - 08/31/15 - Coaching Services	625.00
Deny Sportswear	10466	9/25/2015	T-shirts, Sweatshirts for Girls Tennis (Trust)	555.60
MPS	10467	9/25/2015	Examview AP Environmental Science	203.00
DTASC	10468	9/25/2015	Festival Registration Fee Div B and C	746.00
Emily Mann c/o The Gersh Agency	10469	9/25/2015	Fall Play 2015 Copyright-Greensboro: A Requiem	300.00
Roger Keith	10470	9/25/2015	09/25 Referee-Boys Water Polo vs Eagle Rock HS @ Pierce College	72.00
White's Studios, Inc.	10471	9/29/2015	ID Cards	146.28
School Newspapers Online	10473	9/29/2015	Website Hosting, Domain Renewal	297.54
Golden Rule Bindery	10474	9/29/2015	Textbook Rebinding	1,410.18
Golden Rule Bindery	10475	9/29/2015	Textbook Rebinding	198.82
Maxim Staffing Solutions	10476	9/29/2015	08/17-08/22/15 - LVN One on One for SPED	1,058.75
Truitt, Christopher	10477	9/29/2015	07/08-09/10/15 Instruction	2,475.00
FedEx	10478	9/29/2015	08/15 - Shipping	1,197.78
Joe Oliveri	10479	9/29/2015	09/29 JV, Var Referee Girls Volleyball vs Granada Hills	126.00
Teodoro Allen	10480	9/29/2015	09/29 Referee-FS Girls Volleyball vs Granada Hills	58.00
Ken Bernfield	10481	9/29/2015	09/25 Umpire-Var Girls Volleyball vs Granada Hills	58.00

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Vendor	Check Number	Date	Description	Check Amount
			01/04-09/2016 Tournament Entry Fee 2015-16 LA Valley	
Cleveland High School	10482	9/29/2015	Inv Girls Soccer	500.00
Burbank High School	10483	9/29/2015	12/18-19/15 JV Girls Basketball Tournament Entry Fee	375.00
EdTec Inc.	10484	9/29/2015	09/15 EdTec Monthly Services	17,945.00
EdTec Inc.	10485	9/29/2015	08/15 EdTec Monthly Services	17,090.00
EdTec Inc.	10486	9/29/2015	07/15 EdTec Monthly Services	18,770.00
Brooks Transportation Inc.	10487	9/29/2015	09/15-09/18 - Buses for Girls Volleyball	3,875.00
Brooks Transportation Inc.	10488	9/29/2015	09/08/15 - Buses for Senior Picnic (Trust)	2,800.00
Brooks Transportation Inc.	10489	9/29/2015	09/03/15 - Buses for Patagonia/Iron Works	485.00
Brooks Transportation Inc.	10490	9/29/2015	09/25/15 - Buses for L.A. Garment District	375.00
Brooks Transportation Inc.	10491	9/29/2015	09/18/15 - Buses for Getty Museum	350.00
Cavalier Printing	10492	9/29/2015	2015 ECR Football Program Copies (Fundraiser)	1,530.00
			08/15 - 09/15 - Use of Large Gymnasium @Canoga HS for	
LAUSD Civic Center Permit Office	10493	9/29/2015	Volleyball Practice	218.00
Covantia, LLC	10494	9/29/2015	08/15 - Software Development	4,800.00
Vangelia Griffin-Hardie Costumes N Color	10495	9/29/2015	Blue Drill Dress Sequins	1,735.00
Maxim Staffing Solutions	10496	9/29/2015	09/08-09/12/15 - LVN One on One for SPED	1,045.63
			10/1/15-9/30/16 Single Site LM-Hosted Service	
Follett School Solutions, Inc	10497	9/29/2015	Renewal(Library)	850.00
Verizon Wireless	10498	9/29/2015	08/15 - Communication Services	1,861.86
School Services of California, Inc.	10499	9/29/2015	09/02-09/03/15 - (7) LCAP Workshop Entry Fee	1,365.00
Total Education Solutions	10500	9/29/2015	08/15 - RSP Program	1,530.00
Deny Sportswear	10501	9/29/2015	T-shirts for Softball (Trust)	585.66
			JV - 12/15 23rd Ralph Brandt Boys Soccer Tournament	
John Burroughs High School	10502	9/29/2015	Entry Fee	500.00
			Limousine Service - FEHTE EXPENDITURE -	
American Express	10503	9/29/2015	REIMBURSED	3,789.83
American Express	10504	9/29/2015	Ready Refresh - 08/15 Water	216.42
			09/30 Referee-Boys Water Polo vs Van Nuys HS @	
Danny Byrne	10506	9/29/2015	Birmingham	72.00
Kimberly Messadieh	M1736	9/29/2015	Supplies for filming Nepal Project	2,275.17
Staples	10508	9/30/2015	Sharpie Poster Paint	598.22
Staples	10509	9/30/2015	Floor Fans	236.50
Staples	10510	9/30/2015	Markers, Erasers, Folders, Index Cards, Tape	1,329.46
Buddy's All Stars	10511	9/30/2015	Nike Polos	72.81
Buddy's All Stars	10512	9/30/2015	Conditioning T-Shirts	459.15
Buddy's All Stars	10513	9/30/2015	T-Shirts	203.54
Buddy's All Stars	10514	9/30/2015	Nike Sweatshirts (Trust)	222.85
Buddy's All Stars	10515	9/30/2015	Nike Polos & Fleece (Trust)	458.61

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Vendor	Check Number	Date	Description	Check Amount
Buddy's All Stars	10516	9/30/2015	Helmet Paint	405.00
			11/12/15 Program @Embassy Suites Arcadia for Yvonne	
Institute for Educational Development	10517	9/30/2015	Halski	239.00
Staples	10518	9/30/2015	Card Stock, Pencils, Protractors, Compasses	246.29
Educatus International	10519	9/30/2015	Tuition Refund-Hanna Johnsen	8,050.00
Kimberly Messadieh	M1735	9/30/2015	Land/Air Costs in Nepal (Project)	1,680.00
Kimberly Messadieh	M1737	9/30/2015	Tickets Nepal Project and Supplies	1,197.93
	DB090115			290.00
	DB090315			40,859.00
	DB090315B			240.00
	DB090415			41,279.00
	DB091815			83.42
	DB150921			370.00

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# Cover Sheet

## Review and Approval of the Material Revision to Recognize Enrollment and Preference Changes

**Section:** IV. Financial  
**Item:** E. Review and Approval of the Material Revision to Recognize Enrollment and Preference Changes  
**Purpose:** Vote  
**Submitted by:**  
**Related Material:** LTR CSD re Material Revision 111215 (JAR).docx  
Material Revision Board Resolution 111215 (JAR).docx

## ***EL CAMINO REAL CHARTER HIGH SCHOOL***

### ***A California Distinguished School***

5440 Valley Circle Boulevard, Woodland Hills, California 91367  
TELEPHONE: (818)595-7500 FAX: (818)710-9023

JON WASSER  
*Board Chair*

DAVE FEHTE  
*Executive Director*

November 19, 2015

Via Federal Express overnight

José Cole-Gutiérrez, Director  
Charter Schools Division  
Los Angeles Unified School District  
333 S. Beaudry Ave., 20<sup>th</sup> Floor  
Los Angeles, CA 90017

### **RE: El Camino Real Charter High School Request for Material Revision**

Dear Mr. Cole-Gutiérrez:

On behalf of El Camino Real Charter High School (“ECRCHS” or the “Charter School”), I am writing to request a material revision of ECRCHS’s charter petition. This letter, and the enclosed documents, was prepared consistent with the Los Angeles Unified School District (“LAUSD” or the “District”) Charter Schools Division’s (“CSD”) Administrative Procedures for Charter School Authorizing (revised 9/10/13) and Request for Material Revision Checklist (revised as of the same date).

### **RELEVANT BACKGROUND INFORMATION**

ECRCHS is seeking a material revision of its charter in order to make important changes to its enrollment capacity. This material revision request was invited by CSD in an email message from Aida Tatirossian, Specialist to El Camino Real Alliance (“ECRA”) Board Chair Jon Wasser dated October 28, 2015. ECRA operates ECRCHS.

There is some confusion between CSD and ECRA regarding the approved enrollment of ECRCHS. CSD maintains that the approved enrollment of the Charter School is 3,600 students. ECRA maintains that the approved enrollment of ECRCHS is 3,800 students: 3,600 enrolled on the main ECRCHS campus, and an additional 200 enrolled in the Alternative Education Program (formerly known as Miguel Leonis Continuation School).

Confusion was also exhibited among District Board members during the November 10, 2015 District Board meeting. Some Board members understood that when they voted to approve ECRCHS taking over the Alternative Education Program, that action automatically increased ECRCHS’s total enrollment to 3,800, as 200 students would be added to the Charter School’s population. Other Board members did not find the action to be clear in that way.

ECRA has already responded to a Notice to Cure on this topic. Following is a summary of the its evidence to demonstrate that ECRCHS was intended to be approved to enroll 3,800 students when the Alternative Education Program was added to the Charter School's operations in 2012:

- On May 22, 2012, the LAUSD Board took action to approve the following agenda item: “[r]ecommends the approval of the amendment to the charter of El Camino Real Charter High School to add an alternative educational and intervention program focused on meeting the specific academic needs of students who are behind in credits and who are at risk of not graduating.” (Emphasis added.)
- CSD staff knew that ECRCHS believed its enrollment was authorized to be 3,800 – this is evident in email messages and telephone calls exchanged between the parties.
- On at least two different occasions in 2012, ECRCHS submitted budgets to CSD finance staff showing an enrollment of 3,800 students.
- The Sole Occupant Agreement entered into by ECRCHS and the District includes a capacity of 3,600 students. The lease between LAUSD and ECRCHS for 5445 Manton Avenue (Alternative Education Program) identifies a student population at that address of 125-200 students. The lease also makes clear that those 125-200 students are ECRCHS students.
- Education Code Section 47605(d)(2)(C) states: “...in no event shall [a charter school authorizer] take any action to impede the charter school from expanding enrollment to meet pupil demand.” (Emphasis added.)

### **Current Request**

ECRA requests a material revision of the ECRCHS charter to allow for enrollment capacities of 3,600 students in the main campus, 200 students in the Alternative Education Program, and 300 independent study students at the recently acquired 7401 Shoup Avenue facility. The latter represents an expansion of the Charter School's Independent Study Program, which is detailed in the unanimously District Board-approved ECRCHS renewal charter petition.

### **ANALYSIS AND DISCUSSION**

The Independent Study program assists students who are unable to attend school in the traditional five days a week format. It is designed for students with special interests and abilities, scheduling problems or individual needs that cannot be accommodated in the traditional school. Students who graduate from the Independent Study program receive an ECRCHS diploma. The addition of these programs has allowed ECRCHS to provide enhanced academic support services to at-risk students and improve their chances of completing high school, as evidenced in the steadily increasing graduation rate and steadily decreasing dropout rate. The Charter School now wishes to expand its offerings for Independent Study, based upon demand from students.

The following charts demonstrate the growth of the Alternative Education Program and the Independent Study Program (which has been counted as a portion of ECRCHS's enrollment capacity; this material revision seeks to break out that program into its own enrollment capacity).

Alternative Education Program

Year	Enrollment	12 <sup>th</sup>	11 <sup>th</sup>	10 <sup>th</sup>	9 <sup>th</sup>	4-year Grads	5-year Grads	6-year Grads	Unknown
2013-2014	140	77	41	20	2	65 (84%)	9 (12%)	3 (4%)	
2014-2015	177	107	58	10	2	90 (84%)	14 (13%)		3 3%

Independent Study Program

Year	Enrollment	12 <sup>th</sup>	11 <sup>th</sup>	10 <sup>th</sup>	9 <sup>th</sup>	4-year Grads	5-year Grads	6-year Grads
2013-14	44	16	15	9	4	14 (87.5%)	2 (12.5%)	0
2014-15	62	29	22	8	3	19 (66%)	6 (20%)	4 (14%)

ECRCHS’s weighted 3-Year Average Academic Performance Index (“API”) score was 823. The Charter School’s most recent statewide and similar schools API ranks were 9 and 7, respectively. With such excellent educational indication already in place, the Charter School aspires to improve its graduation rate and to offer more vocational opportunities to students, thus preparing all students for options that are available after high school. The Charter School provides a strong and proven educational program for its students, and desires to be able to offer that program to more students.

ECRCHS desires for students to select one of three programs upon applying for admission to the Charter School. Students can select: main campus, Alternative Education Program, or Independent Study program. If the main campus reaches capacity, ECRCHS will offer students who do not gain admission, admission into the Independent Study program. Students may elect to move between the 3 programs if they desire, and if the request is approved by a designated Charter School administrator.

**IDENTIFICATION AND DESCRIPTION OF CHANGES**

The ECRCHS renewal charter petition, unanimously approved by the District Board on November 10, 2015 will be revised as follows:

General Information Table [fill in page # from final version of charter agreed to with CSD]

The number of students in the first year will be:	3,600 at the main campus, 200 in the Alternative Education Program, and 300 in the Independent Study Program
The enrollment capacity is: (Enrollment capacity is defined as the total number of students who may be enrolled in	3,600 at the main campus, 200 in the Alternative Education Program, and 300 in the Independent Study Program

Charter School regardless of student residency.)

Page [fill in page # from final version of charter agreed to with CSD]

ECRCHS absorbed Miguel Leonis continuation school in 2012, and created the ECRCHS Alternative Education Program and Independent Studies Program. The former principal of Miguel Leonis is now an assistant principal at ECRCHS; this administrator’s main duty is to oversee these two programs. The Alternative Education Program offers smaller class sizes and more individualized guidance, and assists students who have fallen behind with credit recovery. Students are recommended to this program by their guidance counselor, and may begin the program as early as the sophomore year. The Independent Study program (which will be located at the main campus and at 7401 Shoup Avenue) assists students who are unable to attend school in the traditional five days a week format. It is designed for students with special interests and abilities, scheduling problems or individual needs that cannot be accommodated in the traditional school. Students who graduate from both programs receive an ECRCHS diploma. The addition of these programs has allowed ECRCHS to provide enhanced academic support services to at-risk students and improve their chances of completing high school, as evidenced in the steadily increasing graduation rate and steadily decreasing dropout rate.

Page [fill in page # from final version of charter agreed to with CSD]

Independent Study Program: This program, which will be located at the main campus and at 7401 Shoup Avenue, assists students who are unable to attend school in the traditional five days a week format. It is designed for students with special interests and abilities, scheduling problems or individual needs that cannot be accommodated in the traditional school. This program offers courses that meet the CSU/UC college A-G course requirements. All of the courses are offered online as well as on campus from NCLB qualified teachers on campus. Students must meet all independent study eligibility requirements. Because this program offers rigorous, challenging courses, students must be able to work independently and have a desire to learn. Students who graduate from this program receive an ECRCHS diploma.

Enrollment Plan, Page [fill in page # from final version of charter agreed to with CSD; Melanie, I don’t have the last version of the charter, only the first. Please revise the numbers below to be consistent with how they appeared in the last charter version, and then turn on Track Changes to make changes. Please ensure that the changes align with the budget submitted.]

ECRCHS is currently authorized to serve 3,800 students in grades 9-12 in a site-based program, and plans to add 100 students to the Independent Study program (a 2.6% increase in enrollment). The following projects enrollment with the assumption the increase to the Independent Study program will be approved:

**Enrollment Plan**

General Education Program	2016-17	2017-18	2018-19	2019-20	2020-21
9 <sup>th</sup> grade	910	910	910	910	910

10 <sup>th</sup> grade	970	970	970	970	970
11 <sup>th</sup> grade	925	925	925	925	925
12 <sup>th</sup> grade	895	895	895	895	895
Total	3,700	3,700	3,700	3,700	3,700
Alternative Education and Independent Study	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>
9 <sup>th</sup> grade					
10 <sup>th</sup> grade	10	20	20	20	20
11 <sup>th</sup> grade	25	45	45	45	45
12 <sup>th</sup> grade	115	135	135	135	135
Total	150	200	200	200	200
<b>Grand Total</b>	<b>3,850</b>	<b>3,900</b>	<b>3,900</b>	<b>3,900</b>	<b>3,900</b>

[Melanie, add any other changes that need to be made from the Independent Study program section in the charter.]

**CONCLUSION**

ECRCHS is eager to work with the District to address any questions or concerns regarding its charter petition material revision request. Please do not hesitate to contact me at your convenience.

Sincerely,

Dave Fehte  
Executive Director, ECRA

El Camino Real Alliance  
Board of Directors

Resolution

WHEREAS, the El Camino Real Alliance (“ECRA”) Board of Directors seeks a material revision of the El Camino Real Charter High School (“ECRCHS” or the “Charter School”) charter petition, as detailed herein; and

WHEREAS, the ECRA Board of Directors hereby authorizes the submission to the Los Angeles Unified School District of the request for the proposed charter revisions; and

WHEREAS, the ECRA Board of Directors authorizes Principal Dave Fehte to execute (sign) the amendment document and otherwise act on behalf of ECRA with respect to the material revision application process;

NOW THEREFORE BE IT RESOLVED:

ECRA requests a material revision of the ECRCHS charter to allow for enrollment capacities of 3,600 students in the main campus, 200 students in the Alternative Education Program, and 300 independent study students at the recently acquired 7401 Shoup Avenue facility. The latter represents an expansion of the Charter School’s Independent Study Program, which is detailed in the unanimously District Board-approved ECRCHS renewal charter petition.

The Independent Study program assists students who are unable to attend school in the traditional five days a week format. It is designed for students with special interests and abilities, scheduling problems or individual needs that cannot be accommodated in the traditional school. Students who graduate from the Independent Study program receive an ECRCHS diploma. The addition of these programs has allowed ECRCHS to provide enhanced academic support services to at-risk students and improve their chances of completing high school, as evidenced in the steadily increasing graduation rate and steadily decreasing dropout rate. The Charter School now wishes to expand its offerings for Independent Study, based upon demand from students.

The following charts demonstrate the growth of the Alternative Education Program and the Independent Study Program (which has been counted as a portion of ECRCHS’s enrollment capacity; this material revision seeks to break out that program into its own enrollment capacity).

Alternative Education Program

Year	Enrollment	12 <sup>th</sup>	11 <sup>th</sup>	10 <sup>th</sup>	9 <sup>th</sup>	4-year Grads	5-year Grads	6-year Grads	Unknown
2013-2014	140	77	41	20	2	65 (84%)	9 (12%)	3 (4%)	
2014-2015	177	107	58	10	2	90 (84%)	14 (13%)		3 3%

### Independent Study Program

Year	Enrollment	12 <sup>th</sup>	11 <sup>th</sup>	10 <sup>th</sup>	9 <sup>th</sup>	4-year Grads	5-year Grads	6-year Grads
2013-14	44	16	15	9	4	14 (87.5%)	2 (12.5%)	0
2014-15	62	29	22	8	3	19 (66%)	6 (20%)	4 (14%)

ECRCHS’s weighted 3-Year Average Academic Performance Index (“API”) score was 823. The Charter School’s most recent statewide and similar schools API ranks were 9 and 7, respectively. With such excellent educational indication already in place, the Charter School aspires to improve its graduation rate and to offer more vocational opportunities to students, thus preparing all students for options that are available after high school. The Charter School provides a strong and proven educational program for its students, and desires to be able to offer that program to more students.

ECRCHS desires for students to select one of three programs upon applying for admission to the Charter School. Students can select: main campus, Alternative Education Program, or Independent Study program. If the main campus reaches capacity, ECRCHS will offer students who do not gain admission, admission into the Independent Study program. Students may elect to move between the 3 programs if they desire, and if the request is approved by a designated Charter School administrator.

AND BE IT FURTHER RESOLVED:

The ECRCHS renewal charter petition, unanimously approved by the District Board on November 10, 2015 will be revised as follows:

General Information Table [fill in page # from final version of charter agreed to with CSD]

The number of students in the first year will be:	3,600 <u>at the main campus, 200 in the Alternative Education Program, and 300 in the Independent Study Program</u>
The enrollment capacity is: (Enrollment capacity is defined as the total number of students who may be enrolled in Charter School regardless of student residency.)	3,600 <u>at the main campus, 200 in the Alternative Education Program, and 300 in the Independent Study Program</u>

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[Melanie, add any other changes that need to be made from the Independent Study program section in the charter.]

I, Donna Slamon, certify that the Board of Directors of El Camino Real Alliance on November 18, 2015, adopted the foregoing resolution, at Los Angeles, California.

By: \_\_\_\_\_  
 Donna Slamon; Board Secretary

# Cover Sheet

## Review and Approval of the 2014/15 Audited Financial Statements

**Section:** IV. Financial  
**Item:** F. Review and Approval of the 2014/15 Audited Financial Statements  
**Purpose:** Vote  
**Submitted by:**  
**Related Material:** Draft El Camino 2015.pdf

**DRAFT**

**EL CAMINO REAL ALLIANCE**

**INDEPENDENT AUDITOR'S REPORT  
FOR THE YEAR ENDED  
JUNE 30, 2015**

Operating:

**EL CAMINO REAL CHARTER HIGH SCHOOL**

# EL CAMINO REAL ALLIANCE

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# EL CAMINO REAL ALLIANCE

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# Feddersen & Company, LLP

Certified Public Accountants

**DRAFT**

## INDEPENDENT AUDITOR'S REPORT

Members of the Governing Board  
El Camino Real Alliance  
Woodland Hills, California

### Report on the Financial Statements

We have audited the accompanying financial statements of El Camino Real Alliance (a nonprofit organization), which comprise the statement of financial position as of June 30, 2015, and the related statements of activities and cash flows 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.

### Auditor's 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 from 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 auditor's 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.

**DRAFT**

Independent Auditor's Report  
Members of the Governing Board  
El Camino Real Alliance  
Woodland Hills, California  
Page 2

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of El Camino Real Alliance as of June 30, 2015, 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 and Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, is presented for purposes of additional analysis and is not a required part of the financial statements. The Management's Discussion and Analysis on pages 3 – 7 and the accompanying supplementary information on pages 21 – 28, are presented for purposes of additional analysis and are also not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 13, 2015 on our consideration of El Camino Real Alliance'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 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 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 El Camino Real Alliance's internal control over financial reporting and compliance.

Agoura Hills, California  
November 13, 2015



## EL CAMINO REAL ALLIANCE

### MANAGEMENT'S DISCUSSION AND ANALYSIS For the Year Ended June 30, 2015



The Management Discussion and Analysis section of El Camino Real Alliance's (the Organization) financial report presents an overall review of the Organization's financial performance during the fiscal year that ended on June 30, 2015. Readers should also review the notes to the financial statements to enhance their understanding of the Organization's financial performance.

#### FINANCIAL HIGHLIGHTS

- Net assets increased \$4,352,683 or 43.5 percent over the course of the year.
- Total revenues received were \$34,152,922 for the fiscal year ended June 30, 2015.
- The Organization incurred \$29,800,239 in expenses for the fiscal year ended June 30, 2015.

#### OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts – Management's Discussion and Analysis (this section), the basic financial statements, and supplementary information. The financial statements also include *notes* that explain some of the statements and provide more detailed data. The statements are followed by a section of *supplementary information* that further explains and supports the financial statements.

#### FINANCIAL ANALYSIS OF THE SCHOOL

**Net assets.** The Organization's net assets of \$14,357,676 were greater on June 30, 2015 than they were the prior year, increasing by \$4,352,683 or 43.5 percent (See Table 1.) Table 1 provides a summary of the Organization's net assets for the fiscal years ended 2015 and 2014.

**Table 1  
El Camino Real Alliance's Net Assets**

Summary of Statement of Net Assets	<u>Governmental Activities</u>		<u>Total Change</u>	<u>Total % Change</u>
	2014	2015		
Cash and cash equivalents	\$ 5,434,638	\$ 7,499,034	\$ 2,064,396	38.0 %
Cash held in trust	113,347	-	(113,347)	(100.0 %)
Certificates of deposit	1,989,329	5,243,447	3,254,118	163.6 %
Accounts receivable	4,208,221	3,152,569	(1,055,652)	(25.1 %)
Prepaid expenditures and deposits	396,243	674,769	278,526	70.3 %
Property and equipment, net	618,117	999,942	381,825	61.8 %
Total Assets	<u>12,759,895</u>	<u>17,569,761</u>	<u>4,809,866</u>	<u>37.7 %</u>
Current liabilities	<u>2,754,902</u>	<u>3,212,085</u>	457,183	16.6 %
Total Liabilities	<u>2,754,902</u>	<u>3,212,085</u>	<u>457,183</u>	<u>16.6 %</u>
Net assets – unrestricted operational	5,004,993	9,357,676	4,352,683	87.0 %
Net assets – unrestricted facilities	5,000,000	5,000,000	-	-
Total Net Assets	<u>\$10,004,993</u>	<u>\$14,357,676</u>	<u>\$ 4,352,683</u>	<u>43.5 %</u>

**EL CAMINO REAL ALLIANCE**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended June 30, 2015**

**DRAFT**

**Net assets continued.** Total assets were \$17,569,761, 42.7 percent in cash in banks, 29.8 percent in certificates of deposit, 17.9 percent in accounts receivable, 5.8 percent in property and equipment, and 3.8 percent in prepaid expenses and deposits. Total liabilities were \$3,212,085. Current liabilities account for 100.0 percent of the total liabilities and consist of 43.2 percent in accounts payable, 3.3 percent in accrued payroll and payroll liabilities, 22.9 percent in due to grantor, and 30.6 percent in unearned revenue. Of the Organization's \$14,357,676 net assets, 100.0 percent were unrestricted. The board of directors has designated an unrestricted amount of \$5,000,000 for facilities.

**Table 2  
Analysis of El Camino Real Alliance's Net Assets**

<b>Summary of Statement of Activities</b>	<u>2014</u>	<u>2015</u>
Program revenues	\$ 29,572,955	\$ 34,115,143
General revenues	5,746	37,779
Total Revenues	<u>29,578,701</u>	<u>34,152,922</u>
Program expenses	21,254,218	24,002,621
Management and general expenses	5,024,319	5,797,618
Total Expenses	<u>26,278,537</u>	<u>29,800,239</u>
Change in Net Assets	3,300,164	4,352,683
Net Assets, Beginning	<u>6,704,829</u>	<u>10,004,993</u>
Net Assets, Ending	<u>\$ 10,004,993</u>	<u>\$ 14,357,676</u>

**Statement of Revenues, Expenses and Changes in Net Assets.** Changes in total net assets, as presented on the Statement of Net Assets, are based on the activity presented in the Statement of Activities. The purpose of this statement is to present the revenues earned, whether received or not, by the Organization, and the expenses incurred, whether paid or not, by the Organization. Thus, this statement presents the Organization's results of operations.

# EL CAMINO REAL ALLIANCE

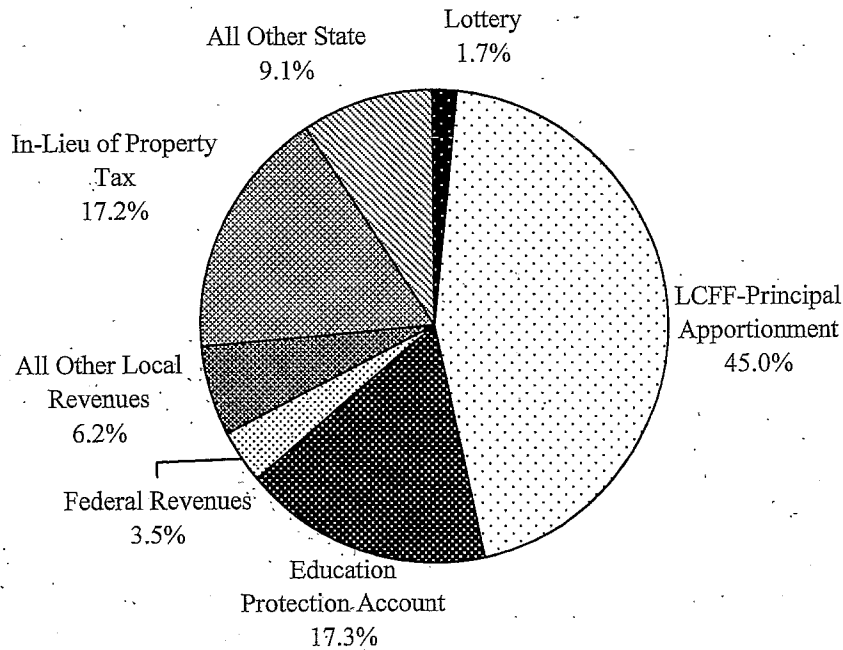
## MANAGEMENT'S DISCUSSION AND ANALYSIS For the Year Ended June 30, 2015

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### Governmental Activities

By the end of the fiscal year, the revenues for the Organization's activities totaled \$34,152,922. LCFF principal apportionment was 45.0 percent of total funding, 17.3 percent from education protection account and 17.2 percent from in-lieu of property taxes. State lottery funds comprised 1.7 percent and all other state funding was 9.1 percent of total funding. Federal funding was 3.5 percent and the remaining 6.2 percent was from all other local revenue sources.

**Figure 1**  
**El Camino Real Alliance's Revenues for Fiscal Year 2015**  
**Analysis of Revenue Sources**



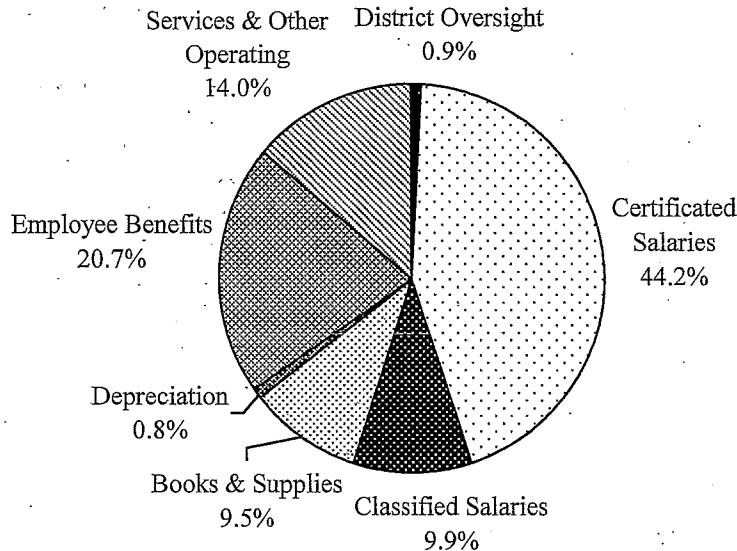
# EL CAMINO REAL ALLIANCE

## MANAGEMENT'S DISCUSSION AND ANALYSIS For the Year Ended June 30, 2015

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The cost of all the Organization's major activities: instruction, guidance, counseling, evaluation, school leadership, administration, maintenance and operations was \$29,800,239. Program service expenses accounted for \$24,002,621 or 80.5 percent of total expenses, while \$5,797,618 or 19.5 percent were management and general support expenses.

**Figure 2  
El Camino Real Alliance's Expenses for Fiscal Year 2015**



### General Budgetary Highlights

Per the charter for El Camino Real Charter High School, the Los Angeles Unified School District requires that the school shall prepare and submit to the District a provisional budget, interim biannual financial projections, and final budgets that certify the school is able to meet its financial obligations for the remainder of the fiscal year.

## EL CAMINO REAL ALLIANCE

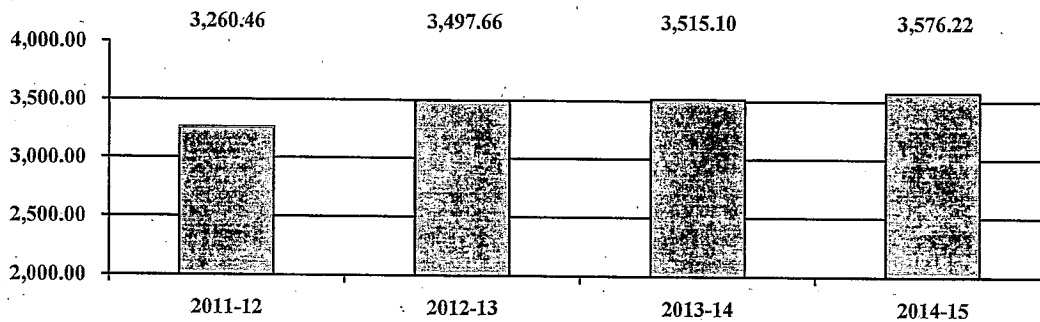
### MANAGEMENT'S DISCUSSION AND ANALYSIS For the Year Ended June 30, 2015



#### Average Daily Attendance

Average Daily Attendance at the second period report for El Camino Real Charter High School increased by 61.12 to 3,576.22 for the fiscal year ended June 30, 2015. El Camino Real Charter High School continues to focus on attendance in the 2015-16 school year.

**Second Period Report Average Daily Attendance**



#### Factors Bearing on the School's Future

- Although the Organization is financially stable, its financial condition is highly dependent upon the economic condition of the State of California.

#### CONTACTING THE SCHOOL'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, parents, and creditors with a general overview of the School's finances and to demonstrate the School's accountability for the money it receives. If you have questions about this report or need additional information, contact Mr. David Fehte, Principal at (818) 595-7500.

**EL CAMINO REAL ALLIANCE**

**STATEMENT OF FINANCIAL POSITION**

**JUNE 30, 2015**

DRAFT
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	<u>El Camino Real Charter High School</u>
ASSETS	
CURRENT ASSETS	
Cash and Cash Equivalents	\$ 7,499,034
Certificates of Deposit	5,243,447
Accounts Receivable	3,152,569
Prepaid Expenditures	674,769
Total Current Assets	16,569,819
PROPERTY AND EQUIPMENT, NET	999,942
<b>Total Assets</b>	<b>\$ 17,569,761</b>
LIABILITIES AND NET ASSETS	
CURRENT LIABILITIES	
Accounts Payable	\$ 1,390,302
Accrued Payroll and Payroll Liabilities	105,023
Due to Grantor	734,455
Unearned Revenue	982,305
Total Current Liabilities	3,212,085
<b>Total Liabilities</b>	3,212,085
NET ASSETS	
Unrestricted	
Available for Operations	9,357,676
Board Designated - Facilities	5,000,000
Total Net Assets	14,357,676
<b>Total Liabilities and Net Assets</b>	<b>\$ 17,569,761</b>

The accompanying notes are an integral part of these financial statements

**EL CAMINO REAL ALLIANCE**

**STATEMENT OF ACTIVITIES**

**FOR THE YEAR ENDED JUNE 30, 2015**

DRAFT

<b>UNRESTRICTED NET ASSETS SUPPORT AND REVENUES</b>	<u>El Camino Real Charter High School</u>
LCFF Sources:	
Principal Apportionment State Aid	\$ 15,382,100
Education Protection Account	5,897,720
In-Lieu of Property Taxes	5,882,059
Federal Revenue	1,190,975
Other State Revenue:	
Special Education	1,994,959
Lottery Revenue	574,029
All Other	1,113,569
Local Revenue:	
Food Service Sales	69,115
All Other	2,010,617
Other Revenue:	
Interest Income	32,325
Unrealized Gain on Investments	5,454
<b>Total Unrestricted Revenue</b>	<u>34,152,922</u>
<b>EXPENSES</b>	
PROGRAM EXPENSES	
Educational	24,002,621
SUPPORT SERVICES	
Management and General	<u>5,797,618</u>
<b>Total Unrestricted Expenses</b>	<u>29,800,239</u>
<b>Increase in Unrestricted Net Assets</b>	4,352,683
<b>UNRESTRICTED NET ASSETS</b>	
Beginning of Year	<u>10,004,993</u>
End of Year	<u>\$ 14,357,676</u>

The accompanying notes are an integral part of these financial statements

**EL CAMINO REAL ALLIANCE****STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED JUNE 30, 2015****DRAFT**

	El Camino Real Charter High School
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Increase in Net Assets	\$ 4,352,683
Adjustments to Reconcile Changes in Net Assets to Net Cash Provided by Operating Activities:	
Depreciation	252,573
Unrealized Gain on Investments	(5,454)
(Increase) Decrease in Assets:	
Cash Held in Trust	113,347
Accounts Receivable	1,055,652
Prepaid Expenditures	(278,526)
Increase (Decrease) in Liabilities:	
Accounts Payable	1,193,076
Accrued Payroll and Payroll Liabilities	(48,962)
Amount Held for Others	(450,071)
Due to Grantor	(26,536)
Unearned Revenue	(210,324)
Net Cash Provided by Operating Activities	<u>5,947,458</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>	
Purchase of Property and Equipment	(432,584)
Construction in Progress	(201,814)
Investments in Certificates of Deposit	(3,248,664)
Net Cash Used for Investing Activities	<u>(3,883,062)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>	
Net Cash Used for Financing Activities	<u>-</u>
Net Increase in Cash and Cash Equivalents	2,064,396
Cash, Beginning of Year	<u>5,434,638</u>
Cash, End of Year	<u>\$ 7,499,034</u>

The accompanying notes are an integral part of these financial statements



## EL CAMINO REAL ALLIANCE

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2015

**DRAFT****NOTE 1 – NATURE OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Organization and Nature of Activities** – El Camino Real Alliance (the Organization) is a California non-profit public benefit corporation and is organized to manage and operate public charter schools. For the year ended June 30, 2015, the Organization operated one public charter school: El Camino Real Charter High School (the School). The School serves students in grades nine through twelve and is funded principally through State of California public education monies received through the California Department of Education and the Los Angeles Unified School District.

The Los Angeles Unified School District (the District) is the chartering authority for the School. California Education Code section 47604(c) states that the District shall not be liable for the debts or obligations of the charter school. The District granted the School its first charter in May 2011. The current charter granted is for the period from August 15, 2011 to June 30, 2016.

Charters may be revoked by the District for material violations of the charter, failure to meet pupil outcomes 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 were prepared in accordance with accounting principles generally accepted in the United States of America as applicable to not-for-profit organizations. Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported on the financial statements. The School uses the accrual basis of accounting. Revenues are recognized when they are earned and expenditures are recognized in the accounting period in which the liability is incurred.

**Basis of Presentation** – The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America. Net assets of the School and changes therein are classified and reported as follows:

- *Unrestricted* – All resources over which the governing board has discretionary control to use in carrying on the general operations of the School.
- *Temporarily Restricted* – These net assets are restricted by donors to be used for specific purposes. The School does not currently have any temporarily restricted net assets.
- *Permanently Restricted* – These net assets are permanently restricted by donors and cannot be used by the School. The School does not currently have any permanently restricted net assets.

**Contributions** – All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are restricted to specific use or future periods are reported as temporarily restricted. Restricted contributions that are received and released in the same period are reported as unrestricted revenue. All other restricted revenues are reported as increases in temporarily restricted net assets.

**EL CAMINO REAL ALLIANCE****NOTES TO FINANCIAL STATEMENTS****JUNE 30, 2015****DRAFT****NOTE 1 – NATURE OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Revenue Recognition** – The School receives Federal, State and local revenues for their various educational programs. This assistance is generally received based on applications submitted to and approved by various granting agencies. Amounts received from the California Department of Education are recognized as revenue by the School based on the average daily attendance of students. Unearned revenue is recorded to the extent cash received on grants exceeds qualified expenses. Some government grants are based on reimbursable costs as defined by the grants. Reimbursements recorded under these grants are subject to audit by the granting agency. Management believes that no material adjustments will result from subsequent audits of costs reflected in the accompanying financial statements.

**Cash and Cash Equivalents** – For purposes of reporting cash flows, cash is defined as cash on hand, amounts held at financial institutions, and short-term highly liquid investments that are readily convertible to known amounts of cash. Investments with an original maturity of three months or less are considered short-term for these purposes.

**Unearned Revenue** – Unearned revenue results from the School's foreign exchange student program recognizing the revenue in the period in which the related educational instruction is performed. Accordingly, foreign exchange student program revenues received for the next school year are deferred until the instruction commences and the common core implementation funds expenditures are recorded.

**Accounts Receivable** – Accounts receivable primarily represent amounts due from federal, state and local governments as of June 30, 2015. Management believes that all receivables are fully collectible, therefore no provisions for uncollectible accounts were recorded.

**Fixed Assets** – 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 \$1,000 are capitalized. Contributions of donated fixed assets are reported as increases to unrestricted net assets 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. For additional information, see Note 5.

**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 and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates. Significant management estimates included in the financial statements are the collectability of the receivables, the estimated useful lives of fixed assets, and the functional allocation of expenses.

**EL CAMINO REAL ALLIANCE****NOTES TO FINANCIAL STATEMENTS****JUNE 30, 2015****DRAFT****NOTE 1 – NATURE OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*Functional Allocation of Expenses* – The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities. Expenses are charged to each program based on direct expenses incurred. Any program expenses not directly chargeable to a program are allocated among program and support services by a method that best measures the relative degree of benefit.

*Income Taxes* – The Organization is exempt from federal and state income tax under 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the California Revenue and Taxation Code. However, income from certain activities not directly related to the Organization's tax-exempt purpose is subject to taxation as unrelated business income. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2). Accordingly, no provision for income taxes has been reflected in these financial statements. The Organization has considered its tax positions and believes that all of the positions taken in its federal and state exempt organization tax returns are more likely than not to be sustained upon examination; therefore, no accounting adjustment has been made to the financial statements and no disclosures of uncertain income tax positions are required. The Organization's returns are subject to examination by federal and state taxing authorities, generally for three years and four years, respectively, after they are filed.

**NOTE 2 – CONCENTRATION OF CREDIT RISK**

Cash balances held in banks are insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC). The School maintains its cash in bank deposit accounts that at times may exceed federally insured limits. The School has not experienced any losses in such accounts. At June 30, 2015, deposits in excess of the FDIC limit amount to approximately \$7,250,000. Management believes the School is not exposed to any significant credit risk related to cash.

**NOTE 3 – CERTIFICATES OF DEPOSIT**

The certificates bear interest ranging from 0.2 percent to 3.3 percent and have maturities ranging from 14 months to 60 months. Any penalties for early withdrawal would not have a material effect on the financial statements.

**NOTE 4 – EMPLOYEE BENEFIT PLANS**

Qualified employees of the School are covered under multiple-employer defined benefit pension plans maintained by agencies of the State of California. Certificated employees are members of the California State Teachers' Retirement System (CalSTRS), and classified employees are members of the California Public Employees' Retirement System (CalPERS). All employees who are not members of CalSTRS or CalPERS must contribute to the federal Social Security system.

**EL CAMINO REAL ALLIANCE**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2015**



**NOTE 4 – EMPLOYEE BENEFIT PLANS (CONTINUED)**

**California State Teachers’ Retirement System (CalSTRS)**

Plan EIN:	94-6291617
Actuarial value of assets:	\$158,495
Actuarial accrued liability:	\$231,213
Funded status:	68.5 percent

The actuarial value of assets and accrued liability are expressed in millions and are valued as of June 30, 2014, the most recent actuarial valuation date.

**Plan Description**

The School contributes to CalSTRS, a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalSTRS. The plan provides retirement and disability benefits, annual cost-of-living adjustments, and survivor benefits to beneficiaries. Benefit provisions are established by state statutes, as legislatively amended, within the State Teachers’ Retirement Law. CalSTRS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the CalSTRS annual financial report may be obtained from CalSTRS, 100 Waterfront Place, West Sacramento, California 95605.

**Funding Policy**

Increases in pension contributions for all parties took effect July 1, 2014, and will be phased in over the next several fiscal years. “Classic” active plan members, not subject to provisions of the Public Employees’ Pension Reform Act of 2013 (PERPA), are required to contribute 8.15 percent of their salary, and will see their contributions increase by a total of 2.25 percent of payroll phased in over the next three fiscal years, capped at 10.25 percent. Active new members subject to PERPA, are required to contribute 8.15 percent of their salary, and will see their contributions increase by a total of 1.205 percent, capped at 9.205 percent. The School is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by the CalSTRS Teachers’ Retirement Board. The required employer contribution rate for the fiscal year 2014-2015 was 8.88 percent of annual payroll. The contribution requirements of the plan members are established and may be amended by state statute. The School’s required contributions to CalSTRS for the fiscal years ending June 30, 2015, 2014 and 2013 was \$1,145,994, \$1,028,236, and \$986,764 respectively, and equals 100.0 percent of the required contributions for each year. For the fiscal year 2016, the School is required to contribute 10.73 percent of annual payroll.

**California Public Employees’ Retirement System (CalPERS)**

Plan EIN:	94-6207465
Market value of assets:	\$56,838
Actuarial accrued liability:	\$65,599
Funded status:	86.6 percent

**EL CAMINO REAL ALLIANCE**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2015**



**NOTE 4 – EMPLOYEE BENEFIT PLANS (CONTINUED)**

**California Public Employees’ Retirement System (CalPERS) (Continued)**

The market value of assets and the actuarial accrued liability are expressed in millions and are valued as of June 30, 2014, the most recent actuarial valuation date.

**Plan Description**

The School contributes to the School Employer Pool under the CalPERS, a cost-sharing multiple-employee retirement system defined benefit pension plan administered by CalPERS. 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. CalPERS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the CalPERS’ annual financial report may be obtained from the CalPERS Executive Office, 400 Q Street, Sacramento, CA 95811.

**Funding Policy**

Classic active plan members are required to contribute 7.0 percent of their salary. Active new members subject to PERPA are required to contribute 6.0 percent of their salary. The School 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 the fiscal year 2014-2015 was 11.771 percent of annual payroll. The contribution requirements of the plan members are established and may be amended by state statute. The School’s required contributions to CalPERS for the fiscal years ending June 30, 2015, 2014 and 2013 were \$323,686, \$317,803, and \$284,871 respectively, and equals 100.0 percent of the required contributions for the year. For the fiscal year 2016, the School is required to contribute 11.847 percent of annual payroll.

**NOTE 5 – FIXED ASSETS**

A schedule of changes in property and equipment and accumulated depreciation for the year ended June 30, 2015, is as follows:

**SUMMARY OF CHANGES IN PROPERTY AND EQUIPMENT**

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Subtractions</u>	<u>Ending Balance</u>
Computer and Equipment	\$ 486,798	\$ 181,305	\$ -	\$ 668,103
Buildings	141,467	-	-	141,467
Furniture	80,963	186,069	-	267,032
Leasehold Improvements	91,025	65,210	-	156,235
Construction in Progress	-	201,814	-	201,814
Totals	<u>\$ 800,253</u>	<u>\$ 634,398</u>	<u>\$ -</u>	<u>\$ 1,434,651</u>



**EL CAMINO REAL ALLIANCE**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2015**

<b>DRAFT</b>
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**NOTE 5 – FIXED ASSETS (CONTINUED)**

SUMMARY OF CHANGES IN ACCUMULATED DEPRECIATION

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Subtractions</u>	<u>Ending Balance</u>
Computer and Equipment	\$ 98,499	\$ 126,254	\$ -	\$ 224,753
Buildings	47,399	47,034	-	94,433
Furniture	18,043	23,008	-	41,051
Leasehold Improvements	<u>18,195</u>	<u>56,277</u>	-	<u>74,472</u>
Totals	<u>\$ 182,136</u>	<u>\$ 252,573</u>	<u>\$ -</u>	<u>\$ 434,709</u>

During the fiscal year ended June 30, 2015, \$252,573 was charged to depreciation expense.

**NOTE 6 – OPERATING LEASE**

The School is a party to one operating lease for operational facilities to provide a “continuation education program” for 125 to 200 students in grades nine through twelve who are at risk of not completing their education.

*Los Angeles Unified School District* – The lease is co-terminus with the School’s charter petition, commencing August 15, 2012 with the term ending June 30, 2016. There is a first option period to extend the term of this lease for a period not to exceed June 30, 2021. The lease is payable annually in the amount of 10.0 percent of Average Daily Attendance at the site or \$72,000, whichever is greater. Rent expense for the year ended June 30, 2015 was \$72,000.

Future minimum lease payments under the lease agreement are as follow as of June 30, 2015:

<u>Year Ending June 30,</u>	<u>Minimum Lease Payments</u>
2016	<u>\$ 72,000</u>
	<u>\$ 72,000</u>

**NOTE 7 – COMMITMENTS**

In October 2012, the School signed a sole occupant agreement with the Los Angeles Unified School District (the District) for use of property located at 5440 Valley Circle Blvd., Woodland Hills, California. The agreement carries a term that coincides with the School’s charter. The agreement does not require the School to pay a lease amount for the use of the property, but instead, the Schools pays a Pro Rata Share Charge based on the square feet used. This Pro Rata Share Charge paid to the District for the School for the year ended June 30, 2015 was \$217,036.

**EL CAMINO REAL ALLIANCE**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2015**



**NOTE 8 – LINE OF CREDIT**

The School has a line of credit with Pacific Western Bank, allowing for borrowings up to \$4,500,000 with a maturity date of October 15, 2015. Interest accrues at a variable rate based on the bank’s base rate plus 1.5 percent, with a floor of 5.5 percent. The rate at June 30, 2015 was 5.5 percent. There was no outstanding balance on the line of credit at June 30, 2015 and 2014.

**NOTE 9 – POST-RETIREMENT BENEFITS**

On June 1, 2015, the El Camino Real Alliance Public School Employee Retirement Healthcare Benefits Trust (the Trust) was established. The trust was established to hold assets solely for the benefit of one or more specified retirement healthcare benefit plans (the Plans) sponsored and provided to qualified public school employees and beneficiaries of the Organization. The trust is not established for retirement benefits other than public school employee retirement benefits under the Plans or for retirement benefits with respect to any employee of any employer other than the Organization. The Plan provides medical, dental and vision benefits to qualified employees who retire from the School. The Plan provides for a benefit determined by a formula based on the employees’ years of service and age at retirement.

Information relating to the School’s Post-Retirement Medical Plan is shown in the following table:

Discount rate to compute the present value of the estimated benefits	5.00 percent compounded annually
Health Care Cost Trend Factors – Pre-Retirement Trend Rate	Medical premiums will increase by: 5.30 percent in the first year, 5.20 percent for the 2 <sup>nd</sup> through 7 <sup>th</sup> year, 5.10 percent for the 8 <sup>th</sup> through 10 <sup>th</sup> year, 5.20 percent for the 11 <sup>th</sup> through 13 <sup>th</sup> year, 5.30 percent for the 14 <sup>th</sup> year, 5.40 percent for the 15 <sup>th</sup> year, 5.80 percent for the 16 <sup>th</sup> year, 6.20 percent for the 17 <sup>th</sup> through 20 <sup>th</sup> year, and slowly trends down to 4.40 percent in year 2084. Dental and vision premiums will increase by 5.00 percent from year 2015 through year 2064, and slowly trends down to 4.40 percent in year 2084.
Health Care Cost Trend Factors – Post-Retirement Trend Rate	Medical premiums will increase by: 5.60 percent in the first year, 5.40 percent in the second year, 5.20 percent in the 3 <sup>rd</sup> through 8 <sup>th</sup> year, 5.10 percent in the 9 <sup>th</sup> and 10 <sup>th</sup> year, 5.20 percent in the 11 <sup>th</sup> through 18 <sup>th</sup> year, 5.30 percent in the 19 <sup>th</sup> and 20 <sup>th</sup> year, and eventually trends to 4.50 percent in year 2088. Dental premiums will increase by 5.0 percent from years 2015 to 2057, and eventually stays level at 4.50 percent in year 2088.
Effect of a one-percentage-point increase in trend rates – APBO (Accumulated Post Retirement Benefit)	Trend \$20.9 million, APBO trend +1 is \$25.7 million and APBO trend -1 is \$17.2 million.

**EL CAMINO REAL ALLIANCE**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2015**



**NOTE 9 – POST-RETIREMENT BENEFITS (CONTINUED)**

Trend in compensation costs	Not applicable
Discount rate used to compute the accumulated post-retirement benefit obligation	5.00 percent compounded annually.
Funding policy and status	The School will fund the plan for the fiscal year ended June 30, 2015 by \$1,000,000 and by \$1,000,000 for each fiscal year thereafter until fully funded.
Cost of providing termination benefits recognized during the period	The cost of providing benefits for the fiscal year ended June 30, 2015 – Not calculated
Components of post-retirement expense	Service cost is \$1.8 million, interest cost is \$1.04 million
Accumulated post-retirement benefit obligation showing separately the amount applicable to retirees, other eligible participants, and other active participants	Retirees – \$0, Eligible –\$2.1 million, and Ineligible - \$18.8 million
Fair market value of plan assets	None at the time of calculated liabilities. \$1,000,000 at June 30, 2015.
Return on plan assets on an after-tax basis	It is estimated that the future return on plan assets will be 4.00 – 6.00 percent per annum.
Amount by which APBO is reduced for the subsidy	
Effect of subsidy in the measurement of net periodic post-retirement benefit cost	

The post-retirement plan exposes the School to actuarial risks, such as longevity risk, market risk, interest rate risk and liquidity risk.

**NOTE 10 – PARTICIPATION IN JOINT POWERS AUTHORITY**

The Organization is a participant in the California Charter Schools Joint Powers Authority (CCS-JPA) dba CharterSAFE for risk management services for workers’ compensation insurance and charter school liability insurance. The relationship between the Organization and CharterSAFE is such that CharterSAFE is not considered a component unit of the Organization for financial reporting purposes.

CharterSAFE has budgeting and financial reporting requirements independent of member units and CharterSAFE’s financial statements are not presented in these financial statements; however, transactions between CharterSAFE and the Organization are included in these statements. Audited financial statements for CharterSAFE are available from the respective agency.



**EL CAMINO REAL ALLIANCE**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2015**

**DRAFT**

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**NOTE 11 – CONTINGENCIES**

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

**NOTE 12 – SUBSEQUENT EVENTS**

The School's management has evaluated events or transactions that may occur for potential recognition or disclosure in the financial statements from the balance sheet date through November 13, 2015, the date the financial statements were available to be issued. Management has determined that there were no subsequent events or transactions that would have a material impact on the current year financial statements.

**DRAFT**

**EL CAMINO REAL ALLIANCE**

**SUPPLEMENTARY INFORMATION SECTION**

**FOR THE YEAR ENDED  
JUNE 30, 2015**

Operating:  
**EL CAMINO REAL CHARTER HIGH SCHOOL**

**EL CAMINO REAL ALLIANCE**

**LOCAL EDUCATION AGENCY ORGANIZATION STRUCTURE**



**JUNE 30, 2015**

**ORGANIZATION**

El Camino Real Alliance (the Organization) was established in 2011 and is a non-profit public benefit corporation organized to manage and operate public charter schools. For the year ended June 30, 2015, the Organization operated one public charter school: El Camino Real Charter High School (the School). The School began serving students in August 2011. The School's charter was approved in May 2011 and is sponsored by the Los Angeles Unified School District. El Camino Real Charter High School's charter number authorized by the state of California is 1314.

**GOVERNING BOARD**

<u>MEMBER</u>	<u>OFFICE</u>	<u>TERM</u>	<u>TERM EXPIRES</u>
Jeffrey Falgien	President	Three Years	June 30, 2016
Donna Slamon	Secretary	Three Years	June 30, 2016
Jackie Keene	Treasurer	Three Years	June 30, 2017
Denny Thompson	Member	Three Years	June 30, 2017
Odus Caldwell	Member	Three Years	June 30, 2017
Jonthan Wasser	Member	Three Years	June 30, 2017
Peter Vastenhold	Member	Three Years	June 30, 2016

**EXECUTIVE DIRECTOR / PRINCIPAL**

David Fehte

**CHIEF BUSINESS OFFICIAL**

Marshall Mayotte

See auditor's report and the notes to supplementary information

# EL CAMINO REAL ALLIANCE

## SCHEDULE OF AVERAGE DAILY ATTENDANCE

**FOR THE YEAR ENDED JUNE 30, 2015**

# DRAFT

**El Camino Real Charter High School:**

	Second Period Report			Annual Report		
	Classroom Based	Independent Study	Total ADA	Classroom Based	Independent Study	Total ADA
Grades 9 through 12	<u>3,525.69</u>	<u>50.53</u>	<u>3,576.22</u>	<u>3,494.31</u>	<u>52.36</u>	<u>3,546.67</u>
<b>ADA Totals</b>	<u>3,525.69</u>	<u>50.53</u>	<u>3,576.22</u>	<u>3,494.31</u>	<u>52.36</u>	<u>3,546.67</u>

See auditor's report and the notes to supplementary information

**EL CAMINO REAL ALLIANCE**

**SCHEDULE OF INSTRUCTIONAL TIME**

**FOR THE YEAR ENDED JUNE 30, 2015**

**DRAFT**

**El Camino Real Charter High School:**

	2014-15 Minutes		Number of Days Traditional Calendar	Status
	Requirement*	Actual		
Grade 9	62,949	65,675	180	In Compliance
Grade 10	62,949	65,675	180	In Compliance
Grade 11	62,949	65,675	180	In Compliance
Grade 12	62,949	65,675	180	In Compliance

\* As reduced pursuant to the provision of Education Code Section 46201.2.

See auditor's report and the notes to supplementary information

**EL CAMINO REAL ALLICANCE**

**SCHEDULE OF FUNCTIONAL EXPENSES**

**FOR THE YEAR ENDED JUNE 30, 2015**

**DRAFT**

**El Camino Real Charter High School:**

	Program Services	Support Services	
	Educational	Management and General	Total
Compensation and Related Expenses			
Salaries - Certificated	\$ 12,189,849	\$ 987,125	\$ 13,176,974
Salaries - Classified	1,538,813	1,398,207	2,937,020
Employee Benefits	5,231,890	939,162	6,171,052
Total Compensation and Related Expenses	18,960,552	3,324,494	22,285,046
Books and Supplies	1,912,686	910,750	2,823,436
Services and Other Operating Expenses	3,129,383	1,038,182	4,167,565
Depreciation and Amortization	-	252,573	252,573
District Oversight	-	271,619	271,619
<b>Total</b>	<b>\$ 24,002,621</b>	<b>\$ 5,797,618</b>	<b>\$ 29,800,239</b>

See auditor's report and the notes to supplementary information

**EL CAMINO REAL ALLIANCE**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

DRAFT

**FOR THE YEAR ENDED JUNE 30, 2015**

Federal Grantor / Pass-Through Grantor / Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
<b>U.S. Department of Agriculture</b>			
Pass-Through Program from California Department of Education: National School Lunch Program	10.555	13523	\$ 231,863
Total U.S. Department of Agriculture			231,863
<b>U.S. Department of Education</b>			
Pass-Through Program from California Department of Education: Special Education - Grants to States; Indiviudals with Disabilities Education Act (IDEA, Part B)	84.027	13379	682,030
Title I Grants to Local Educational Agencies	84.010	14329	254,869
Advanced Placement Program (Advanced Placement Test Fee; Advanced Placement Incentive Program Grants)	84.330	14831	14,319
Improving Teacher Quality State Grants	84.367	14341	7,894
Total U.S. Department of Education			959,112
<b>Total Expenditures of Federal Awards</b>			<b>\$ 1,190,975</b>

See accompanying notes to the schedule of expenditures of federal awards

## EL CAMINO REAL ALLIANCE

### NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

**DRAFT**

FOR THE YEAR ENDED JUNE 30, 2015

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#### NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of El Camino Real Alliance under programs of the federal government for the year ended June 30, 2015. The information in this Schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the Schedule presents only a selected portion of the operations of El Camino Real Alliance, it is not intended to and does not present the financial position, changes in net assets, or cash flows of El Camino Real Alliance.

#### NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- A. Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-122, *Cost Principles for Non-Profit Organizations*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.
- B. Pass-through entity identifying numbers are presented where available.



**EL CAMINO REAL ALLIANCE**

**RECONCILIATION OF ANNUAL FINANCIAL AND BUDGET  
REPORT WITH AUDITED FINANCIAL STATEMENTS**

**DRAFT**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	El Camino Real Charter High School
June 30, 2015 Annual Financial and Budget Report Fund Balance (Net Assets)	\$ 13,768,487
Adjustments and Reclassifications Increase (Decrease):	
Current Liabilities / Other Local Revenue	<u>589,189</u>
June 30, 2015 Audited Financial Statement Fund Balance (Net Assets)	<u><u>\$ 14,357,676</u></u>

See auditor's report and the notes to supplementary information.

## EL CAMINO REAL ALLIANCE

### NOTES TO SUPPLEMENTARY INFORMATION

**DRAFT**

JUNE 30, 2015

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#### NOTE 1 – PURPOSE OF SCHEDULES:

**A. Local Education Agency Organization Structure**

This schedule provides information about the date and granting authority for the Schools that El Camino Real Alliance (the Organization) operates, members of the governing board, and members of the administration.

**B. Schedule of Average Daily Attendance**

Average daily attendance is a measurement of the number of pupils attending classes of the Schools operated by 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.

**C. Schedule of Instructional Time**

This schedule presents information on the amount of instructional time offered by the Schools and whether the Schools complied with the provisions of Education Code Sections 46200 through 46206.

**D. Schedule of Functional Expenses**

The cost of providing various programs and other activities has been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the instructional programs and supporting services benefited. All costs have been allocated based on their type, based on management's estimates.

**E. Reconciliation of Annual Financial and Budget Report with Audited Financial Statements**

This schedule provides the information necessary to reconcile the fund balances (net assets) of the Schools as reported on the Annual Financial and Budget Report form to the audited financial statements.

**DRAFT**

**EL CAMINO REAL ALLIANCE**  
**OTHER INDEPENDENT AUDITOR'S REPORTS**  
**FOR THE YEAR ENDED**  
**JUNE 30, 2015**  
Operating:  
**EL CAMINO REAL CHARTER HIGH SCHOOL**

# Feddersen & Company, LLP

Certified Public Accountants

**DRAFT**

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT  
AUDITING STANDARDS**

Members of the Governing Board  
El Camino Real Alliance  
Woodland Hills, 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 El Camino Real Alliance (a nonprofit organization), which comprise the statement of financial position as of June 30, 2015, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 13, 2015.

### **Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered El Camino Real Alliance'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 El Camino Real Alliance's internal control. Accordingly, we do not express an opinion on the effectiveness of El Camino Real Alliance'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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies. 2015-01 and 2015-02

Report on Internal Control  
Members of the Governing Board  
El Camino Real Alliance  
Woodland Hills, California  
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### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether El Camino Real Alliance'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*.

### **El Camino Real Alliance's Response to Findings**

El Camino Real Alliance's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. El Camino Real Alliance's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### **Purpose of this Report**

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

Agoura Hills, California  
November 13, 2015

# Feddersen & Company, LLP

Certified Public Accountants

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## **INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

Members of the Governing Board  
El Camino Real Alliance  
Woodland Hills, California

### **Report on Compliance for Each Major Federal Program**

We have audited El Camino Real Alliance's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of El Camino Real Alliance's major federal programs for the year ended June 30, 2015. El Camino Real Alliance's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

### **Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of El Camino Real Alliance'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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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 El Camino Real Alliance'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 El Camino Real Alliance's compliance.

### **Opinion on Each Major Federal Program**

In our opinion, El Camino Real Alliance 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, 2015.

Report on Compliance  
Members of the Governing Board  
El Camino Real Alliance  
Woodland Hills, California  
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### **Report on Internal Control over Compliance**

Management of El Camino Real Alliance 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 El Camino Real Alliance'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 OMB Circular A-133, 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 El Camino Real Alliance'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 in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the 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.

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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Agoura Hills, California  
November 13, 2015



# Feddersen & Company, LLP

Certified Public Accountants



## INDEPENDENT AUDITOR'S REPORT ON STATE COMPLIANCE

Members of the Governing Board  
 El Camino Real Alliance  
 Woodland Hills, California

We have audited El Camino Real Alliance's (the School) compliance with the types of compliance requirements described in the *2014-2015 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, 2015. The School's state compliance requirements are identified in the table below.

### Management's Responsibility

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

### Auditor's Responsibility

Our responsibility is to express an opinion on the School'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 *2014-2015 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 state laws and regulations listed below occurred. An audit includes examining, on a test basis, evidence about the School'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 with state laws and regulations. However, our audit does not provide a legal determination of the School's compliance.

### Compliance Requirements Tested

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

<u>Description</u>	<u>Procedures Performed</u>
Local Education Agencies Other Than Charter Schools:	
Attendance	Not applicable
Teacher Certification and Misassignments	Not applicable
Kindergarten Continuance	Not applicable
Independent Study	Not applicable
Continuation Education	Not applicable
Instructional Time	Not applicable
Instructional Materials	Not applicable
Ratio of Administrative Employees to Teachers	Not applicable



Report on State Compliance  
 El Camino Real Alliance  
 Woodland Hills, California  
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<u>Description</u>	<u>Procedures Performed</u>
Classroom Teacher Salaries	Not applicable
Early Retirement Incentive	Not applicable
Gann Limit Calculation	Not applicable
School Accountability Report Card	Not applicable
Juvenile Court Schools	Not applicable
Middle or Early College High Schools	Not applicable
K-3 Grade Span Adjustment	Not applicable
Transportation Maintenance of Effort	Not applicable
Regional Occupational Centers or Programs Maintenance of Effort	Not applicable
Adult Education Maintenance of Effort	Not applicable
School Districts, County Offices of Education, and Charter Schools:	
California Clean Energy Jobs Act	No, see below
After School Education and Safety Program	No, see below
Proper Expenditure of Education Protection Account Funds	Yes
Common Core Implementation Funds	Yes
Unduplicated Local Control Funding Formula Pupil Counts	Yes
Local Control and Accountability Plan	Yes
Charter Schools:	
Attendance	Yes.
Mode of Instruction	Yes
Nonclassroom-Based Instruction/Independent Study for Charter Schools	Yes
Determination of Funding for Nonclassroom-Based Instruction	No, see below
Annual Instructional Minutes – Classroom Based	Yes
Charter School Facility Grant Program	No, see below

The term “Not applicable” is used above to mean that the program does not apply to charter schools.

We did not perform any procedures related to the California Clean Energy Jobs Act because the School does not have expenditures for this program.

We did not perform any procedures related to the After School Education and Safety Program because the School does not receive state funding for this program.

We did not perform any procedures related to Determination of Funding for Nonclassroom-Based Instruction because the School did not generate more than 20.0 percent of their average daily attendance through nonclassroom-based instruction.

We did not perform any procedures related to Charter School Facility Grant Program because the School does not receive state funding for this program.

**Opinion**

In our opinion, El Camino Real Alliance complied, in all material respects, with the state laws and regulations referred to above for the year ended June 30, 2015.

Report on State Compliance  
El Camino Real Alliance  
Woodland Hills, California  
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**Purpose of this Report**

The purpose of this report on state compliance is solely to describe the scope of our testing of compliance and the results of that testing based on the requirements of the *2014-2015 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Accordingly, this report is not suitable for any other purpose.

Agoura Hills, California  
November 13, 2015

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**EL CAMINO REAL ALLIANCE**

**FINDINGS AND RECOMMENDATIONS SECTION**

**FOR THE YEAR ENDED  
JUNE 30, 2015**

Operating:  
**EL CAMINO REAL CHARTER HIGH SCHOOL**

**EL CAMINO REAL ALLIANCE**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**DRAFT**

**JUNE 30, 2015**

**Section I – Summary of Auditor’s Results**

**Financial Statements**

Type of auditor’s report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?	<u>      </u> Yes	<u>  X  </u> No
Significant deficiencies identified?	<u>  X  </u> Yes	<u>      </u> None reported
Noncompliance material to financial statements noted?	<u>      </u> Yes	<u>  X  </u> No

**Federal Awards**

Internal control over major programs:

Material weakness(es) identified?	<u>      </u> Yes	<u>  X  </u> No
Significant deficiencies identified?	<u>      </u> Yes	<u>  X  </u> None reported

Type of auditor’s report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?        Yes   X   No

Major programs:

<u>CFDA Number</u>	<u>Name of Federal Program</u>
84.027	Special Education – Grants to States (IDEA, Part B)

Dollar threshold used to distinguish between Type A and Type B programs:   \$300,000  

Auditee qualified as low-risk auditee?   X   Yes        No

**State Awards**

Type of auditor’s report issued on compliance for state programs: Unmodified

Internal control over state programs:

Material weakness(es) identified?	<u>      </u> Yes	<u>  X  </u> No
Significant deficiencies identified?	<u>      </u> Yes	<u>  X  </u> None reported

**EL CAMINO REAL ALLIANCE**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**DRAFT**

**JUNE 30, 2015**

**Section II – Financial Statement Findings**

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with *Government Auditing Standards*. 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 Programs
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

**2015-01: 30000: CREDIT CARD CHARGES**

**Criteria**

The School should have written formal internal control policies in place that are designed to provide a standard process that is followed and monitored on a regular and systematic basis to ensure that all expenditures made are School related, appropriate and properly documented.

**Condition**

Although the School has policies and procedures for credit card charges that are charged on a school issued card, and requires the completion, dating and initialing of each “Credit Card Payment Recap” form, sometimes the detail and documentation is not as copious as necessary.

**Questioned Costs**

None. The charges reviewed in our sample were appropriate.

**Effect**

The School could potentially incur unallowable or unauthorized expenses.

**Cause**

Although the School’s management is fully aware of the policies in place it appears as though sometimes they are not being adhered to by certain employees.

## EL CAMINO REAL ALLIANCE

### SCHEDULE OF FINDINGS AND QUESTIONED COSTS

**DRAFT**

JUNE 30, 2015

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#### 2015-01: 30000: CREDIT CARD CHARGES (CONTINUED)

##### Recommendation

The School's management needs to better monitor the usage of each credit card and should modify the written policy to ensure that the "Who, What, Where, Why and When" details are included for each credit card charge and ensure that all detailed receipts be attached to the recapitulation form for substantiation.

##### School Response

The School is in the process of designing a more in depth credit card usage policy that will require detailed information and substantiation for each charge made. The School will also require each employee that is issued a card to "Sign Off" on an acknowledgement that he or she is aware of and understands the responsibilities and duties in connection with the use of a School credit card and will adhere to each and every component of the policies and procedures.

#### 2015-02: 30000: EXPENSE REIMBURSEMENTS

##### Criteria

The School should have written formal internal control policies in place that are designed to provide a standard process that is followed and monitored on a regular and systematic basis to ensure that all expenditures made are reimbursable, appropriate and properly documented.

##### Condition

Although the School has policies and procedures for the reimbursement of School related expenses paid by employees, the detail is sometimes insufficient or incomplete to determine the exact nature of the expense and the relativity or purpose.

##### Questioned Costs

None. The expenses reviewed in our sample were appropriate.

##### Effect

The School could potentially incur unallowable or unauthorized expenses.

##### Cause

Although the School's management is fully aware of the policies in place, it appears as though sometimes they are not being adhered to by certain employees.

##### Recommendation

The School's management needs to better monitor the reimbursement of expenses and should modify the written policy to ensure that the "Who, What, Where, Why and When" details are included for each credit card charge and ensure that all detailed receipts be attached to the recapitulation form for substantiation.

##### School Response

The School is in the process of designing a more in depth policy that will require detailed information and substantiation for each expense made. The School will also require each employee that requests reimbursement of expenses to "Sign Off" on an acknowledgement that he or she is aware of the policies and procedures and will adhere to every component of the policy.

# EL CAMINO REAL ALLIANCE

## SCHEDULE OF PRIOR AUDIT FINDINGS

JUNE 30, 2015

**DRAFT**

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Finding	Code	Recommendation	Current Status
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There were no findings and questioned costs for the year ended June 30, 2014.