



## Teach Las Vegas

### TEACH Las Vegas Governing Board Meeting

Amended on February 8, 2022 at 7:09 PM PST

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#### Date and Time

Tuesday February 8, 2022 at 6:00 PM PST

#### Location

Beth Bulgeron is inviting you to a scheduled Zoom meeting.

Topic: TEACH Las Vegas Regular Board Meeting

Time: Feb 8, 2022 06:00 PM Pacific Time (US and Canada)

Join Zoom Meeting

<https://teachpublicschools-org.zoom.us/j/85201054016?pwd=YllmQSsvcS9FQkxyVE4zUS9vTFIhUT09>

Meeting ID: 852 0105 4016

Passcode: 976867

One tap mobile

+16699006833,,85201054016#,,,,\*976867# US (San Jose)

+12532158782,,85201054016#,,,,\*976867# US (Tacoma)

Dial by your location

+1 669 900 6833 US (San Jose)

+1 253 215 8782 US (Tacoma)

+1 346 248 7799 US (Houston)

+1 312 626 6799 US (Chicago)

+1 929 205 6099 US (New York)

+1 301 715 8592 US (Washington DC)

Meeting ID: 852 0105 4016

Passcode: 976867

Find your local number: <https://teachpublicschools-org.zoom.us/u/kswwiQHW>

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This Board Meeting Agenda has been posted on the school's [Board on Track page](#), which is linked from the [TEACH Las Vegas webpage](#), and the official website of the state, <https://notice.nv.gov>. The agenda is also posted in the school's main office at 4660 N Rancho Drive, Las Vegas, NV 89130.

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#### Agenda

	Purpose	Presenter	Time
<b>I. Opening Items</b>			<b>6:00 PM</b>
A. Call the Meeting to Order		Trishawn Allison	
B. Record Attendance		Beth Bulgeron	1 m
C. Public Comment		Trishawn Allison	10 m
<p><i>Public Comment will be taken during this agenda item regarding any item appearing on the agenda. No action may be taken on a matter discussed under this item until the matter is included on an agenda as an item on which action may be taken. See NRS 241.020. A time limit of three (3) minutes, subject to the discretion of the Chair, will be imposed on public comments. The TEACH LV Chair may allow additional public comment at her discretion. Public Comment #2 will provide an opportunity for public comment on any matter not on the agenda.</i></p>			
<b>II. CONSENT ITEMS</b>			<b>6:11 PM</b>
<p>Consent Items- Items under Consent Items will be voted on in one motion, unless a member of the Board request that an item be removed and voted on separately, in which case the Board Chair will determine when it will be balled and considered for action. Due to the set-up of Board On Track, approval of any board meeting minutes will be done throughout consent and listed as items B-Z (as needed) under Consent Items.</p>			
A. Approval of Board Agenda and Minutes of the December 14, 2021 Board Meeting	Vote	Trishawn Allison	3 m
<b>III. ITEMS SCHEDULED FOR INFORMATION &amp; POTENTIAL ACTION</b>			<b>6:14 PM</b>
A. Financial Report	Discuss	Theresa Thompson	5 m
B. Explore Lease Update	Vote	Matthew Brown	5 m
C. CAM Receivables Sale	Vote	Matthew Brown	10 m
D. Update on Student Recruitment	FYI	Luis Ramirez	5 m
E. Update on Board Recruitment and Board Member Standing	FYI	Beth Bulgeron	5 m
<p>1. Board Recruitment Staff is working with Noelle Jefferson of Opportunity 180 to recruit new board members.</p> <p>2. The last board meeting attended by Board Member Sinclair was July, 2021. Under section 10 of the TEACH Las Vegas Bylaws, any director may be removed with or without cause by the vote of the majority.</p> <p>This item is for discussion only, if the board decides to put the matter to a vote, the item will be placed on the March 8, 2022 agenda, or at a later date as decided by the board.</p>			
F. Approval of the Better 4 You Meals Contract	Vote	Enrique Robles	5 m
<b>IV. Closing Items</b>			<b>6:49 PM</b>
A. Upcoming Meeting Date	FYI		5 m

	Purpose	Presenter	Time
The next regular Board Meeting is scheduled for March 8, 2022 at 6 pm.			
<b>B.</b>	Public Comment		5 m
<b>C.</b>	Board Member Comments		5 m
<b>D.</b>	Adjourn Meeting	Vote	

## Coversheet

### Approval of Board Agenda and Minutes of the December 14, 2021 Board Meeting

**Section:** II. CONSENT ITEMS  
**Item:** A. Approval of Board Agenda and Minutes of the December 14, 2021  
Board Meeting  
**Purpose:** Vote  
**Submitted by:**  
**Related Material:** 2022\_01\_11\_board\_meeting\_minutes (1).pdf

DRAFT



## Teach Las Vegas

### Minutes

#### TEACH Las Vegas Governing Board Meeting

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##### Date and Time

Tuesday January 11, 2022 at 6:00 PM

##### Location

Beth Bulgeron is inviting you to a scheduled Zoom meeting.

Topic: TEACH Las Vegas Regular Board Meeting

Time: Jan 11, 2022 06:00 PM Pacific Time (US and Canada)

Join Zoom Meeting

[https://teachpublicschools-org.zoom.us/j/83735535543?](https://teachpublicschools-org.zoom.us/j/83735535543?pwd=cDZmVE5VVStNQmlpcFpXdDZPaS9jZz09)

[pwd=cDZmVE5VVStNQmlpcFpXdDZPaS9jZz09](https://teachpublicschools-org.zoom.us/j/83735535543?pwd=cDZmVE5VVStNQmlpcFpXdDZPaS9jZz09)

Meeting ID: 837 3553 5543

Passcode: 934017

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##### Directors Present

D. Horn (remote), N. Sarisahin (remote), T. Allison (remote)

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**Directors Absent**

C. Igeleke, J. Sinclair

**Guests Present**

B. Bulgeron (remote), E. Robles, M. Brown, M. Pimienta, S. Lawson, T. Thompson

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**I. Opening Items**

**A. Call the Meeting to Order**

T. Allison called a meeting of the board of directors of Teach Las Vegas to order on Tuesday Jan 11, 2022 at 6:00 PM.

**B. Record Attendance**

**C. Public Comment**

No public comment

**II. CONSENT ITEMS**

**A. Approval of Board Agenda and Minutes of the December 14, 2021 Board Meeting**

T. Allison made a motion to approve the board agenda and minutes of the previous meeting.

D. Horn seconded the motion.

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

**Roll Call**

N. Sarisahin Aye

T. Allison Aye

C. Igeleke Absent

J. Sinclair Absent

D. Horn Aye

**III. ITEMS SCHEDULED FOR INFORMATION & POTENTIAL ACTION**

**A. Presentation from the State Public Charter School Authority**

Mark Modrcrin presented on behalf of the SPCSA about the Site Visit Report. There were no deficiencies in the report and he stated he was impressed that the mission was visible when you entered the school. He recommended that the school focus its efforts on student recruitment and transportation for the upcoming school year.

**B. TEACH Las Vegas Fiscal Report and Approval of Revised Budget**

T. Allison made a motion to Approve the revised budget.

D. Horn seconded the motion.

Theresa Thompson made a detailed report of the finances and explained changes to the budget based on enrollment at 125. The board asked about an increase in spending under supplies and it was explained that the nutrition program was the added expense in that category.

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

**Roll Call**

J. Sinclair Absent  
D. Horn Aye  
C. Igeleke Absent  
N. Sarisahin Aye  
T. Allison Aye

**C. TEACH Las Vegas Policy Addressing the Rights and Needs of Students with Diverse Gender Identities or Expressions**

T. Allison made a motion to Approve the policy.

D. Horn seconded the motion.

Beth Bulgeron presented the Gender Identity and Expression Policy

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

**Roll Call**

D. Horn Aye  
J. Sinclair Absent  
C. Igeleke Absent  
N. Sarisahin Aye  
T. Allison Aye

**D. Executive Director's Report**

Andrea Moore presented the ED Report and discussed issues that were impacting the neighboring school district but were not a concern at this time for TEACH.

**IV. Closing Items**

**A. Upcoming Meeting Date**

The next TEACH LV Regular Board Meeting is scheduled for February 8, 2022 at 6 pm.

**B. Public Comment**

There was no public comment.

**C. Board Member Comments**

Board member comments included a concern about recruiting new board members. Nick emphasized that per the recommendation of the SPCSA, the board should get training from a third party provider.

**D. Adjourn Meeting**

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 6:47 PM.

Respectfully Submitted,  
T. Allison

# Coversheet

## Financial Report

**Section:** III. ITEMS SCHEDULED FOR INFORMATION & POTENTIAL ACTION  
**Item:** A. Financial Report  
**Purpose:** Discuss  
**Submitted by:**  
**Related Material:**  
TEACH\_Las Vegas PPT Template for Monthly Board Presentations - Janaury 2021.pdf



# TEACH Las Vegas

Financial Presentation – January 2022

# January Highlights

- Approved Budget Revision with proposed 125 enrollment
- CAM Receivable Sales forecasted in the amount of \$250K
- Greater Schools for Nevada Charter School Program grant award of \$1.5M approved. Submitted and CSP approved \$326,235 of YTD reimbursements- (\$53,526 submitted for P/Y)- CSP reimbursement schedule has changed from Monthly to Quarterly.
- Opportunity 180 Loan amount \$100,000- this loan has potential to be forgiven as grant.
- Applications and Budgets submitted for Title Funds/SPED Funds
- TEACH Las Vegas Nevada Revolving Loan revised amount of \$29,000 ( \$500 per 48 enrollment) vs \$162,500 ( \$500 per 325 enrollment) – Loan amount received July 7, 2021
- Revised Budget Revenue w/150 enrollment – Revenues @ \$2,632,222, Expense @ \$2,500,047 Surplus \$132,175-
- Approved Budget was due to Nevada Department of Education on 6/8/2021. Reported Revenues \$3,847,535, Expense \$3,247,293, surplus \$600,242

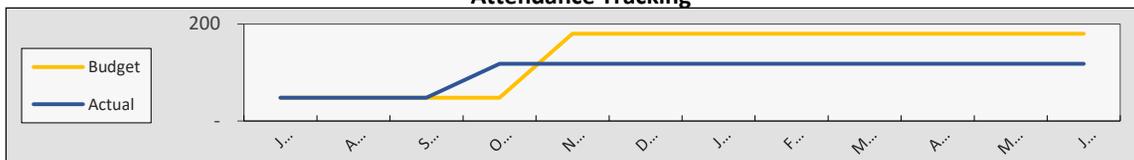
# Teach High School - NV



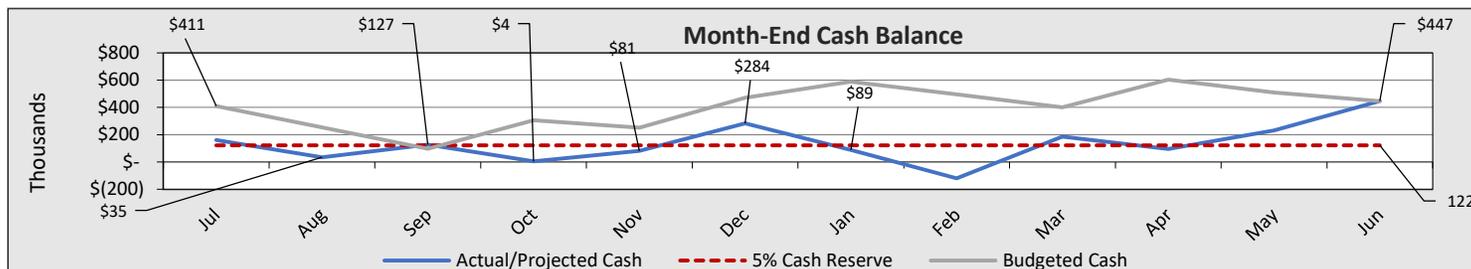
## FY22 Board Summary

Revised 02/08/2022

Attendance Tracking



	Year-to-Date			Annual/Full Year		
	Actual @ 01/31/2022	Revised Budget 01/31/2022@ 125	Fav/(Unfav)	Forecast @ 01/31/2022 -125	Revised Budget @6/30/2022-125	Fav/(Unfav)
<b>Revenue</b>						
Distributed School Account	\$ 382,014	\$ 381,218	\$ 796	\$ 899,595	\$ 899,595	\$ -
State Revenue	326,235	300,643	25,592	993,178	993,177	0.43
Federal Revenue	22,945	24,492	(1,547)	147,357	147,357	-
Other Local Revenue	370,240	370,065	175	620,240	470,065	150,175
<b>Total Revenue</b>	<b>\$ 1,101,434</b>	<b>\$ 1,076,418</b>	<b>\$ 25,016</b>	<b>\$ 2,660,370</b>	<b>\$ 2,510,194</b>	<b>\$ 150,175</b>
<b>Expenses</b>						
Salaries	\$ 339,135	\$ 333,822	\$ (5,313)	\$ 604,412	\$ 599,100	\$ (5,313)
Employee Benefits	90,023	96,504	6,481	180,590	187,854	7,263
Prof. and Tech. Services	162,821	178,726	15,905	329,071	340,609	11,538
Property Services	429,976	433,187	3,211	724,591	727,801	3,211
Other Purchased Services	40,858	42,737	1,879	64,509	66,388	1,879
Supplies	257,167	278,509	21,342	523,507	534,848	11,342
Debt Service and Misc.	3,407	3,495	88	3,845	3,932	88
General	3,467	3,921	454	9,714	10,168	454
<b>Total Expenses</b>	<b>\$ 1,326,854</b>	<b>\$ 1,370,900</b>	<b>\$ 44,046</b>	<b>\$ 2,440,239</b>	<b>\$ 2,470,700</b>	<b>\$ 30,462</b>
<b>Total Surplus(Deficit)</b>	<b>\$ (225,420)</b>	<b>\$ (294,482)</b>	<b>\$ 69,062</b>	<b>\$ 220,131</b>	<b>\$ 39,494</b>	<b>\$ (180,636)</b>
<i>Adjustment for GASB:</i>						
<b>Add Back Deferred Rent</b>	<b>232,780</b>	<b>228,384</b>		<b>232,780</b>	<b>228,384</b>	
<b>Adjusted Surplus(Deficit)</b>	<b>7,359</b>	<b>(66,099)</b>		<b>452,910</b>	<b>267,878</b>	
Beginning Fund Balance	31,096	31,096		31,096	31,096	
<b>Ending Fund Balance</b>	<b>\$ 38,455</b>	<b>\$ (35,003)</b>		<b>\$ 484,006</b>	<b>\$ 298,974</b>	
<i>As a % of Annual Expenses</i>	<i>1.6%</i>	<i>-1.4%</i>		<i>19.8%</i>	<i>12.1%</i>	



# TEACH – Las Vegas Revenue



	Year-to-Date			Annual/Full Year		
	Actual @ 01/31/2022	Revised Budget 01/31/2022@ 125	Fav/(Unfav)	Forecast @ 01/31/2022 - 125	Revised Budget @6/30/2022- 125	Fav/(Unfav)
<b>Revenue</b>						
Distributed School Account	\$ 382,014	\$ 381,218	\$ 796	\$ 899,595	\$ 899,595	\$ -
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Other Local Revenue	370,240	370,065	175	620,240	470,065	150,175
<b>Total Revenue</b>	<b>\$ 1,101,434</b>	<b>\$ 1,076,418</b>	<b>\$ 25,016</b>	<b>\$ 2,660,370</b>	<b>\$ 2,510,194</b>	<b>\$ 150,175</b>

See explanations on next slide



# TEACH- Las Vegas Revenue

- ❑ Distributed School Account (DSA) \$899.5K- State Revenue which is currently calculated at \$7,196.76 per Pupil. These funds are generated from State Taxes. Decrease is due to forecasting enrollment @ 125 instead of revised budget of 150 as well as updated per Pupil amount from \$7,403 to \$7,196.76
- ❑ State Revenue \$993K- is State Funding consisting of:
  - ❑ Special Education Funding of \$52K at a rate of \$455 per Enrollment. Decrease of \$10.4K is due to forecasting enrollment @ 125 instead of revised budget of 150
  - ❑ Great Schools of Nevada Charter School Program Funding Grant of \$761K that is projected to be spent during FY21/22. This variance is subject to change as expenses incur and reimbursement requests submitted
  - ❑ Projected ESSER III Funds of \$83K added to forecast
- ❑ Federal Revenue \$147K Mainly Consist of:
  - ❑ Restricted Grants In Aid \$79,945- added projected lunch reimbursements for National School Lunch Program to forecasts- this amount is based on lower enrollment @ beginning of school year-forecast will be updated once reimbursements are received for higher enrollment- see offset to increase in for Nutrition expense
  - ❑ Title I Funding of \$38K @ \$332 per Free and Reduce Lunch Student which is projected reimbursed at 115 or 92% of projected student enrollment (budgets submitted). Title I projected decrease of \$58K compared to revised budget as enrollment forecasted at 125 instead of 150 per revised budget
  - ❑ Federal Special Education Revenue of \$16K at a Rate of \$716 per Special Education Student. TLV is projecting @ 18% or 22.5 students will need Special Education Services. These amounts are subject to change based on final student count and any adjustments to be made for Title Funds. ) Title IIA -\$8,151, Title III- \$2,298, Title IVA - \$2,686 are also included
- ❑ Other Local Revenue \$620K (**projected increase of \$158K**) and consist of 12months rental payments from Explore plus property insurance ( added 5 additional months @30K for Explore lease)- \$100K for projected loan forgiveness from Opportunity 180( Great Schools for Nevada Charter School Program)

# TEACH Las Vegas – Expenses & Fund Balance



	Year-to-Date			Annual/Full Year		
	Actual @ 01/31/2022	Revised Budget 01/31/2022@ 125	Fav/(Unfav)	Forecast @ 01/31/2022 - 125	Revised Budget @6/30/2022- 125	Fav/(Unfav)
<b>Expenses</b>						
Salaries	\$ 339,135	\$ 333,822	\$ (5,313)	\$ 604,412	\$ 599,100	\$ (5,313)
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<b>Adjusted Surplus(Deficit)</b>	<b>7,359</b>	<b>(66,099)</b>		<b>452,910</b>	<b>267,878</b>	
Beginning Fund Balance	31,096	31,096		31,096	31,096	
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<i>As a % of Annual Expenses</i>	<i>1.6%</i>	<i>-1.4%</i>		<i>19.8%</i>	<i>12.1%</i>	

Note: Variance explanations on next slide

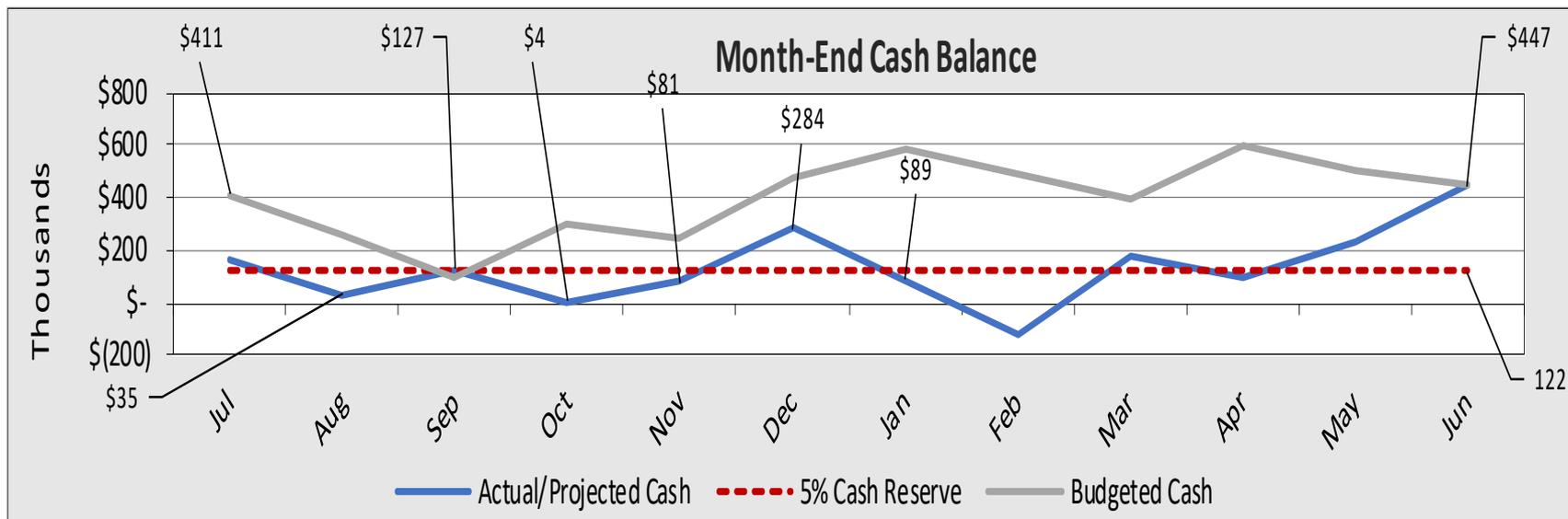
# TEACH- Las Vegas Expense

- Salaries: \$599K**-Consist of 7 Certificated Teachers- (7 on staff and no open positions forecast)-- Certificated SPED Teacher, one Certificated EL Coordinator, one ED, and one Office Manager, one First Aid and Safety Assistant and IT Support/Server – **The projected increase of \$35.6 K** is mainly due to First Aid and Safety Assistant and IT Support Tech not originally on revised budget as well as removal of one certificated teacher – replaced with new teacher
- Benefits: \$180.5K**- Mainly consist of Retirement PERS 29.25% @ \$132K // Health Benefits @\$25K-
- Professional Technical Services: \$340.6K**- Office and Administrative Fees \$138K Fees that are paid to EMO based on 5% of Total Revenue. Professional and Educational Services consist of \$85K of projected education Special Education services the entire amount included for reimbursement in CSP Budget. (reduced to agree with prior months' expenses) Data Processing and Coding Services \$41.6K based on 2% of revenue)- **Projected Decrease by \$69K** as Special Education services decreased by \$73K to aligned with current student services
- Purchased Property Services: \$727.8K**- Mainly consist of building lease amount of \$636K (includes deferred which is adjusted out-\$232.7K of lease amount is abated and deferred)-
- Supplies: \$523.5K**- Mainly consist of Technology Supplies and Equipment of \$230K which includes Chromebooks, Faculty Laptops, Wireless Point Installation Cost, - all cost included for reimbursement in CSP Budget. General Supplies of \$75K. Projected Nutrition Cost of \$94K . Combined Supplies Tech and Equipment \$95K.



# TEACH Las Vegas – Cash

- ❑ Projected Cash Balance at year-end is \$447K
- ❑ Repayment 180 Loan is excluded from cash flow- this year- with anticipation that this loan will be forgiven as grant
- ❑ Projected CAM Receivable Sales of \$250k is forecasted of which \$154,303 is expected to be repaid before 6.30.2022 (includes Interest)



# Questions & Discussion

Appendix follows, including:

- Monthly Cash Flow / Forecast 21/22
- Budget vs. Actual
- Statement of Financial Position
- AP Aging
- Monthly Check Register

**Teach High School - NV**

**Monthly Cash Flow/Budget FY22**

Revised 02/08/2022



	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Year-End Accruals	Annual Forecast	Revised Budget	Favorable / (Unfav.)
3110-1110 Ad Valorem Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3110-1120 Sales and Use Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3110-1191 Franchise Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3110-1192 Basic General Governmental Service	-	28,787	28,787	27,708	167,518	65,544	63,669	74,936	74,936	74,936	74,936	74,936	142,900	899,595	899,595	-
3110-1111 Basic Support	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	28,787	28,787	27,708	167,518	65,544	63,669	74,936	74,936	74,936	74,936	74,936	142,900	899,595	899,595	-
<b>State Revenue</b>																
3115 Special Ed portion to DSA	-	-	-	-	-	-	-	-	-	28,438	-	-	23,888	52,325	52,325	-
3200 Restricted Grants-in-Aid	-	-	-	-	304,669	(9,486)	31,052	-	255,750	-	179,033	83,000	96,835	940,853	940,852	0
	-	-	-	-	304,669	(9,486)	31,052	-	255,750	28,438	179,033	83,000	120,723	993,178	993,177	0
<b>Federal Revenue</b>																
4500 Restricted Grants-in-Aid	-	-	-	-	22,945	-	-	-	-	-	-	57,000	-	79,945	79,945	-
4510 Title I	-	-	-	-	-	-	-	-	-	-	-	-	23,507	38,160	38,160	-
4520 Title IIA	-	-	-	-	-	-	-	-	-	-	-	3,130	5,021	8,151	8,151	-
4571 Special Education Part B	-	-	-	-	-	-	-	-	-	4,029	-	-	12,088	16,117	16,117	-
4703 E-Rate	-	-	-	-	-	-	-	-	-	-	-	2,686	2,298	4,984	4,984	-
	-	-	-	-	22,945	-	-	-	-	4,029	2,686	77,081	40,615	147,357	147,357	-
<b>Other Local Revenue</b>																
1790 Other Activity Income	58,000	52,000	152,142	52,065	(48,142)	52,000	52,175	30,000	30,000	30,000	30,000	130,000	-	620,240	470,065	150,175
	58,000	52,000	152,142	52,065	(48,142)	52,000	52,175	30,000	30,000	30,000	30,000	130,000	-	620,240	470,065	150,175
<b>Total Revenue</b>	<b>58,000</b>	<b>80,787</b>	<b>180,929</b>	<b>79,773</b>	<b>446,990</b>	<b>108,058</b>	<b>146,896</b>	<b>104,936</b>	<b>360,686</b>	<b>137,403</b>	<b>286,655</b>	<b>365,018</b>	<b>304,238</b>	<b>2,660,370</b>	<b>2,510,194</b>	<b>150,175</b>
<b>Expenses</b>																
<b>Personal Services-Salaries</b>																
0111 Regular Employees: Teachers	6,073	37,790	37,790	37,790	37,790	37,790	43,817	38,706	38,706	38,706	38,706	38,706	-	432,372	427,262	(5,110)
0114 Regular Employees: Licensed Adm	8,576	8,038	8,038	8,038	8,038	8,038	8,038	8,038	8,038	8,038	8,038	8,038	-	96,995	96,995	(0)
0117 Regular Employees: Other Classified	2,536	5,288	8,439	7,092	7,559	6,061	6,513	6,311	6,311	6,311	6,311	6,311	-	75,045	74,843	(202)
	17,186	51,116	54,267	52,920	53,387	51,889	58,368	53,056	53,056	53,056	53,056	53,056	-	604,412	599,100	(5,313)
<b>Personnel Services - Employee Benefits</b>																
0231 Retirement: Teachers	1,686	7,891	7,891	7,891	7,891	7,891	7,202	8,306	8,306	8,306	8,306	8,306	-	89,874	91,788	1,915
0234 Retirement: Licensed Admin.	2,231	2,231	2,231	2,231	2,231	2,231	2,231	2,278	2,278	2,278	2,278	2,278	-	27,007	27,053	46
0237 Retirement: Other Classified	363	896	1,655	1,389	1,442	1,148	1,216	1,443	1,443	1,443	1,443	1,443	-	15,323	15,580	257
0241 Medicare: Teachers	82	542	542	540	539	539	535	560	560	560	560	560	-	6,119	6,184	65
0244 Medicare: Licensed Admin.	109	109	109	109	109	109	109	116	116	116	116	116	-	1,341	1,348	7
0247 Medicare: Other Classified	34	73	117	91	91	70	77	92	92	92	92	92	-	1,014	1,032	17
0261 Unemployment: Teachers	-	1,122	1,122	(1,122)	1,122	1,122	1,114	1,208	1,208	1,208	1,208	1,208	-	10,519	10,667	149
0264 Unemployment: Licensed Admin.	-	225	225	(225)	225	102	225	78	78	78	78	78	-	1,165	1,017	(147)
0267 Unemployment: Other Classified	-	150	241	(189)	216	173	186	112	112	112	112	112	-	1,339	1,267	(72)
0271 Worker's Comp: Teachers	-	-	-	-	-	-	-	234	234	234	234	234	-	1,168	1,402	234
0274 Worker's Comp: Licensed Admin.	-	-	-	-	-	-	-	52	52	52	52	52	-	261	313	52
0277 Worker's Comp: Other Classified	-	-	-	-	-	-	-	41	41	41	41	41	-	205	246	41
0281 Health Benefits: Teachers	-	-	1,710	1,589	1,467	(243)	(195)	2,000	2,000	2,000	2,000	2,000	-	14,326	16,521	2,195
0284 Health Benefits: Licensed Admin.	-	-	678	678	678	-	-	678	678	678	678	678	-	5,424	6,102	678
0287 Health Benefits: Other Classified	-	-	1,371	916	460	(911)	(911)	916	916	916	916	916	-	5,506	7,332	1,827
	4,505	13,238	17,891	13,898	16,471	12,231	11,789	18,114	18,114	18,114	18,114	18,114	-	180,590	187,854	7,263

**Teach High School - NV**

**Monthly Cash Flow/Budget FY22**

Revised 02/08/2022



	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Year-End Accruals	Annual Forecast	Revised Budget	Favorable / (Unfav.)	
<b>Purchased Professional and Technical Services</b>																	
0310	Official/Administrative Services	11	17,500	25,442	8,296	8,321	14,026	8,339	11,085	11,085	11,085	11,085	11,085	-	137,358	136,350	(1,008)
0320	Professional Educational Services	-	6,650	147	11,020	1,127	6,340	1,003	10,000	10,000	10,000	10,000	10,000	-	76,287	85,283	8,997
0337	Prof-Dev/Technology Training	-	-	-	-	-	-	-	2,500	2,500	2,500	2,500	2,500	-	12,500	15,000	2,500
0340	Other Professional Services	10,185	1,733	-	9,157	300	1,313	2,911	167	167	167	167	167	-	26,431	23,687	(2,744)
0345	Marketing	-	-	400	-	-	5,852	3,500	5,187	5,187	5,187	-	-	-	25,314	27,001	1,687
0350	Technical Services	-	-	365	-	-	-	-	2,000	2,000	2,000	2,000	2,000	-	10,365	12,365	2,000
0351	Data Processing and Coding Services	6,873	6,873	(11,977)	6,413	2,794	5,116	2,794	4,386	4,386	4,386	4,386	4,386	-	40,816	40,923	107
		17,069	32,756	14,376	34,886	12,541	32,647	18,547	35,325	35,325	35,325	30,138	30,138	-	329,071	340,609	11,538
<b>Purchased Property Services</b>																	
0410	Utility Services	5,761	4,355	6,483	1,734	(3,248)	4,586	3,669	4,171	4,171	4,171	4,171	4,171	-	44,195	44,698	502
0420	Cleaning Services	-	1,845	5,910	11,737	(14,250)	-	295	1,750	1,750	1,750	1,750	1,750	-	14,287	15,742	1,455
0430	Repairs and Maintenance Services	-	7,487	7,853	2,525	2,098	-	(3,149)	2,500	2,500	2,500	2,500	2,500	-	29,314	34,963	5,649
0441	Renting Land and Buildings	54,898	54,898	54,898	54,898	54,898	54,898	54,898	50,502	50,502	50,502	50,502	50,502	-	636,795	632,399	(4,396)
		60,659	68,585	75,144	70,894	39,498	59,483	55,712	58,923	58,923	58,923	58,923	58,923	-	724,591	727,801	3,211
<b>Other Purchased Services</b>																	
0521	Property Insurance "Business Own	-	-	-	-	-	-	-	2,725	2,725	2,725	2,725	2,725	-	13,625	16,350	2,725
0522	Liability Insurance "Errors and Omis	-	4,781	505	2,682	1,594	1,594	1,594	-	-	-	-	-	-	12,751	11,157	(1,594)
0531	Postage	71	-	141	-	-	4,000	131	176	176	176	176	176	-	5,224	5,269	45
0534	Telephone - Cell phone services	-	-	1,511	877	825	1,759	-	1,250	1,250	1,250	1,250	3,489	-	13,461	14,711	1,250
0540	Advertising	5,000	-	-	-	-	-	-	-	-	-	-	-	-	5,000	5,000	-
0550	Printing and Binding	6,617	-	-	-	-	2,288	-	-	-	-	-	-	-	8,905	8,905	-
0580	Travel	385	977	680	1,214	-	953	678	131	131	131	131	131	-	5,543	4,996	(547)
		12,074	5,758	2,837	4,774	2,419	10,593	2,403	4,282	4,282	4,282	4,282	6,521	-	64,509	66,388	1,879
<b>Supplies</b>																	
0610	General Supplies	2,004	10,705	3,521	15,965	16,063	2,938	4,981	3,842	3,842	3,842	3,842	3,842	-	75,388	74,249	(1,138)
0612	General Tech Supplies and Equipme	6,592	3,951	2,691	13,119	8,483	9,052	1,301	17,489	17,489	17,489	17,489	99,447	-	214,595	230,782	16,188
0630	Food	-	-	6,749	10,573	-	17,453	-	20,000	10,000	10,000	10,000	10,000	-	94,774	94,774	-
0640	Books and Periodicals	-	-	-	910	-	-	-	-	-	-	-	-	-	910	910	-
0641	Textbooks	-	-	37,196	-	2,917	745	1,259	126	126	126	126	126	-	42,744	41,611	(1,133)
0651	Supplies -Tech -Software	-	4,511	8,023	2,282	2,032	9,427	5,577	3,148	3,148	3,148	3,148	3,148	-	47,594	45,166	(2,429)
0652	Supplies-Equipment and Supplies	-	-	31,780	12,298	1,068	585	417	271	271	271	271	271	-	47,502	47,356	(146)
		8,597	19,167	89,960	55,146	30,563	40,199	13,535	44,876	34,876	34,876	34,876	116,834	-	523,507	534,848	11,342
<b>Debt Service and Misc.</b>																	
0810	Dues and Fees	115	3,292	-	-	-	-	-	88	88	88	88	88	-	3,845	3,932	88
		115	3,292	-	-	-	-	-	88	88	88	88	88	-	3,845	3,932	88
<b>General</b>																	
0591	Services Purchased From Another S	-	-	-	-	-	2,671	796	1,249	1,249	1,249	1,249	1,249	-	9,714	10,168	454
0790	Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	2,671	796	1,249	1,249	1,249	1,249	1,249	-	9,714	10,168	454
<b>Total Expenses</b>		<b>120,205</b>	<b>193,912</b>	<b>254,476</b>	<b>232,518</b>	<b>154,880</b>	<b>209,714</b>	<b>161,149</b>	<b>215,913</b>	<b>205,913</b>	<b>205,913</b>	<b>200,725</b>	<b>284,922</b>	<b>-</b>	<b>2,440,239</b>	<b>2,470,700</b>	<b>30,915</b>
<b>Surplus (Deficit)</b>		<b>\$ (62,205)</b>	<b>\$ (113,125)</b>	<b>\$ (73,547)</b>	<b>\$ (152,745)</b>	<b>\$ 292,111</b>	<b>\$ (101,655)</b>	<b>\$ (14,253)</b>	<b>\$ (110,976)</b>	<b>\$ 154,773</b>	<b>\$ (68,510)</b>	<b>\$ 85,929</b>	<b>\$ 80,095</b>	<b>\$ 304,238</b>	<b>\$ 220,131</b>	<b>\$ 39,494</b>	<b>\$ 181,091</b>

**Teach High School - NV**

**Monthly Cash Flow/Budget FY22**

Revised 02/08/2022



	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Year-End Accruals	Annual Forecast	Revised Budget	Favorable / (Unfav.)
<b>Cash Flow Adjustments</b>																
Monthly Surplus (Deficit)	(62,205)	(113,125)	(73,547)	(152,745)	292,111	(101,655)	(14,253)	(110,976)	154,773	(68,510)	85,929	80,095	304,238	220,131	39,494	
Cash flows from operating activities	-	-	-	-	-	-	-	-	-	31,052	-	187,721	(304,238)	(85,465)	(225,079)	
Public Funding Receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Grants and Contributions Rec.	-	(52,000)	53,527	-	(293,457)	145,184	(18,500)	-	-	-	-	-	-	(165,247)	(146,746)	
Due To/From Related Parties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Prepaid Expenses	(1,742)	5,301	2,537	2,032	(5,983)	10,048	2,032	-	-	-	-	-	-	14,225	12,192	
Accounts Payable	(24,385)	23,862	47,215	(53,615)	10,710	67,333	(78,043)	-	-	-	-	-	-	(6,923)	71,119	
Accrued Expenses	6,319	16,404	17,363	16,984	17,141	16,649	23,065	-	-	-	-	-	-	113,926	90,861	
Other Liabilities	137,183	27,550	45,443	63,837	56,492	65,389	(108,883)	(98,283)	-	-	-	-	-	188,728	343,894	
Cash flows from investing activities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Purchases of Prop. And Equip.	-	(34,824)	-	-	-	-	-	-	-	-	-	-	-	(34,824)	(34,824)	
Notes Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Cash flows from financing activities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Proceeds from Debt	29,000	-	-	-	-	-	-	-	150,000	-	100,000	-	-	279,000	29,000	
Repayments on Debt	-	-	-	-	-	-	-	-	-	(51,500)	(51,500)	(51,303)	-	(154,303)	-	
	84,171	(126,832)	92,539	(123,507)	77,012	202,948	(194,582)	(209,260)	304,773	(88,957)	134,429	216,514				
	77,569	161,740	34,908	127,447	3,939	80,952	283,899	89,317	(119,942)	184,831	95,874	230,303				
	\$ 161,740	\$ 34,908	\$ 127,447	\$ 3,939	\$ 80,952	\$ 283,899	\$ 89,317	\$ (119,942)	\$ 184,831	\$ 95,874	\$ 230,303	\$ 446,817				
	122,012	122,012	122,012	122,012	122,012	122,012	122,012	122,012	122,012	122,012	122,012	122,012				

**TEACH Las Vegas**

**Budget vs Actual**

For the period ended January 31, 2022

	Current Period Actual	Current Period Budget	Current Period Variance	Current Year Actual	YTD Budget	YTD Budget Variance	Total Budget
<b>Revenues</b>							
State Revenue Distributed School Account							
Basic General Governmental Services Tax	63,669	-	63,669	382,014	-	382,014	-
Basic Support	-	62,873	(62,873)	-	381,218	(381,218)	899,595
Total State Revenue Distributed School Account	63,669	62,873	796	382,014	381,218	796	899,595
State Revenue							
Special Ed portion to DSA	-	5,460	(5,460)	-	5,460	(5,460)	52,325
Restricted Grants-in-Aid	31,052	-	31,052	326,235	295,183	31,052	940,852
E-Rate Funds	-	-	-	-	-	-	4,984
Total State Revenue	31,052	5,460	25,592	326,235	300,643	25,592	998,161
Federal Revenue							
Title I	-	-	-	-	-	-	38,160
Title IIA	-	-	-	-	-	-	8,151
Special Education Part B	-	1,547	(1,547)	-	1,547	(1,547)	16,117
Restricted Grants-in-Aid From the Federal Government T	-	-	-	22,945	22,945	-	79,945
Total Other State Revenue	-	1,547	(1,547)	22,945	24,492	(1,547)	142,373
Other Local Revenue							
Other Activity Income	52,175	52,000	175	370,240	370,065	175	470,065
Total Other Local Revenue	52,175	52,000	175	370,240	370,065	175	470,065
<b>Total Revenues</b>	<b>146,896</b>	<b>121,880</b>	<b>25,016</b>	<b>1,101,434</b>	<b>1,076,418</b>	<b>25,016</b>	<b>2,510,194</b>
<b>Expenses</b>							
Certificated Salaries							
Salaries of Regular Employees Paid to Teachers	43,817	38,706	(5,110)	238,840	233,729	(5,110)	427,262
Salaries of Regular Employees Paid to Licensed Administrators	8,038	8,038	(0)	56,805	56,805	(0)	96,995
Total Certificated Salaries	51,855	46,744	(5,111)	295,645	290,534	(5,111)	524,257
Classified Salaries							
Salaries of Regular Employees Paid to Other Classified / Support Staff	6,513	6,311	(202)	43,490	43,288	(202)	74,843
Total Classified Salaries	6,513	6,311	(202)	43,490	43,288	(202)	74,843
Benefits							
Retirement Contributions for Teachers	7,202	8,441	1,239	48,343	49,582	1,239	91,788
Retirement Contributions for Licensed Administration	2,231	2,278	46	15,619	15,665	46	27,053
Retirement Contributions for Other Classified / Support Staff	1,216	1,448	232	8,109	8,340	232	15,580
Medicare Payments for Teachers	535	567	31	3,319	3,350	31	6,184
Medicare Payments for Licensed Administration	109	116	7	761	768	7	1,348
Medicare Payments for Other Classified / Support Staff	77	93	16	553	569	16	1,032
Unemployment Compensation for Teachers	1,114	1,217	104	4,478	4,582	104	10,667
Unemployment Compensation for Licensed Administration	225	78	(147)	777	630	(147)	1,017
Unemployment Compensation for Other Classified / Support Staff	186	113	(73)	777	704	(73)	1,267
Worker's Comp: Teachers	-	234	234	-	234	234	1,402
Worker's Comp: Licensed Admin.	-	52	52	-	52	52	314
Worker's Comp: Other Classified	-	41	41	-	41	41	246
Health Benefits: Teachers	(195)	2,000	2,195	4,328	6,523	2,195	16,521
Health Benefits: Licensed Admin.	-	678	678	2,034	2,712	678	6,102
Health Benefits: Other Classified	(911)	916	1,827	926	2,752	1,827	7,332
Total Benefits	11,789	18,270	6,481	90,023	96,504	6,481	187,854

## TEACH Las Vegas

## Budget vs Actual

For the period ended January 31, 2022

	Current Period Actual	Current Period Budget	Current Period Variance	Current Year Actual	YTD Budget	YTD Budget Variance	Total Budget
Books & Supplies							
Textbooks	1,259	126	(1,133)	42,116	40,983	(1,133)	41,611
Books and Reference Materials	-	-	-	910	910	-	910
Supplies - Technology - Software	5,577	3,148	(2,429)	31,853	29,424	(2,429)	45,166
Supplies/Equipment - Information Technology Related	417	271	(146)	46,148	46,002	(146)	47,356
Travel	678	131	(547)	4,887	4,340	(547)	4,996
General Supplies	4,981	3,842	(1,138)	56,177	55,039	(1,138)	74,249
Supplies/Equipment - Non-information technology suppli	1,301	17,489	16,188	45,190	61,378	16,188	230,782
Food Services	-	10,000	10,000	34,774	44,774	10,000	94,774
Total Books & Supplies	14,213	35,008	20,794	262,054	282,848	20,794	539,844
Subagreement Services							
Professional Educational Services	1,003	10,000	8,997	26,287	35,283	8,997	85,283
Total Subagreement Services	1,003	10,000	8,997	26,287	35,283	8,997	85,283
Operations & Housekeeping							
Dues and Fees	-	88	88	3,407	3,495	88	3,932
Property Insurance "Business Owners"	-	2,725	2,725	-	2,725	2,725	16,350
Insurance	1,594	-	(1,594)	12,751	11,157	(1,594)	11,157
Utility Services	3,669	4,171	502	23,340	23,843	502	44,698
Cleaning Services	295	1,750	1,455	5,537	6,992	1,455	15,742
General	796	1,249	454	3,467	3,921	454	10,168
Telephone - Cell phone services	-	1,250	1,250	4,972	6,222	1,250	14,711
Postage	131	176	45	4,343	4,389	45	5,269
Total Operations & Housekeeping	6,484	11,409	4,925	57,817	62,743	4,925	122,027
Facilities, Repairs & Other Leases							
Renting Land and Buildings	54,898	50,502	(4,396)	384,285	379,889	(4,396)	632,399
Repairs and Maintenance Services	(3,149)	2,500	5,649	16,814	22,463	5,649	34,963
Total Facilities, Repairs & Other Leases	51,749	53,002	1,253	401,099	402,352	1,253	667,362
Professional/Consulting Services							
Other Professional Services	2,911	167	(2,744)	25,598	22,854	(2,744)	23,687
Prof-Dev/Technology Training	-	2,500	2,500	-	2,500	2,500	15,000
Technical Services	-	2,000	2,000	365	2,365	2,000	12,365
Official/Administrative Services	8,339	10,459	2,121	66,785	84,054	17,269	136,350
Printing and Binding	-	-	-	8,905	8,905	-	8,905
Data Processing and Coding Services	2,794	4,139	1,345	34,034	20,230	(13,804)	40,923
Marketing	3,500	5,187	1,687	9,752	11,439	1,687	27,001
Advertising	-	-	-	5,000	5,000	-	5,000
Total Professional/Consulting Services	17,544	24,452	6,908	150,440	157,348	6,908	269,231
<b>Total Expenses</b>	<b>161,149</b>	<b>205,196</b>	<b>44,046</b>	<b>1,326,854</b>	<b>1,370,900</b>	<b>44,046</b>	<b>2,470,700</b>
<b>Change in Net Assets</b>	<b>(14,253)</b>	<b>(83,315)</b>	<b>69,062</b>	<b>(225,420)</b>	<b>(294,482)</b>	<b>69,062</b>	<b>39,494</b>
Net Assets, Beginning of Period	(180,071)			31,096			
<b>Net Assets, End of Period</b>	<b>\$ (194,324)</b>			<b>\$ (194,324)</b>			

**TEACH Las Vegas**

**Accounts Payable Aging**

January 31, 2022

Vendor Name	Invoice/Credit Number	Invoice Date	Date Due	Current	1 - 30 Days Past Due	31 - 60 Days Past Due	61 - 90 Days Past Due	Over 90 Days Past Due	Total
Fencing Specialists, Inc.	21321	6/11/2021	6/11/2021	\$ -	\$ -	\$ -	\$ -	\$ 17,462	\$ 17,462
<b>Total Outstanding Invoices</b>				<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,462</u>	<u>\$ 17,462</u>

## TEACH Las Vegas

## Check Register

For the period ended January 31, 2022

Check Number	Vendor Name	Transaction Description	Check Date	Check Amount	Expense Type	YTD Expenses
10139	Amplify Education, Inc.	mClass Intervention License - 07/01/21 - 06/30/22	1/3/2022	\$ 4,280.50		
10140	Asset Panda, LLC	Asset Subscription - 11/29/21 - 11/28/24	1/3/2022	3,545.00		
10141	Better 4 You Meals, Inc.	Meals - 10/21; 11/21	1/3/2022	17,452.50	Contract	\$ 34,774.00
10142	Brady Industries	Janitorial Supplies	1/3/2022	8,948.84		
10143	Brilliant General Maintenance Inc.	Janitorial Svcs - 11/21	1/3/2022	4,942.90		
10144	Charter Impact	Business Mgmt Svcs & Payroll Processing Fee - 12/21	1/3/2022	3,034.00	Contract	\$ 42,794.57
10145	Diamond Green Tree and Lawn Services	Maintenance Svcs - 11/21	1/3/2022	4,800.00		
10146	IKreate Design & Print LLC	Printing Svcs	1/3/2022	2,287.80	Contract	\$ 18,757.00
10147	Image 2000, Inc.	Office Supplies	1/3/2022	37.84		
10148	Les Olson Company	Copier Lease	1/3/2022	1,652.67		
10149	McGraw Hill LLC	Textbooks	1/3/2022	1,298.86		
10150	Play with a Purpose	After School Playground Pack - (2)	1/3/2022	1,498.56		
10151	School Nurse Supply, Inc.	Medical Storage Cabinet - (1)	1/3/2022	685.00		
10152	TEACH Public Schools	CMO Svcs - 12/21 - 01/22	1/3/2022	16,031.00	Contract	\$ 80,155.00
10153	Troop LLC	Sub Svcs	1/3/2022	620.00		
10154	Wildflower Therapy Services, LLC	SpEd Svcs - 11/02/21 - 11/30/21	1/3/2022	820.00		
10155	ZeduPlus	Enrichment Svcs - 12/08/21 - 01/21/22	1/3/2022	4,900.00	Contract	\$ 21,350.00
10156	Staples	Office Supplies & Rotary Trimmer	1/3/2022	2,057.85		
10157	Tracey Willson	Consulting Svcs - 08/31/21 - 11/30/21	1/3/2022	1,312.50		
10158	Charter Impact	Business Mgmt Svcs & Payroll Processing Fee - 01/22	1/6/2022	3,085.21	Contract	Same as above
10159	IKreate Design & Print LLC	Recruiting Svcs	1/7/2022	5,852.25	Contract	\$ 5,852.25
10160	Asset Panda, LLC	Asset Panda Subscription - 11/29/21 - 11/28/24	1/14/2022	3,545.00		
10161	Charter Impact	FedEx Reimb - 12/21	1/14/2022	79.40		
10162	EMCOR Services Mesa Energy	Maintenance & Repair Svcs	1/14/2022	3,683.00	Recurring	\$ 14,347.31
10163	Les Olson Company	Copier Lease - 11/26/21 - 12/25/21	1/14/2022	310.64	Recurring	\$ 4,121.82
10164	McGraw Hill LLC	Textbooks	1/14/2022	1,244.38		
10165	Schola	ScholaRecruiter Pro	1/14/2022	3,500.00		
10166	Wildflower Therapy Services, LLC	SpEd Svcs - 12/03/21 - 12/17/21	1/14/2022	693.33		
10167	Brady Industries	Janitorial Supplies	1/21/2022	3,511.94		
10168	Communication Electronic Systems LLC	Fire Alarm Monitoring	1/21/2022	165.00		
10169	Enrique Robles	Reimb - 12/03/21 - 12/07/21	1/21/2022	678.49		
10170	McGraw Hill LLC	Textbooks	1/21/2022	14.36		
10171	Procopio, Cory, Hargreaves & Savitch LLP	Professional Svcs Through - 02/28/21	1/21/2022	2,911.00		
10172	Squish Pest Control, Inc.	Pest Control Svcs	1/21/2022	600.00		
10173	Les Olson Company	Copier Lease	1/26/2022	106.21	Recurring	Same as above
10174	Staples	Office Supplies & School Supplies	1/26/2022	2,770.00		
10175	Troop LLC	Sub Svcs	1/26/2022	310.00		
10176	Red Hook Rancho, LLC	Rent - 01/22	1/27/2022	VOID		
10177	Red Hook Rancho, LLC	Rent - 01/22	1/27/2022	50,501.82	Recurring	
ACH	NV Energy	Utility Svcs - 11/15/21 - 12/15/21	1/11/2022	354.56	Recurring	
ACH	NV Energy	Utility Svcs - 11/15/21 - 12/15/21	1/11/2022	1,923.95	Recurring	\$ 3,023.05
ACH	Bank of Nevada	Analysis Fee	1/21/2022	83.00		Same as above
ACH	Republic Services #620	Janitorial Svcs	1/21/2022	294.86	Recurring	\$ 10,071.39
ACH	Las Vegas Valley Water District	Utility Svcs - 11/23/21 - 12/21/21	1/25/2022	1,390.31	Recurring	\$ 10,945.61

Total Disbursements Issued in January **\$ 167,814.53**

# Coversheet

## Explore Lease Update

**Section:** III. ITEMS SCHEDULED FOR INFORMATION & POTENTIAL ACTION  
**Item:** B. Explore Lease Update  
**Purpose:** Vote  
**Submitted by:**  
**Related Material:**  
Approved Sublease with Explore Academy (N. Rancho Blvd.)JULY12-2.pdf  
Explorer Academy Statement Balance Sheet - Sheet1.pdf

## SUBLEASE AGREEMENT

(4648, 4656 and 4660 North Rancho Drive)

This Sublease Agreement (this “**Sublease**”) is entered into as of July 15, 2021 (the “**Effective Date**”) by and between sublessor TEACH Las Vegas, a Nevada nonprofit corporation (“**TEACH**”) and subtenant Explore Academy Las Vegas, a Nevada nonprofit corporation (“**Explore**”), collectively the “**Parties**” and each a “**Party**”, with reference to the following facts:

A. TEACH leases school facilities located at 4648, 4656 and 4660 North Rancho Drive, Las Vegas, Nevada (“**Premises**”) pursuant to that certain Lease Agreement dated April 8, 2021 (the “**Master Lease**”) by and between Red Hook Rancho LLC, a Delaware limited liability company (“**Landlord**”) and TEACH. The Premises are depicted within Exhibit A attached hereto.

B. The Parties desire for Explore to sublease a portion of TEACH’s Premises, consisting of sixteen (16) classrooms and additional space as described below (the “**Subleased Premises**”), pursuant to the terms, covenants and conditions set forth in this Sublease.

**NOW, THEREFORE**, in consideration of their mutual covenants and promises, the Parties agree to the foregoing and as follows:

1. Subleased Premises and Permitted Use. TEACH hereby subleases to Explore, and Explore accepts and subleases from TEACH, the following Subleased Premises for the Term and pursuant to the terms and conditions set forth in this Sublease. The Parties acknowledge and agree that no measurement of the Subleased Premises is provided, and that no measurement of such square footage shall affect the amount of Rent or any other substantive provision of this Sublease.

1.1 Exclusive Space. The Subleased Premises shall include Explore’s exclusive use of the following: two (2) classrooms in Building 1(A), also known as 4660 North Rancho Drive; eight (8) classrooms in Building 4(B), also known as 4656 North Rancho Drive; and six (6) classrooms in Building 10(C), also known as 4648 North Rancho Drive.

1.2 Shared Space; Parking. The Subleased Premises shall also include Explore’s shared use with TEACH of the administrative offices and cafeteria in Building 1(A), and shared access to common areas, such as halls and restrooms, within the buildings where Explore’s classrooms are located. Prior to the commencement of the school year, the Parties shall meet to agree upon the arrangements and schedule for shared spaces at the Premises (e.g., the administrative offices and cafeteria) and drop-off and pick-up procedures for both schools in order to jointly and efficiently use the ingress, egress and parking at the Premises. The Parties shall also exchange school and event calendars, and shall schedule special events at the Premises in a manner that minimizes any impact on each Party’s educational programs. The cafeteria Building 1(A) room 131 will be physically divided (50% of sqft for each school) by a physical wall or partition. The selection will be agreed to by both schools. The expense of the physical wall or partition will be split by each school. The administrative offices in Building 1(A) will be divided as follows, Explore will occupy 143 and 146. TEACH will occupy 137, 139, 140, 141. Rooms 144 & 142 will be shared.

1.3 Additional Space. In addition to the above, the Parties may agree for Explore to use one or more additional classroom(s) in Building 10(C) at a rate of \$2,000 per month per classroom.

1.4 Permitted Use. Explore shall use the Subleased Premises for the purpose of operating a charter school (the “**Permitted Use**”). Explore shall not use or rent the Subleased Premises as a residential rental property to others. Explore shall not use or permit the use of the Subleased Premises in a manner that is unlawful, creates damage, waste or a nuisance, or that disturbs TEACH or other tenants on the Premises, or causes damage to neighboring premises or properties. Explore is responsible for acquiring and maintaining at all times during the Term all necessary permits and approvals for operating its Permitted Use at the Subleased Premises.

1.5 Compliance with Applicable Requirements. Except as otherwise provided in this Sublease, Explore shall, at Explore’s sole expense, fully, diligently and in a timely manner, materially comply with all Applicable Requirements, the requirements of any applicable fire insurance underwriter or rating bureau, and the recommendations of TEACH’s or Landlord’s engineers and/or consultants which relate in any manner to the such Applicable Requirements, without regard to whether such Applicable Requirements are now in effect or become effective after the Effective Date. Explore shall, within ten (10) days after receipt of TEACH’s or Landlord’s written request, provide the requesting party (i.e., TEACH or Landlord) with copies of all permits and other documents, other information evidencing Explore’s compliance with any Applicable Requirements, and other information evidencing Explore’s possession of all applicable permits and approvals pertaining to its Permitted Use, and shall immediately upon receipt, notify TEACH in writing (with copies of any documents involved) of any threatened or actual claim, notice, citation, warning, complaint or report pertaining to or involving the failure of Explore or the Premises or Subleased Premises to comply with any Applicable Requirements or of Explore’s ability to operate at the Subleased Premises for its Permitted Use.

1.5.1 “**Applicable Requirements**” means any and all applicable building codes, applicable laws, covenants or restrictions of record, regulations, and ordinances pertaining to the Premises or Subleased Premises.

2. Term. The term of this Sublease (“**Term**”) shall commence on July 15, 2021 and expire on January 31, 2022. The Parties may agree to extend the Term thereafter on a month-to-month basis. This Sublease may be terminated as follows: prior to January 31, 2022, by TEACH upon sixty (60) days’ prior written notice to Explore; during the month-to-month extension period after January 31, 2022, if applicable, by either Party upon thirty (30) days’ prior written notice to the other Party; or, at any time upon the termination of the Master Lease for any reason.

2.1 Delay in Possession. If TEACH cannot for any reason deliver possession of the Subleased Premises to Explore on July 15, 2021, TEACH shall not be subject to any liability as a result, nor shall such failure affect the validity of this Sublease, nor extend the Term of this Sublease; however, in such case, Explore shall not be obligated to pay Rent or perform any other obligation under this Sublease until possession of the Subleased Premises is tendered to Explore.

2.2 Early Possession. If Explore occupies the Subleased Premises, or any portion of the Premises or Subleased Premises, prior to July 15, 2021, such occupancy shall be subject to all provisions of this Sublease, including the payment of Rent and other monetary obligations. TEACH may, upon the full execution and delivery of this Sublease, including Landlord’s consent hereto, grant Explore access to enter upon the Subleased Premises to install furniture, fixtures and equipment in the Subleased Premises as permitted in accordance with Section 4.2 of this Sublease; provided, however, that Explore shall have previously provided TEACH with proof of Explore’s insurance coverage as set forth in Section 7 of this Sublease. Explore’s access to the Premises or Subleased Premises prior to July 15, 2021, as provided

in this Section 2.2 of this Sublease, shall be subject to any and all safety, security and insurance requirements, procedures and conditions as may be established by TEACH.

3. Rent. As used in this Sublease, “**Rent**” shall include the Base Rent and Additional Rent described below, and all additional charges or expenses to be paid by Explore pursuant to this Sublease.

3.1 Base Rent. During the Term and any month-to-month extension thereof, Explore shall pay to TEACH the base rent of \$52,000 per month (“**Base Rent**”). Explore shall pay TEACH the Base Rent on or before the first day of each month, beginning on July 15, 2021 (for the first monthly period of July 15 through August 15). The monthly Base Rent shall be increased by \$2,000 per additional classroom utilized by Explore in Building 10(C) as described in Section 1.3 of this Sublease. Explore shall pay TEACH first month (July 15 through August 15), last month (January 1 through January 31) and security deposit (\$156,000 total payment) at the time of lease execution.

3.2 Additional Rent. During the Term and any month-to-month extension thereof, Explore shall be responsible for all utilities, repair and maintenance costs, and janitorial services incurred by TEACH, or which may be imposed on TEACH under the Master Lease, in connection with the entirety of Building 1(A), Building 4(B) and Building 10(C) at the Premises. TEACH shall provide periodic statements to Explore outlining Explore’s share of the such expenses, and shall provide Explore access to reasonable backup documentation for such costs upon request. Explore shall submit payment to TEACH within thirty (30) days after receipt of such statement from TEACH.

3.3 Payment of Rent. Rent shall be payable to “TEACH Las Vegas”, without further notice or demand and without deduction or offset, in lawful money of the United States of America at the address specified in Section 12 of this Sublease, or at such other address as TEACH may from time to time specify. If the Term shall end on a day other than the 15<sup>th</sup> day of a month (noting that the Term commences on July 15, 2021), then Explore shall pay a pro rata portion of the Rent, prorated on a per diem basis, with respect to the portion of the fractional 30-day month period included in the Term.

3.4 Late Payment Charges and Interest. If any installment of Rent, or any monetary payment due to TEACH hereunder, is not paid on or before the fifth (5<sup>th</sup>) business day after the date due, then the unpaid amounts shall bear interest at the lower of ten percent (10%) per annum or the maximum lawful rate from the date due to the date of payment (collectively, the “**Interest Rate**”). In addition, Explore acknowledges that the late payment of any installment of Rent will cause TEACH to incur certain costs and expenses not contemplated under this Sublease, the exact amount of which are extremely difficult or impractical to fix. These costs and expenses will include, without limitation, administrative and collection costs and processing and accounting expenses. Therefore, if any installment of Rent is not received by TEACH on or before the fifth (5<sup>th</sup>) business day following the date due, then Explore shall pay to TEACH a charge for administration collection and accounting expenses equal to ten percent (10%) of the amount of such delinquent amounts due in addition to the installment of Rent then owing with interest accruing at the Interest Rate. The Parties agree that the late payment charge represents a reasonable estimate of TEACH’s costs and expenses and is fair compensation for TEACH’s loss suffered by Explore’s nonpayment of any amounts when due and payable pursuant to this Sublease. This provision shall not relieve Explore from payment of Rent at the time and in the manner herein specified.

3.5 Security Deposit. On or before the fifth (5<sup>th</sup>) business day following the full execution and delivery of this Sublease, Explore shall deposit with TEACH a security deposit in the amount of \$52,000 (the “**Security Deposit**”). The Security Deposit shall be held by TEACH without liability for

interest and as security for the performance by Explore of Explore's covenants and obligations under this Sublease, it being expressly understood that the Security Deposit shall not be considered an advance payment of Rent or a measure of TEACH's damages in case of default by TEACH. TEACH may, but shall not be required to, apply all or part of the Security Deposit to any past due Rent or other charges from Explore or to cure any other defaults of Explore, without prejudice to any other remedy. If Explore uses any part of the Security Deposit for such purposes, Explore shall deposit additional funds to restore the Security Deposit to its full amount within ten (10) days after TEACH's written request. Explore's failure to do so shall be a material default under this Sublease. Explore may not attempt to credit the Security Deposit to the last month's Rent hereunder. If Explore shall fully and faithfully performs every provision of this Sublease to be performed by it, the Security Deposit, or any balance thereof, shall be returned to Explore within thirty (30) days following the expiration or termination of this Sublease.

#### 4. Condition of Subleased Premises.

4.1 Inspection and Acceptance. Explore represents and warrants to TEACH that, as of the Effective Date, Explore shall have examined and inspected all matters with respect to taxes, income and expense data, insurance costs, permissible uses, zoning, covenants, conditions and restrictions and all other matters which in Explore's judgment bear upon the value and suitability of the Subleased Premises for Explore's purposes and Permitted Use. Explore has and will rely solely on Explore's own inspection and examination of such items and not on any representations of TEACH, express or implied. By entering the Subleased Premises, Explore shall be deemed to accept the same in their respective conditions existing as of the date of such entry and subject to all applicable municipal, county, state and federal statutes, laws, ordinances, including zoning ordinances, and regulations governing and relating to the use, occupancy or possession of the Subleased Premises.

4.2 Modifications. Explore agrees to accept the Subleased Premises as is, where is, in its current condition, with all faults and defects, if any. Explore shall not make or cause to be made any modifications, alterations or improvements to the Subleased Premises, including the installation of signage, fixtures or other affixed equipment, without the prior written consent of TEACH, which shall have absolute discretion subject to the Master Lease and any necessary governmental approvals. Any signage, materials, work, modification, installations, furniture, equipment, supplies and decorations of any nature brought upon the Premises, or installed in the Subleased Premises or removed from the Subleased Premises by Explore, shall be at Explore's sole risk, and shall be installed, maintained and removed at the sole cost and expense of Explore. Explore shall protect, defend, indemnify and hold harmless TEACH from all liabilities, including restoration charges, which may be imposed by Landlord or other parties due to Explore's modifications, alterations, improvements and tenant improvements.

4.3 No Representations or Warranties. Explore acknowledges and agrees that TEACH makes no warranty as to the habitability, fitness or suitability of the Premises or Subleased Premises for a particular purpose, nor as to compliance with any laws, rules or regulations, nor as to the absence of any toxic or otherwise hazardous substances. Explore further acknowledges and agrees that TEACH makes no representation or warranty regarding the permitted grade levels or enrollment levels for the Premises or Subleased Premises, nor any representation or warranty regarding any other governmental or quasi-governmental approvals, licenses, or permits that might be required in connection with Explore's intended use of the Subleased Premises, including Explore's charter, all of which shall be obtained and maintained by Explore at Explore's sole cost and expense without any right of contribution or reimbursement from TEACH.

5. Repairs and Maintenance. Explore shall, at Explore's sole expense, keep the Subleased Premises in good order and sanitary condition, and repair any damage to the Premises caused by Explore or Explore's agents, employees, students, guests or contractors, including the Subleased Premises and the entirety of Building 1(A), Building 4(B) and Building 10(C). Explore acknowledges and agrees that any repair or maintenance costs incurred by TEACH in connection with Building 1(A), Building 4(B) and Building 10(C) shall be paid by Explore as Additional Rent pursuant to Section 3.2 of this Sublease.

6. Hazardous Substances. Explore shall comply with TEACH's obligations with respect to "Hazardous Substances" as stated in the Master Lease, which is provided below.

6.1 Reportable Uses Require Consent. Explore shall not engage in any activity in or on the Premises or Subleased Premises which constitutes a Reportable Use of Hazardous Substances without the express prior written consent of TEACH and Landlord, and timely compliance (at Explore's expense) with all Applicable Requirements and Environmental Regulations. Notwithstanding the foregoing or anything herein to the contrary, Explore may use any ordinary and customary materials reasonably required to be used in the normal course of the Permitted Use, including such instructional materials as may be used in art, science and other instructional activities, ordinary office supplies (copier toner, liquid paper, glue, etc.) and common cleaning materials, so long as such use is in compliance with all Applicable Requirements, is not a Reportable Use, and does not expose the Premises, Subleased Premises, or neighboring property, to any meaningful risk of contamination or damage, or expose TEACH, Landlord, or Explore, to any liability therefor.

6.1.1 **"Hazardous Substance"** means mean (a) any oil, flammable substance, explosives, radioactive materials, hazardous wastes or substances, toxic wastes or substances or any other wastes, materials or pollutants which (i) pose a hazard to the Premises, Subleased Premises or to persons on or about the Premises or Subleased Premises or (ii) cause the Premises or Subleased Premises to be in violation of any Environmental Regulation (as defined herein); (b) asbestos in any form which is or could become friable, urea formaldehyde foam insulation, transformers or other equipment which contain dielectric fluid containing levels of polychlorinated biphenyls, or radon gas; (c) any chemical, material or substance defined as or included in the definition of "waste," "hazardous substances," "hazardous wastes," "hazardous materials," "extremely hazardous waste," "restricted hazardous waste," or "toxic substances" or words of similar import under any Environmental Regulation including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act ("**CERCLA**"), 42 USC §§ 9601 *et seq.*; the Resource Conservation and Recovery Act ("**RCRA**"), 42 USC §§ 6901 *et seq.*; the Hazardous Materials Transportation Act, 49 USC §§ 1801 *et seq.*; the Federal Water Pollution Control Act, 33 USC §§ 1251 *et seq.*; and the Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65); (d) any other chemical, material or substance, exposure to which is prohibited, limited or regulated by any governmental authority or agency or may or could pose a hazard to the health and safety of the occupants of the Premises, Subleased Premises or the owners and/or occupants of property adjacent to or surrounding the Premises or Subleased Premises, or any other person coming upon the Premises, Subleased Premises or adjacent property; or (e) any other chemical, materials or substance which may or could pose a hazard to the environment.

6.1.2 **"Environmental Regulations"** means any federal, state or local law, statute, code, ordinance, regulation, requirement or rule relating to dangerous, toxic or hazardous pollutants, Hazardous Substances or chemical waste, materials or substances.

6.1.3 **"Reportable Use"** means (i) the installation or use of any above or below

ground storage tank, (ii) the generation, possession, storage, use, transportation, or disposal of a Hazardous Substance that requires a permit from, or with respect to which a report, notice, registration or business plan is required to be filed with, any governmental authority, and/or (iii) the presence at the Premises or Subleased Premises of a Hazardous Substance with respect to which any Applicable Requirements requires that a notice be given to persons entering or occupying the Premises, Subleased Premises or neighboring properties.

6.2 Duty to Inform TEACH. If Explore knows, or has reasonable cause to believe, that a Hazardous Substance has come to be located in, on, under or about the Premises or Subleased Premises, Explore shall immediately give written notice of such fact to TEACH, and provide TEACH with a copy of any report, notice, claim or other documentation which it has concerning the presence of such Hazardous Substance.

6.3 Remediation. Explore shall not cause or permit any Hazardous Substance to be spilled or released in, on, under, or about the Premises or Subleased Premises (including through the plumbing or sanitary sewer system) and shall promptly, at Explore's expense, comply with all Applicable Requirements and take all investigatory and/or remedial action reasonably recommended, whether or not formally ordered or required, for the cleanup of any contamination of, and for the maintenance, security and/or monitoring of the Premises, Subleased Premises, or neighboring properties, that was caused or materially contributed to by Explore, or pertaining to or involving any Hazardous Substance brought onto the Premises or Subleased Premises during the Term of this Sublease by or for Explore, or by or for a third party at the direction or request of Explore; provided that Explore will have no obligation to clean-up Hazardous Substances that migrate under the Premises or Subleased Premises from adjacent properties without any involvement or contribution from Explore or its agents or employees.

6.4 Indemnification. Explore shall indemnify, defend and hold TEACH and Landlord, and their officers, directors, managers, members, agents, employees, volunteers, and lenders of either of them ("**TEACH's Indemnified Parties**") harmless from and against any and all loss of rents and/or damages, liabilities, judgments, claims, expenses, penalties, and attorneys' and consultants' fees arising out of or involving any Hazardous Substance brought onto the Premises or Subleased Premises by or for Explore or anyone acting by, through, or under Explore. No termination, cancellation or release agreement entered into by the Parties shall release Explore from its obligations under this Sublease with respect to Hazardous Substances, unless specifically so agreed by TEACH and Landlord in writing at the time of such agreement. The provisions of this Section 6.4 shall survive the termination or expiration of this Sublease.

6.5 Hazardous Substance Remediation. If Explore becomes aware of a Hazardous Substance Condition occurring during the Term of this Sublease, then Explore shall notify TEACH and TEACH shall make the investigation and remediation thereof required by the Applicable Requirements, the costs relating thereto constituting an expense for which Explore is responsible and this Sublease shall continue in full force and effect, but subject to TEACH's Indemnified Parties' rights under Section 6.4 of this Sublease; provided, however, that if a Hazardous Substance Condition occurs as a result of hazardous materials that are brought on the Premises or Subleased Premises by a party other than Explore or anyone acting by, through, or under Explore prior to July 15, 2021, then TEACH shall be solely responsible for making the investigation and remediation thereof at its sole cost and expense, and this Sublease shall continue in full force and effect.

6.5.1 The term “**Hazardous Substance Condition**” shall mean the occurrence or discovery of a condition involving the presence of, or a contamination by, a Hazardous Substance as defined in Section 6.1.1. of this Sublease, in, on, or under the Premises and/or Subleased Premises which requires repair, remediation, or restoration.

7. Insurance. Explore shall keep in force such insurance policies and in such amounts as set forth in Sections 7.2 through 7.5 below. On or before the fifth (5<sup>th</sup>) business day following the full execution and delivery of this Sublease, Explore will pay \$6,000 to TEACH at the time of lease execution for required property insurance described in 7.1, which TEACH currently has in place under the master lease.

7.1 Property insurance against loss or damage to any structure constituting any part of the Subleased Premises by fire and lightning, with extended coverage and vandalism and malicious mischief insurance. Said extended coverage insurance shall, as nearly as practicable, cover loss or damage by explosion, windstorm, riot, aircraft, vehicle damage, smoke and such other hazards as are normally covered by such insurance. All insurance provided pursuant to this paragraph shall be in an amount equal to the greater of (i) one hundred percent (100%) of the replacement cost (without depreciation) of all improvements constituting any part of the Subleased Premises or (ii) the principal amount of any loan secured by the Subleased Premises then outstanding, and shall be subject to a deductible not to exceed Five Thousand Dollars (\$5,000).

7.2 Liability insurance in amounts which are customarily carried and against such risks as are customarily insured against by other corporations in connection with the ownership and operation of facilities of similar character and size to the Subleased Premises. Explore shall name both Landlord and TEACH as additionally insured parties to such liability insurance.

7.3 Rental interruption insurance to cover loss, total or partial, of rental income to TEACH for any reason whatsoever, in an amount sufficient to pay the maximum Rent under the Sublease for a period of at least six (6) months. Explore shall obtain and keep in force, for the benefit of TEACH, or otherwise obtain for TEACH (at Explore’s sole cost and expense), such rental interruption insurance insuring TEACH for such amounts of Rent arising from an interruption of the payment of the Rent, and otherwise payable by Explore hereunder.

7.4 Workers’ compensation insurance necessary to comply with Nevada state law.

7.5 All insurance procured and maintained by Explore shall be written by insurance companies satisfactory to TEACH which are licensed to do business in the state in which the Subleased Premises is located with a general policyholder’s rating of not less than A and a financial rating of not less than Class VIII as rated in the most current edition of Best’s Key Rating Guide, or, if it becomes available during the Term of this Sublease, equivalent coverage provided by a charter school self-insurance joint power authority formed and operating under Nevada law. Explore shall obtain waivers of subrogation in favor of TEACH as its interests may appear; moreover, Explore shall obtain a written obligation on the part of each insurance company to notify TEACH at least ten (10) days prior to cancellation of such insurance. Explore shall provide TEACH with an original Certificate of Insurance demonstrating that the insurance required by this Sublease was purchased and is in effect. Explore shall also provide TEACH with a copy of the additional insured, waiver of subrogation endorsements or such other policy language demonstrating that the insurance policies comply with this Sublease. If Explore should fail to comply with the foregoing requirements relating to insurance, TEACH may obtain such insurance and Explore shall pay to TEACH on

demand as additional Rent hereunder the premium cost thereof plus interest. Explore hereby acknowledges and agrees that any such payment and interest shall be payable immediately on demand as additional Rent and that the same are cumulative with, and do not supersede or reduce in any way, TEACH's rights as specified in Section 10 of this Sublease.

## 8. Indemnity.

8.1 Except for TEACH's negligence or willful misconduct, Explore shall indemnify, protect, defend and hold harmless the Premises, Subleased Premises, and TEACH's Indemnified Parties, as defined in Section 6.4 of this Sublease, from and against any and all claims, loss of rents and/or damages, liens, judgments, penalties, attorneys' and consultants' fees, expenses and/or liabilities arising out of, involving, or in connection with, the use and/or occupancy of the Premises and/or Subleased Premises by Explore. If any action or proceeding is brought against TEACH's Indemnified Parties by reason of any of the foregoing matters by any third party, Explore shall upon written notice defend the same at Explore's expense by counsel reasonably satisfactory to TEACH and TEACH shall cooperate with Explore in such defense. Neither TEACH nor Landlord need not have first paid any such claim in order to be defended or indemnified. The duty of Explore to defend TEACH's Indemnified Parties is independent of the duty to indemnify and the duty to defend arises immediately upon TEACH's Indemnified Parties being subjected to a claim encompassed by this paragraph. The duty to defend is immediate and is not conditioned upon a final determination as to the legal responsibility of Explore for such claim.

8.2 Subject to the provisions of Section 8.1 and 8.2 of this Sublease, TEACH's Indemnified Parties shall not be liable for injury or damage to the person or goods, wares, merchandise or other property of Explore, Explore's employees, contractors, invitees, customers, students or any other person in or about the Premises or Subleased Premises, whether such damage or injury is caused by or results from fire, steam, electricity, gas, water or rain, or from the breakage, leakage, obstruction or other defects of pipes, fire sprinklers, wires, appliances, plumbing, HVAC or lighting fixtures, or from any other cause, whether the said injury or damage results from conditions arising upon the Premises, the Subleased Premises, or from other sources or places.

8.3 The provisions of this Section 8 shall survive the expiration or termination of this Sublease.

## 9. Obligations under Master Lease.

9.1 Explore's Obligations. Explore shall not do or permit to be done any act or thing, or omit to do anything, which may constitute a breach or violation of any term, covenant, or condition of the Master Lease, notwithstanding whether such act, thing, or omission is permitted under the terms of this Sublease.

9.2 TEACH's Obligations. TEACH shall not do or permit to be done any act or thing, or omit to do anything, which may constitute a breach or violation of any term, covenant, or condition of the Master Lease, notwithstanding whether such act, thing, or omission is permitted under the terms of this Sublease. Further, and notwithstanding anything contained herein to the contrary, on the request of Explore, TEACH shall make a written demand on Landlord to perform its obligations under the Master Lease with respect to the Subleased Premises if Landlord fails to perform same within the time frame and in the manner required under the Master Lease. However, the obligations of Landlord under the Master Lease shall remain the obligations of Landlord, and shall not be considered the obligations or responsibility

of TEACH. TEACH's only obligation shall be to use commercially reasonable efforts to demand that Landlord perform such obligations for the benefit of Explore.

9.3 Landlord's Obligations. It shall be the obligation of Landlord (i) to provide or cause to be provided all services to be provided by Landlord under the terms of the Master Lease and (ii) to satisfy all obligations and covenants of Landlord made in the Master Lease. Explore acknowledges and agrees that TEACH shall be under no obligation to provide any services or satisfy any obligations or covenants of Landlord.

10. Defaults and Remedies. If Explore fails to perform any of its affirmative duties or obligations, within thirty (30) days after written notice (or, in the case of those duties and obligations that cannot reasonably be performed within thirty (30) days after notice, to commence and diligently prosecute such duties and obligations to completion), TEACH may, at its option, perform such duty or obligation on Explore's behalf, including but not limited to the obtaining of reasonably required bonds, insurance policies, or governmental licenses, permits or approvals. Explore shall pay to TEACH the costs and expenses incurred by TEACH in such performance upon receipt of an invoice therefor. In the event of a Breach, TEACH may, in addition to TEACH's right to terminate this Sublease pursuant to Section 2 of this Sublease and with or without further notice or demand, and without limited TEACH in the exercise of any right or remember which TEACH may have by reason of such Breach:

10.1 Terminate Explore's right to possession of the Subleased Premises by any lawful means, in which case this Sublease shall terminate and Explore shall immediately surrender possession to TEACH. In such event TEACH shall be entitled to recover from Explore: (i) the unpaid Rent which had been earned at the time of termination; (ii) the worth at the time of award of the amount by which the unpaid Rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that Explore proves could have been reasonably avoided; (iii) the worth at the time of award of the amount by which the unpaid Rent for the balance of the term after the time of award exceeds the amount of such rental loss that Explore proves could be reasonably avoided; and (iv) any other amount necessary to compensate TEACH for all the detriment proximately caused by Explore's failure to perform its obligations under this Sublease or which in the ordinary course of things would be likely to result therefrom, including but not limited to the cost of recovering possession of the Subleased Premises, expenses of reletting, including necessary renovation and alteration of the Subleased Premises, reasonable attorneys' fees of TEACH and Landlord, and that portion of any leasing commission paid by TEACH in connection with this Sublease applicable to the unexpired term of this Sublease. The worth at the time of award of the amount referred to in provision (iii) of the immediately preceding sentence shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of the District within which the Subleased Premises are located at the time of award plus one percent. Efforts by TEACH to mitigate damages caused by Explore's Breach of this Sublease shall not waive TEACH's right to recover damages under this Section 10. If termination of this Sublease is obtained through the provisional remedy of unlawful detainer, TEACH shall have the right to recover in such proceeding any unpaid Rent and damages as are recoverable therein, or TEACH may reserve the right to recover all or any part thereof in a separate suit. If a notice and grace period required under Section 10 was not previously given, a notice to pay rent or quit, or to perform or quit given to Explore under the unlawful detainer statute shall also constitute the notice required by Section 10. In such case, the applicable grace period required by Section 10 and the unlawful detainer statute shall run concurrently, and the failure of Explore to cure the Default within the greater of the two such grace periods shall constitute both an unlawful detainer and a Breach of this Sublease entitling TEACH to the remedies provided for in this Sublease and/or by said statute.

10.2 Continue the Sublease and Explore's right to possession and recover the Rent as it becomes due. Acts of maintenance, efforts to re-let, and/or the appointment of a receiver to protect TEACH's interests, shall not constitute a termination of Explore's right to possession.

10.3 Pursue any other remedy now or hereafter available under the laws or judicial decisions of the state wherein the Subleased Premises are located. The expiration or termination of this Sublease and/or the termination of Explore's right to possession shall not relieve Explore from liability under this Sublease, including under any indemnity provisions of this Sublease as to matters occurring or accruing during the Term hereof or by reason of Explore's occupancy of the Subleased Premises.

10.4 A "**Default**" is a failure by Explore to comply with or perform any of the terms, covenants or conditions under this Sublease.

10.5 A "**Breach**" is the occurrence of one or more of the following Defaults, and the failure of Explore to cure such Default within any applicable grace period:

10.5.1 The abandonment of the Subleased Premises.

10.5.2 The failure of Explore to make any payment of Rent required to be made by Explore hereunder, whether to TEACH or to a third party, when due, to provide reasonable evidence of insurance or surety bond, or to fulfill any obligation under this Sublease which endangers or threatens life or property, where such failure continues for a period of three (3) business days following written notice to Explore.

10.5.3 Any material representation or warranty made in this Sublease, or in any report, certificate, financial statement, or instrument furnished in connection with this Sublease, proves to have been false or misleading when made, in any material respect.

10.5.4 A Default by Explore as to the terms, covenants, conditions or provisions of this Sublease, other than those described in Sections 10.5.1 through 10.5.3 above, where such Default continues for a period of thirty (30) days after written notice; provided, however, that if the nature of Explore's Default is such that more than thirty (30) days are reasonably required for its cure, then it shall not be deemed to be a Breach if Explore commences such cure within said thirty (30) day period and thereafter diligently prosecutes such cure to completion.

10.5.5 The occurrence of any of the following events: (i) Explore's making of any general arrangement or assignment for the benefit of creditors; (ii) Explore's becoming a "debtor" as defined in 11 U.S.C. Section 101 or any successor statute thereto (unless, in the case of a petition filed against Explore, the same is dismissed within ninety (90) days); (iii) the appointment of a trustee or receiver to take possession of substantially all of Explore's assets located at the Subleased Premises, or of Explore's interest in this Sublease, where possession is not restored to Explore within sixty (60) days; or (iv) the attachment, execution or other judicial seizure of substantially all of Explore's assets located at the Subleased Premises, or of Explore's interest in this Sublease, where such seizure is not discharged within sixty (60) days; provided, however, in the event that any provision of this subparagraph (e) is contrary to any applicable law, such provision shall be of no force or effect, and not affect the validity of the remaining provisions.

10.5.6 The discovery that any financial statement of Explore given to TEACH or Landlord was materially false.

10.5.7 The failure of Explore to comply with the following representations, warranties or covenants: (i) except as specifically provided in this Sublease, Explore's covenants not to create, assume, incur or suffer to be created, assumed or incurred any lien on the Sublease Premises, (ii) Explore shall take all actions necessary, and shall not omit to take any action necessary for it to maintain its status (or its derivative status through its sole member) as an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended and (iii) the Explore will do, or cause to be done, all things necessary to obtain and maintain status as a charter school under the Charter School Law.

10.6 Nothing in this Section 10 shall be interpreted to prevent Landlord from seeking remedies against Explore for such Default or Breach.

## 11. Damage or Destruction.

11.1 Notice and Repair. Explore shall promptly notify TEACH of any damage to the Premises or Subleased Premises resulting from fire or any other casualty, so that TEACH can provide the notice required under Section 11.1 of the Master Lease for the repair of such damage. Notwithstanding anything to the contrary herein, in no event shall TEACH nor Landlord be obligated to repair or restore any specialized or dedicated equipment serving Explore or the Subleased Premises, such as any cabling, wiring, supplemental utility system, telephone system or wi-fi network. TEACH's Indemnified Parties shall not be liable for any inconvenience or annoyance to Explore or its visitors, or injury to Explore's business resulting in any way from such damage or the repair thereof; provided however, that if such fire or other casualty shall have damaged the Subleased Premises necessary to Explore's occupancy, and if such damage is not the result of the negligence or willful misconduct of Explore or Explore's employees, contractors consultants, agents, licensees, students, invitees, or anyone else acting by, through, or under this Sublease, TEACH shall allow Explore a proportionate abatement of Base Rent to the extent TEACH is reimbursed from the proceeds of rental interruption insurance, during the time and to the extent the Subleased Premises are unfit for occupancy for the purposes permitted under this Sublease, and not occupied and used by Explore as a result thereof.

11.2 Option to Terminate. Notwithstanding Section 11.1 of this Sublease, if the Subleased Premises are destroyed or damaged to a substantial extent, the Parties shall have the option to terminate this Sublease by giving written notice to the other Party of the exercise of such option within thirty (30) days after such Party becomes aware of such damage, in which event this Sublease shall cease and terminate as of the date of such notice. Upon any such termination of the Sublease pursuant to this Section 11.2, Explore shall pay the Base Rent and additional rent, properly apportioned up to the earlier of the date of termination or the date that Explore vacated the Subleased Premises as a result of the casualty, and both Parties hereto shall thereafter be discharged from all further obligations under this Sublease arising after such termination, except for those obligations which expressly survive the expiration or earlier termination of the Term.

11.3 Waiver of Statutory Provisions. The provisions of this Sublease, including this Section 11, constitute an express agreement between the Parties with respect to any and all damage to, or destruction of, all or any part of the Subleased Premises, and any statute or regulation of the state in which the Subleased Premises is located, with respect to any rights or obligations concerning damage or destruction in the absence of an express agreement between the Parties, and any other statute or regulation, now or hereafter in effect, shall have no application to this Sublease or any damage or destruction to all or any part of the Subleased Premises.

11.4 Explore’s Responsibilities. There shall be no abatement of Rent (except as expressly provided above in Section 11.1 of this Sublease) and no liability of TEACH’s Indemnified Parties by reason of any injury to or interference with Explore’s business or property arising from the making of any repairs, alterations or improvements in or to any portion of the Premises or Subleased Premises or in or to fixtures, appurtenances and equipment therein. Explore understands that neither TEACH nor Landlord will carry insurance of any kind on Explore’s furniture, furnishings and other personal property, and TEACH’s Indemnified Parties shall not be obligated to repair any damage thereto or replace the same. All such property shall be kept, stored and maintained at the sole risk of Explore.

12. Notices. All notices required or permitted by this Sublease or applicable law shall be in writing and may be delivered in person (by hand or by courier) or may be sent by regular, certified or registered mail or U.S. Postal Service Express Mail, with postage prepaid, or by email, and shall be deemed sufficiently given if served in a manner specified in this Section 12. A courtesy copy of any notice provided hereunder will be provided by email so long as the Party receiving the notice has delivered its then-current email address to the other. The addresses for the Parties are set forth below and shall constitute the respective addresses for delivery or mailing of notices. Either Party may, by written notice to the others, specify a different address for notice.

To TEACH: Matt Brown  
CFO/COO TEACH Public Schools  
1846 W. Imperial Hwy.  
Los Angeles, CA 90047  
Email: [mbrown@teachlv.org](mailto:mbrown@teachlv.org)

To Explore: \_\_\_\_\_  
\_\_\_\_\_

Any notice sent by registered or certified mail, return receipt requested, shall be deemed given on the date of delivery shown on the receipt card, or if no delivery date is shown, the postmark thereon. If sent by regular mail the notice shall be deemed given forty-eight (48) hours after the same is addressed as required herein and mailed with postage prepaid. Notices delivered by United States Express Mail or overnight courier that guarantee next day delivery shall be deemed given twenty-four (24) hours after delivery of the same to the Postal Service or courier. Notices transmitted by facsimile or email shall be deemed delivered upon delivery, provided a copy is also delivered via mail or overnight delivery. If notice is received on a Saturday, Sunday or legal holiday, it shall be deemed received on the next business day.

13. Taxes and Assessments.

13.1 Real Property Taxes. TEACH shall file for exemption against any Real Property Taxes with respect to the Premises, and shall maintain such exemption during the Term. Explore shall cooperate with any request by any taxing authority, including, but not limited to, the Internal Revenue Service, any state taxation agency, the City of Las Vegas, or the County of Clark, and any requests by TEACH in connection with TEACH’s attempts to obtain any tax exemption for Real Property Taxes.

13.1.1 **“Real Property Taxes”** includes any form of assessment, real estate, general, special, ordinary or extraordinary, or rental levy or tax (other than inheritance, personal income or estate taxes); improvement bond; and/or license fee imposed upon or levied against any legal or equitable interest of Landlord or TEACH in the Premises, Landlord’s or TEACH’s right to other income therefrom; and/or Landlord’s or TEACH’s leasing, by any authority having the direct or indirect power to tax and where the funds are generated with reference to the address of the Premises and where the proceeds so generated are to be applied by the city, county or other local taxing authority of a jurisdiction

within which the Premises is located. "Real Property Taxes" shall also include any tax, fee, levy, assessment or charge, or any increase therein: (i) imposed by reason of events occurring during the Term of this Sublease, including but not limited to, a change in the ownership of the Premises, and (ii) levied or assessed on machinery or equipment provided by Landlord or TEACH to Explore pursuant to this Sublease.

13.2 Personal Property Taxes. Explore shall pay any and all taxes, assessments, license fees and public charges levied against assessed or imposed upon any of the fixtures, furniture, appliances and personal property installed by Explore upon the Subleased Premises or located in, on, or about the Premises which belong to Explore. Explore shall pay all such taxes, assessments, fees and charges before the date of delinquency. Should Explore fail to pay any such taxes, assessments, fees, or charges, and as a result thereof, TEACH or Landlord becomes obligated to do so, any such amount so paid shall become immediately due and payable as Rent by Explore to TEACH together with interest thereon at the rate of ten percent (10%) per annum, from the date of payment by TEACH or Landlord until paid by Explore. Any such payment by TEACH or Landlord shall not be deemed to be a waiver of any other rights which TEACH may have under the provisions of this Sublease or as provided by law, it being expressly understood that failure of Explore to pay such taxes, assessments, fees or charges may at the option of TEACH be treated as a default in the performance of the terms of this Sublease. Should Explore fail to pay any taxes or assessments above described prior to the delinquency date thereof, and should any interest or penalties become due as a result of failure to pay such taxes or assessments prior to the delinquency date thereof, such interest and penalties shall also be payable by Explore.

14. Assignment and Subletting. Explore shall not sell, assign, encumber, sublet, hypothecate or otherwise transfer by operation of law or otherwise this Sublease or the Explore's interest in and to the Premises or Subleased Premises without first procuring the written consent of TEACH and Landlord in accordance with the Master Lease. Any such sale, assignment, encumbrance, sublease or other transfer in violation of the terms of this Sublease shall be void and shall be of no force or effect.

15. Surrender and Restoration. Explore shall peaceably surrender the Subleased Premises by the expiration date or earlier termination date of this Sublease, with all of the improvements, parts and surfaces thereof broom clean and free of debris, and in good operating order, condition and state of repair, ordinary wear and tear excepted. "**Ordinary wear and tear**" shall not include any damage or deterioration that would have been prevented by good maintenance practice. Explore shall repair any damage occasioned by the installation, maintenance or removal of furnishings, fixtures and equipment installed by or for Explore. Explore shall completely remove from the Premises any and all Hazardous Substances brought onto the Premises or Subleased Premises by or for Explore or anyone acting by, through, or under Explore. Any personal property of Explore not removed on or before the expiration date or any earlier termination date shall be deemed to have been abandoned by Explore and may be disposed of or retained by TEACH as TEACH may desire. The failure by Explore to timely vacate the Subleased Premises pursuant to this Section 15 without the express written consent of TEACH, and if required Landlord, shall constitute a holdover under the provisions of Section 17.8 of this Sublease.

16. Landlord Consent. This Sublease is conditioned upon Landlord's written consent to this Sublease, as required under the Master Lease, which is indicated by Landlord's signature below or in an alternative form as agreed to by Landlord, TEACH and Explore. In the event that Landlord fails or refuses to give such consent, this Sublease shall terminate and neither Party shall have any continuing obligation to the other with respect to the Subleased Premises; provided, however, that TEACH shall return the first month's Rent and Security Deposit, if previously delivered to TEACH.

17. Miscellaneous.

17.1 Severability. The invalidity of any provision of this Sublease, as determined by a court of competent jurisdiction, shall in no way affect the validity of any other provision hereof.

17.2 Days. Unless otherwise specifically indicated to the contrary, the word “days” as used in this Sublease shall mean and refer to calendar days.

17.3 Limitation on Liability. The obligations of TEACH under this Sublease shall not constitute personal obligations of TEACH, and Explore shall look to the Subleased Premises, and to no other assets of TEACH, for the satisfaction of any liability of TEACH with respect to this Sublease.

17.4 Time of Essence. Time is of the essence with respect to the performance of all obligations to be performed or observed by the Parties under this Sublease.

17.5 No Prior or Other Agreements. This Sublease contains all agreements between the Parties with respect to any matter mentioned herein, and no other prior or contemporaneous agreement or understanding shall be effective. Each Party represents and warrants that the execution of the Sublease will not, to the best of the Party’s knowledge, constitute a violation under any material agreements to which such Party is a party.

17.6 Authority. Each person executing this Sublease on behalf of a Party hereto represents and warrants that such person is authorized and empowered to do so and to thereby bind the Party on whose behalf such person is signing.

17.7 Waivers. No waiver by TEACH of the Default or Breach of any term, covenant or condition hereof by Explore, shall be deemed a waiver of any other term, covenant or condition hereof, or of any subsequent Default or Breach by Explore of the same or of any other term, covenant or condition hereof.

17.8 No Right to Holdover. Explore has no right to retain possession of the Subleased Premises or any part thereof beyond the expiration or termination of this Sublease. In the event that Explore holds over, then the Base Rent shall be increased to one hundred fifty percent (150%) of the Base Rent applicable immediately preceding the expiration or termination. Nothing contained herein shall be construed as consent by TEACH to any holding over by Explore.

17.9 Cumulative Remedies. No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

17.10 Covenants and Conditions; Construction of Sublease. All provisions of this Sublease to be observed or performed by Explore are both covenants and conditions. In construing this Sublease, all headings and titles are for the convenience of the Parties only and shall not be considered a part of this Sublease. Whenever required by the context, the singular shall include the plural and vice versa. This Sublease shall not be construed as if prepared by one of the Parties, but rather according to its fair meaning as a whole, as if both Parties had prepared it.

17.11 Binding Effect; Choice of Law. This Sublease shall be binding upon the Parties, their personal representatives, successors and assigns and be governed by the laws of the State of Nevada. The prevailing Party in any litigation shall be entitled to its reasonable attorney’s fees.

17.12 Access; Showing Subleased Premises; Repairs. TEACH and Landlord shall have the right to enter the Subleased Premises at any time in the case of an emergency, and otherwise at reasonable times after twenty-four (24) hours' prior written notice, to the extent practicable, for the purpose of inspecting the Subleased Premises, verifying compliance by Explore with this Sublease, showing the Subleased Premises to prospective purchasers, lenders, or tenants, and making such alterations, repairs, improvements or additions to the Subleased Premises as TEACH and/or Landlord may deem necessary or desirable and the erecting, using and maintaining of utilities, services, pipes and conduits through the Subleased Premises as long as there is no material adverse effect to Explore's use of the Subleased Premises.

17.13 Quiet Possession. Subject to payment by Explore of the Rent and there being no Breach or Event of Default by Explore then in effect, Explore shall be entitled to have quiet possession and quiet enjoyment of the Subleased Premises during the Term hereof, and subject to the shared use and access arrangements with TEACH. Subject to the terms and conditions of this Sublease, the shared use and access arrangements with TEACH, and any rules or procedures implemented by TEACH or Landlord from time to time, Explore shall have access to the Subleased Premises twenty-four (24) hours per day and seven (7) days per week.

17.14 Amendments. This Sublease may be modified only in writing, signed by the Parties in interest at the time of the modification and subject to the requirements of the Master Lease.

17.1 Limitation of Rights to Parties. Nothing in this Sublease expressed or implied is intended or shall be construed to give to any person other than TEACH, Explore and Landlord any legal or equitable right, remedy or claim under or in respect of this Sublease or any covenant, condition or provision herein contained; and all such covenants, conditions and provisions are and shall be held to be for the sole and exclusive benefit of TEACH, Explore and Landlord.

17.2 Signage. In addition to the requirements in Section 4.2 of this Sublease, Explore shall not, without first obtaining (i) written approval from TEACH and Landlord, and (ii) all necessary approvals and permits from the relevant governmental agencies, display any sign or other advertisement or fixed display in or on the Premises or Subleased Premises that is visible from the exterior of the Subleased Premises or Subleased Premises. All signs must be professionally designed and prepared and must comply with all Applicable Requirements.

17.3 Premises Security. Explore acknowledges and agrees that TEACH has the right to install security systems at the Premises, including the Subleased Premises. At all times during the Term, Explore shall comply with any security requirements or procedures implemented by TEACH from time to time. Notwithstanding the foregoing, neither TEACH nor Landlord is liable for the security of the Premises nor the Subleased Premises.

17.1 Code Compliance; Occupancy. Explore's taking of possession of the Subleased Premises shall be deemed Explore's acknowledgment that the Premises and Subleased Premises comply with all Applicable Requirements, including, without limitation, the Americans with Disabilities Act and the Asbestos Hazard Emergency Response Act, and Explore will have no right to make a claim for any deficiency in the Premises or Subleased Premises after it has taken possession of the Subleased Premises. In addition, if required, Explore shall obtain from the City of Las Vegas or County of Clark, as applicable, a certificate of occupancy for the use of any portable buildings on the Premises.

17.2 Property Tax Exemption Acknowledgment. The Parties hereby acknowledge and agree that the Rent payable by Explore under this Sublease has been reduced by an amount at least equal to the amount of tax that would have been imposed if the Subleased Premises were not exempt pursuant to Nevada Revised Statutes, Section 361.096.

17.3 State-Mandated Non-Obligation Language. For the avoidance of doubt, all obligations hereunder on the part of TEACH are not the obligations, directly or indirectly, in whole or in part, of the State of Nevada, Nevada State Public Charter School Authority, or Nevada State Department of Education.

17.4 Counterparts. This Sublease may be executed in counterparts, each of which shall be deemed to be an original and all of which together shall constitute one and the same instrument.

**IN WITNESS WHEREOF**, the Parties have executed this Sublease as of the Effective Date.

TEACH Las Vegas,  
a Nevada nonprofit corporation

Explore Academy Las Vegas,  
a Nevada nonprofit corporation

By:   
Name: Trish Allison  
Title: Board Chair

By:   
Name:  
Title:

EXHIBIT A

SUBLEASED PREMISES FLOOR PLAN

[Attached]

Exhibit A

<b>Explorer Academy</b>								
<b>Invoice #</b>	<b>Total Amount</b>	<b>Balance Owed</b>	<b>Amount Paid</b>	<b>Due Date</b>	<b>Paid</b>	<b>Notes</b>	<b>TOTAL OWED</b>	<b>\$310,321.49</b>
AR-1001	\$53,795.87	\$0.00	\$53,795.87	16 Aug 2021	YES			
AR-1002	\$52,000.00	\$0.00	\$52,000.00	16 Aug 2021	YES			
AR-1003	\$19,202.79	\$0.00	\$19,202.79	17 Sep 2021	YES	2/1/22 - \$38,000 received applied to balance		
AR-1004	\$53,260.00	\$34,462.79	\$18,797.21	14 Oct 2021	NO	2/1/22- \$38,000 received applied to (Remaining Balance)	<b>TOTAL AMOUNT PAID</b>	<b>\$143,795.87</b>
AR-1005	\$53,260.00	\$53,260.00	\$0.00	29 Oct 2021	NO			
AR-1006	\$19,829.90	\$19,829.90	\$0.00	03 Nov 2021	NO		<b>REMAINING BALANCE</b>	<b>\$166,525.62</b>
AR-1007	\$52,000.00	\$52,000.00	\$0.00	29 Nov 2021	NO			
AR-1008	\$10,400.00	\$10,400.00	\$0.00	29 Nov 2021	NO			
AR-1009	\$13,200.90	\$13,200.90	\$0.00	30 Nov 2021	NO			
AR-1010	\$57,200.00	\$57,200.00	\$0.00	06 Jan 2022	NO		18797.21	
AR-1011	\$10,702.90	\$10,702.90	\$0.00	06 Jan 2022	NO			
AR-1012	\$54,982.00	\$54,982.00	\$0.00	01 Feb 2022	NO			
AR-1013	\$4,283.00	\$4,283.00	\$0.00	02 Feb 2022	NO			
AR-1014			\$0.00					
AR-1015			\$0.00					
AR-1016			\$0.00					
AR-1017			\$0.00					
AR-1018			\$0.00					
AR-1019			\$0.00					
AR-1020			\$0.00					
AR-1021			\$0.00					
AR-1022			\$0.00					
AR-1023			\$0.00					
AR-1024			\$0.00					
AR-1025			\$0.00					
AR-1026			\$0.00					
AR-1027			\$0.00					
AR-1028			\$0.00					
AR-1029			\$0.00					
AR-1030			\$0.00					
AR-1031			\$0.00					
AR-1032			\$0.00					
AR-1033			\$0.00					





# Coversheet

## CAM Receivables Sale

**Section:** III. ITEMS SCHEDULED FOR INFORMATION & POTENTIAL ACTION  
**Item:** C. CAM Receivables Sale  
**Purpose:** Vote  
**Submitted by:**  
**Related Material:** Security Agreement TEACH Las Vegas 3-1-22.pdf  
Factoring Agreement TEACH Las Vegas 3-1-22.pdf

## SECURITY AGREEMENT

This SECURITY AGREEMENT, dated as of March 1, 2022 (as amended, supplemented or otherwise modified from time to time in accordance with the provisions hereof, this “**Agreement**”), made by and among TEACH Las Vegas, a Nevada nonprofit public benefit corporation (the “**Grantor**”), in favor of **CHARTER ASSET MANAGEMENT FUND, L.P.**, a Delaware limited partnership (the “**Secured Party**”).

### RECITALS

- A. As of the date hereof, the Secured Party has purchased, and may purchase in the future, from Grantor certain Accounts (“**Accounts**”) evidenced by that certain Factoring Agreement of even date herewith and future Factoring Agreements (as amended, supplemented or otherwise modified from time to time, collectively, the “**Factoring Agreements**”) by and between the Grantor and the Secured Party. Capitalized terms used but not otherwise defined herein shall have the meanings assigned to such terms in the Factoring Agreements;
- B. This Agreement is given by the Grantor in favor of the Secured Party to secure the payment and performance of all of the Secured Obligations (as defined herein); and
- C. It is a condition to the obligations of the Secured Party to purchase Accounts under the Factoring Agreements that the Grantor execute and deliver this Agreement.

**NOW, THEREFORE**, in consideration of the mutual covenants, terms and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Definitions.

- (a) Unless otherwise specified herein, all references to Sections and Schedules herein are to Sections and Schedules of this Agreement.
- (b) Unless otherwise defined herein, terms used herein that are defined in the Uniform Commercial Code in effect from time to time in the State of California (“**UCC**”) shall have the meanings assigned to them in the UCC. However, if a term is defined in Article 9 of the UCC differently than in another Article of the UCC, the term has the meaning specified in Article 9.
- (c) For purposes of this Agreement, the following terms shall have the following meanings:

“**Agreement**” has the meaning set forth in the Recitals hereof.

“**Collateral**” has the meaning set forth in *Section 2*.

“**Event of Default**” has the meaning set forth in the Factoring Agreements.

“**First Priority**” means, with respect to any lien and security interest purported to be created in any Collateral pursuant to this Agreement, such lien and security interest is the most senior lien to which such Collateral is subject.

“**Grantor**” has the meaning set forth in the Recitals hereof.

“**Perfection Certificate**” has the meaning set forth in *Section 5*.

“**Proceeds**” means “proceeds” as such term is defined in section 9-102 of the UCC and, in any event, shall include, without limitation, all dividends or other income from the Collateral, collections thereon or distributions with respect thereto.

“**Secured Obligations**” has the meaning set forth in *Section 3*.

- (d) The rules of interpretation specified in the Factoring Agreements shall be applicable to this Agreement.

2. Grant of Security Interest. As collateral security for the payment and performance of the Secured Obligations, the Grantor hereby pledges and grants to the Secured Party, and hereby creates a continuing First Priority lien and security interest in favor of the Secured Party in and to all of Grantor’s rights and interest in any and all personal property, whether now existing or hereafter acquired or created and wherever located, and all products and proceeds thereof and accessions thereto, including but not limited to the following (collectively, the “**Collateral**”):

- (a) all accounts and accounts receivable (including health care insurance receivables), chattel paper (including tangible and electronic chattel paper), inventory (including all goods held for sale or lease or to be furnished under a contract for service, and including returns and repossessions), equipment (including all accessions and additions thereto), instruments (including promissory notes), investment property (including securities and securities entitlements), documents (including negotiable documents), deposit accounts, letter of credit rights, money, any commercial tort claim of Grantor which is now or hereafter identified by Grantor or Secured Party, general intangibles (including payment intangibles and software), goods (including fixtures) and all of Grantor’s books and records with respect to any of the foregoing, and the computers and equipment containing said books and records; and

- (b) any and all cash proceeds and/or noncash proceeds thereof, including without limitation, insurance proceeds, and all supporting obligations and the security therefore or for any right to payment.

3. Secured Obligations. The Collateral secures the due and prompt payment and performance of:

- (a) the obligations of the Grantor from time to time arising under the Factoring Agreements, this Agreement or otherwise with respect to the due and prompt payment of (i) any amounts due pursuant to the Factoring Agreements from failure of the Grantor to comply with the terms of the Factoring Agreements or interest thereon (including interest accruing during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding), when and as due, whether at maturity, by acceleration, upon one or more

dates set for prepayment or otherwise and (ii) all other monetary obligations, including fees, costs, attorneys' fees and disbursements, reimbursement obligations, contract causes of action, expenses and indemnities, whether primary, secondary, direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, fixed or otherwise (including monetary obligations incurred during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding), of the Grantor under or in respect of the Factoring Agreements and this Agreement;

(b) all other covenants, duties, debts, obligations and liabilities of any kind of the Grantor under or in respect of the Factoring Agreements, this Agreement or any other document made, delivered or given in connection with any of the foregoing, in each case whether evidenced by a note or other writing, whether allowed in any bankruptcy, insolvency, receivership or other similar proceeding, whether arising from an extension of credit, issuance of a letter of credit, acceptance, loan, guaranty, indemnification or otherwise, and whether primary, secondary, direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, fixed or otherwise (all such obligations, covenants, duties, debts, liabilities, sums and expenses set forth in **Section 3** being herein collectively called the "**Secured Obligations**"); and

(c) It is the intent of the Grantor and Secured Party that the Secured Party is purchasing Accounts referenced in the Factoring Agreements and therefore the term "Secured Obligations" does not include purchased Accounts or any amounts due to Secured Party pursuant to any of the purchased Accounts unless there is a breach by the Grantor of any of its obligations under the Factoring Agreements or unless there is a judicial determination that Secured Party's purchase of Accounts under any Factoring Agreement is not a purchase, but is deemed to be a loan secured by Accounts.

#### 4. Perfection of Security Interest and Further Assurances.

(a) The Grantor shall, from time to time, as may be required by the Secured Party with respect to all Collateral, immediately take all actions as may be requested by the Secured Party to perfect the security interest of the Secured Party in the Collateral, including, without limitation, with respect to all Collateral over which control may be obtained within the meaning of sections 8106, 9104, 9105, 9106 and 9107 of the UCC, section 201 of the federal Electronic Signatures in Global and National Commerce Act and, as the case may be, section 16 of the Uniform Electronic Transactions Act, as applicable, the Grantor shall immediately take all actions as may be requested from time to time by the Secured Party so that control of such Collateral is obtained and at all times held by the Secured Party. All of the foregoing shall be at the sole cost and expense of the Grantor.

(b) The Grantor hereby irrevocably authorizes the Secured Party at any time and from time to time to file in any relevant jurisdiction any financing statements and amendments thereto that contain the information required by Article 9 of the UCC of each applicable jurisdiction for the filing of any financing statement or amendment relating to the Collateral, including any financing or continuation statements or other documents for the purpose of perfecting, confirming, continuing, enforcing or protecting the security interest granted by the Grantor hereunder, without the signature of the Grantor where permitted by law, including the filing of a financing statement describing the Collateral as all assets now owned or hereafter acquired by the Grantor, or words of similar effect. The Grantor

agrees to provide all information required by the Secured Party pursuant to this Section promptly to the Secured Party upon request.

(c) The Grantor hereby further authorizes the Secured Party to file with the United States Patent and Trademark Office and the United States Copyright Office (and any successor office and any similar office in any state of the United States or in any other country) this Agreement and other documents for the purpose of perfecting, confirming, continuing, enforcing or protecting the security interest granted by the Grantor hereunder, without the signature of the Grantor where permitted by law.

(d) If the Grantor shall at any time hold or acquire any certificated securities, promissory notes, tangible chattel paper, negotiable documents or warehouse receipts relating to the Collateral, the Grantor shall immediately endorse, assign and deliver the same to the Secured Party, accompanied by such instruments of transfer or assignment duly executed in blank as the Secured Party may from time to time specify.

(e) If the Grantor shall at any time hold or acquire a commercial tort claim, the Grantor shall (i) immediately notify the Secured Party in a writing signed by the Grantor of the particulars thereof and grant to the Secured Party in such writing a security interest therein and in the proceeds thereof, all upon the terms of this Agreement, with such writing to be in form and substance satisfactory to the Secured Party and (ii) deliver to the Secured Party an updated Schedule 1.

(f) If any Collateral is at any time in the possession of a bailee, the Grantor shall promptly notify the Secured Party thereof and, at the Secured Party's request and option, shall promptly obtain an acknowledgment from the bailee, in form and substance satisfactory to the Secured Party, that the bailee holds such Collateral for the benefit of the Secured Party and the bailee agrees to comply, without further consent of the Grantor, at any time with instructions of the Secured Party as to such Collateral.

(g) The Grantor agrees that at any time and from time to time, at the expense of the Grantor, the Grantor will promptly execute and deliver all further instruments and documents, obtain such agreements from third parties, and take all further action, that may be necessary or desirable, or that the Secured Party may request, in order to create and/or maintain the validity, perfection or priority of and protect any security interest granted or purported to be granted hereby or to enable the Secured Party to exercise and enforce its rights and remedies hereunder or under any other agreement with respect to any Collateral.

5. Representations and Warranties. The Grantor represents and warrants as follows:

(a) The representations and warranties set forth in Section 3 of the Factoring Agreements are hereby reaffirmed by the Grantor, each of which is hereby incorporated herein by reference and the Secured Party shall be entitled to rely on each of them as if they were fully set forth herein.

(b) (i) The Grantor's exact legal name is that indicated on the signature page hereof, (ii) the Grantor is a nonprofit public benefit corporation and is organized in the State of Nevada.

(c) All information provided by Grantor to the Secured Party relating to the Collateral is accurate and complete.

(d) If any of the Collateral consists of securities, same have been duly authorized and validly issued, and are fully paid and non-assessable and subject to no options to purchase or similar rights.

(e) The Grantor holds no commercial tort claims except as indicated on Schedule 1.

(f) None of the Collateral constitutes, or is the proceeds of, (i) farm products, (ii) as-extracted collateral, (iii) manufactured homes, (iv) health-care-insurance receivables, (v) timber to be cut, (vi) aircraft, aircraft engines, satellites, ships or railroad rolling stock.

(g) The Grantor has at all times operated its business in compliance with all applicable provisions of the federal Fair Labor Standards Act, as amended, and with all applicable provisions of federal, state and local statutes and ordinances dealing with the control, shipment, storage or disposal of hazardous materials or substances.

(h) At the time the Collateral becomes subject to the lien and security interest created by this Agreement, the Grantor will be the sole, direct, legal and beneficial owner thereof, free and clear of any lien, security interest, encumbrance, claim, option or right of others except for the security interest created by this Agreement.

(i) The pledge of the Collateral pursuant to this Agreement creates a valid and perfected First Priority security interest in the Collateral, securing the payment and performance when due of the Secured Obligations.

(j) The Secured Party has full power, authority and legal right to sell or pledge the Accounts pursuant to the Factoring Agreements and pledge the Collateral pursuant to this Agreement.

(k) Each of this Agreement and the Factoring Agreements has been duly authorized, executed and delivered by the Grantor and constitutes a legal, valid and binding obligation of the Grantor enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally and subject to equitable principles (regardless of whether enforcement is sought in equity or at law).

(l) No authorization, approval, or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the pledge by the Grantor of the Collateral pursuant to this Agreement or for the execution and delivery of the Factoring Agreements and this Agreement by the Grantor or the performance by the Grantor of its obligations thereunder.

(m) The execution and delivery of the Factoring Agreements and this Agreement by the Grantor and the performance by the Grantor of its obligations thereunder, will not violate any provision of any applicable law or regulation or any order, judgment, writ, award or decree of any court, arbitrator or governmental authority, domestic or foreign, applicable to the Grantor or any of its property, or the organizational or governing documents of the Grantor or any agreement or instrument to which the Grantor is party or by which it or its property is bound.

(n) The Grantor has taken all action required on its part for control (as defined in sections 8106, 9104, 9105, 9106 and 9107 of the UCC, section 201 of the federal Electronic Signatures in Global and National Commerce Act and, as the case may be, section 16 of the Uniform Electronic Transactions Act, as applicable) to have been obtained by the Secured Party over all Collateral with respect to which such control may be obtained pursuant to the UCC. No person other than the Secured Party has control or possession of all or any part of the Collateral.

6. Voting, Distributions and Receivables.

(a) The Secured Party agrees that unless an Event of Default shall have occurred and be continuing, the Grantor may, to the extent the Grantor has such right as a holder of the Collateral consisting of securities or indebtedness owed by any obligor, vote and give consents, ratifications and waivers with respect thereto, except to the extent that, any such vote, consent, ratification or waiver could detract from the value thereof as Collateral or which could be inconsistent with or result in any violation of any provision of the Factoring Agreements or this Agreement.

(b) The Secured Party agrees that the Grantor may, unless an Event of Default shall have occurred and be continuing, receive and retain all cash dividends and other distributions with respect to the Collateral consisting of securities or indebtedness owed by any obligor, but excluding any Accounts sold by Grantor to the Secured Party pursuant to any Factoring Agreements unless authorized by the Secured Party.

(c) The Secured Party may, or at the request and option of the Secured Party the Grantor shall, notify account debtors and other persons obligated on any of the Accounts sold by the Grantor to the Secured Party pursuant to the Factoring Agreements that payments due are to be made directly to the Secured Party.

7. Covenants. The Grantor covenants as follows:

(a) The Grantor will not, without providing at least 30 days' prior written notice to the Secured Party, change its legal name, identity, type of organization, jurisdiction of organization, corporate structure, location of its chief executive office or its principal place of business or its organizational identification number. The Grantor will, prior to any change described in the preceding sentence, take all actions requested by the Secured Party to maintain the perfection and priority of the Secured Party's security interest in the Collateral.

(b) The Collateral, to the extent not delivered to the Secured Party pursuant to **Section 4**, will be kept at those locations listed on **Schedule 2** and the Grantor will not remove the Collateral from such locations without providing at least 30 days' prior written notice to the Secured Party. The Grantor will, prior to any change described in the preceding sentence, take all actions required by the Secured Party to maintain the perfection and priority of the Secured Party's security interest in the Collateral.

(c) The Grantor shall, at its own cost and expense, defend title to the Collateral and the First Priority lien and security interest of the Secured Party therein against the claim of any person claiming against or through the Grantor and shall maintain and preserve such perfected First Priority security interest for so long as this Agreement shall remain in effect.

(d) The Grantor will not sell, offer to sell, dispose of, convey, assign or otherwise transfer, grant any option with respect to, restrict, or grant, create, permit or suffer to exist any mortgage, pledge, lien, security interest, option, right of first offer, encumbrance or other restriction or limitation of any nature whatsoever on, any of the Collateral or any interest therein.

(e) The Grantor will keep the Collateral in good order and repair and will not use the same in violation of law or any policy of insurance thereon. The Grantor will permit the Secured Party, or its designee, to inspect the Collateral at any reasonable time, wherever located.

(f) The Grantor will pay promptly when due all taxes, assessments, governmental charges, and levies upon the Collateral or incurred in connection with the use or operation of the Collateral or incurred in connection with this Agreement.

(g) The Grantor will continue to operate its business in compliance with all applicable provisions of the federal Fair Labor Standards Act, as amended, and with all applicable provisions of federal, state and local statutes and ordinances dealing with the control, shipment, storage or disposal of hazardous materials or substances.

8. Secured Party Appointed Attorney-in-Fact. The Grantor hereby appoints the Secured Party the Grantor's attorney-in-fact, with full authority in the place and stead of the Grantor and in the name of the Grantor or otherwise, from time to time in the Secured Party's discretion to take any action and to execute any instrument which the Secured Party may deem necessary or advisable to accomplish the purposes of this Agreement (but the Secured Party shall not be obligated to and shall have no liability to the Grantor or any third party for failure to do so or take action). This appointment, being coupled with an interest, shall be irrevocable. The Grantor hereby ratifies all that said attorneys shall lawfully do or cause to be done by virtue hereof.

9. Secured Party May Perform. If the Grantor fails to perform any obligation contained in this Agreement, the Secured Party may itself perform, or cause performance of, such obligation, and the expenses of the Secured Party incurred in connection therewith shall be payable by the Grantor; *provided that* the Secured Party shall not be required to perform or discharge any obligation of the Grantor.

10. Reasonable Care. The Secured Party shall have no duty with respect to the care and preservation of the Collateral beyond the exercise of reasonable care. The Secured Party shall be deemed to have exercised reasonable care in the custody and preservation of the Collateral in its possession if the Collateral is accorded treatment substantially equal to that which the Secured Party accords its own

property, it being understood that the Secured Party shall not have any responsibility for (a) ascertaining or taking action with respect to any claims, the nature or sufficiency of any payment or performance by any party under or pursuant to any agreement relating to the Collateral or other matters relative to any Collateral, whether or not the Secured Party has or is deemed to have knowledge of such matters, or (b) taking any necessary steps to preserve rights against any parties with respect to any Collateral. Nothing set forth in this Agreement, nor the exercise by the Secured Party of any of the rights and remedies hereunder, shall relieve the Grantor from the performance of any obligation on the Grantor's part to be performed or observed in respect of any of the Collateral.

11. Remedies Upon Default.

(a) If any Event of Default shall have occurred and be continuing, the Secured Party, without any other notice to or demand upon the Grantor, may assert all rights and remedies of a secured party under the UCC or other applicable law, including, without limitation, the right to take possession of, hold, collect, sell, lease, deliver, grant options to purchase or otherwise retain, liquidate or dispose of all or any portion of the Collateral. If notice prior to disposition of the Collateral or any portion thereof is necessary under applicable law, written notice mailed to the Grantor at its notice address as provided in **Section 15** hereof ten (10) days prior to the date of such disposition shall constitute reasonable notice, but notice given in any other reasonable manner shall be sufficient. So long as the sale of the Collateral is made in a commercially reasonable manner, the Secured Party may sell such Collateral on such terms and to such purchaser(s) as the Secured Party in its absolute discretion may choose, without assuming any credit risk and without any obligation to advertise or give notice of any kind other than that necessary under applicable law. Without precluding any other methods of sale, the sale of the Collateral or any portion thereof shall have been made in a commercially reasonable manner if conducted in conformity with reasonable commercial practices of creditors disposing of similar property. At any sale of the Collateral, if permitted by applicable law, the Secured Party may be the purchaser, licensee, assignee or recipient of the Collateral or any part thereof and shall be entitled, for the purpose of bidding and making settlement or payment of the purchase price for all or any portion of the Collateral sold, assigned or licensed at such sale, to use and apply any of the Secured Obligations as a credit on account of the purchase price of the Collateral or any part thereof payable at such sale. To the extent permitted by applicable law, the Grantor waives all claims, damages and demands it may acquire against the Secured Party arising out of the exercise by it of any rights hereunder. The Grantor hereby waives and releases to the fullest extent permitted by law any right or equity of redemption with respect to the Collateral, whether before or after sale hereunder, and all rights, if any, of marshalling the Collateral and any other security for the Secured Obligations or otherwise. At any such sale, unless prohibited by applicable law, the Secured Party or any custodian may bid for and purchase all or any part of the Collateral so sold free from any such right or equity of redemption. Neither the Secured Party nor any custodian shall be liable for failure to collect or realize upon any or all of the Collateral or for any delay in so doing, nor shall it be under any obligation to take any action whatsoever with regard thereto. The Grantor agrees that it would not be commercially unreasonable for the Secured Party to dispose of the Collateral or any portion thereof by utilizing internet sites that provide for the auction of assets of the type included in the Collateral or that have the reasonable capability of doing so, or that match buyers and sellers of assets. The Secured Party shall not be obligated to clean-up or otherwise prepare the Collateral for sale.

(b) If any Event of Default shall have occurred and be continuing, all rights of the Grantor to (i) exercise the voting and other consensual rights it would otherwise be entitled to exercise pursuant to **Section 6(a)** and (ii) receive the dividends and other distributions which it would otherwise be entitled to receive and retain pursuant to **Section 6(b)**, shall immediately cease, and all such rights shall thereupon become vested in the Secured Party, which shall have the sole right to exercise such voting and other consensual rights and receive and hold such dividends and other distributions as Collateral.

(c) If any Event of Default shall have occurred and be continuing, any cash held by the Secured Party as Collateral and all cash Proceeds received by the Secured Party in respect of any sale of, collection from, or other realization upon all or any part of the Collateral shall be applied in whole or in part by the Secured Party to the payment of expenses incurred by the Secured Party in connection with the foregoing or incidental to the care or safekeeping of any of the Collateral or in any way relating to the Collateral or the rights of the Secured Party hereunder, including reasonable attorneys' fees, and the balance of such proceeds shall be applied or set off against all or any part of the Secured Obligations in such order as the Secured Party shall elect. Any surplus of such cash or cash Proceeds held by the Secured Party and remaining after payment in full of all the Secured Obligations shall be paid over to the Grantor or to whomsoever may be lawfully entitled to receive such surplus. The Grantor shall remain liable for any deficiency if such cash and the cash Proceeds of any sale or other realization of the Collateral are insufficient to pay the Secured Obligations and the fees and other charges of any attorneys employed by the Secured Party to collect such deficiency.

(d) If the Secured Party shall determine to exercise its rights to sell all or any of the Collateral pursuant to this Section, the Grantor agrees that, upon request of the Secured Party, the Grantor will, at its own expense, do or cause to be done all such acts and things as may be necessary to make such sale of the Collateral or any part thereof valid and binding and in compliance with applicable law.

12. No Waiver and Cumulative Remedies. The Secured Party shall not by any act (except by a written instrument pursuant to **Section 14**, delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any Default or Event of Default. All rights and remedies herein provided are cumulative and are not exclusive of any rights or remedies provided by law.

13. Security Interest Absolute. The Grantor hereby waives demand, notice, protest, notice of acceptance of this Agreement, notice of loans made, credit extended, Collateral received or delivered or other action taken in reliance hereon and all other demands and notices of any description. All rights of the Secured Party and liens and security interests hereunder, and all Secured Obligations of the Grantor hereunder, shall be absolute and unconditional irrespective of:

(a) any illegality or lack of validity or enforceability of any Secured Obligation or any related agreement or instrument;

(b) any change in the time, place or manner of payment of, or in any other term of, the Secured Obligations, or any rescission, waiver, amendment or other modification of the Factoring Agreements, this Agreement or any other agreement, including any increase in the Secured Obligations resulting from any extension of additional credit or otherwise;

(c) any taking, exchange, substitution, release, impairment or non-perfection of any Collateral or any other collateral, or any taking, release, impairment, amendment, waiver or other modification of any guaranty, for all or any of the Secured Obligations;

(d) any manner of sale, disposition or application of proceeds of any Collateral or any other collateral or other assets to all or part of the Secured Obligations;

(e) any default, failure or delay, willful or otherwise, in the performance of the Secured Obligations;

(f) any defense, set-off or counterclaim (other than a defense of payment or performance) that may at any time be available to, or be asserted by, the Grantor against the Secured Party; or

(g) any other circumstance (including, without limitation, any statute of limitations) or manner of administering the Loans or any existence of or reliance on any representation by the Secured Party that might vary the risk of the Grantor or otherwise operate as a defense available to, or a legal or equitable discharge of, the Grantor or any other grantor, guarantor or surety.

14. Amendments. None of the terms or provisions of this Agreement may be amended, modified, supplemented, terminated or waived, and no consent to any departure by the Grantor therefrom shall be effective unless the same shall be in writing and signed by the Secured Party and the Grantor, and then such amendment, modification, supplement, waiver or consent shall be effective only in the specific instance and for the specific purpose for which made or given.

15. Addresses for Notices. All notices and other communications provided for in this Agreement shall be in writing and shall be given in the manner and become effective as set forth in the Factoring Agreements, and addressed to the respective parties at their addresses as specified on the signature pages hereof or as to either party at such other address as shall be designated by such party in a written notice to each other party.

16. Continuing Security Interest; Further Actions. This Agreement shall create a continuing First Priority lien and security interest in the Collateral and shall (a) subject to **Section 17**, remain in full force and effect until payment and performance in full of the Secured Obligations, (b) be binding upon the Grantor, its successors and assigns, and (c) inure to the benefit of the Secured Party and its successors, transferees and assigns; *provided that* the Grantor may not assign or otherwise transfer any of its rights or obligations under this Agreement without the prior written consent of the Secured Party. Without limiting the generality of the foregoing clause (c), any assignee of the Secured Party's interest in any agreement or document which includes all or any of the Secured Obligations shall, upon assignment, become vested with all the benefits granted to the Secured Party herein with respect to such Secured Obligations.

17. Termination; Release. On the date on which all Secured Obligations have been paid and performed in full, the Secured Party will, at the request and sole expense of the Grantor, (a) duly assign, transfer and deliver to or at the direction of the Grantor (without recourse and without any representation

or warranty) such of the Collateral as may then remain in the possession of the Secured Party, together with any monies at the time held by the Secured Party hereunder, and (b) execute and deliver to the Grantor a proper instrument or instruments acknowledging the satisfaction and termination of this Agreement.

18. Governing Law. This Agreement and any claim, controversy, dispute or cause of action (whether in contract or tort or otherwise) based upon, arising out of or relating to this Agreement or the Factoring Agreements and the transactions contemplated hereby and thereby shall be governed by, and construed in accordance with, the laws of the State of California.

19. Counterparts. This Agreement and any amendments, waivers, consents or supplements hereto may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page to this Agreement by facsimile or in electronic (i.e., “pdf” or “tif”) format shall be effective as delivery of a manually executed counterpart of this Agreement. This Agreement [and the Factoring Agreements] constitute the entire contract among the parties with respect to the subject matter hereof and supersede all previous agreements and understandings, oral or written, with respect thereto.

20. Resolution of Drafting Ambiguities. Grantor acknowledges and agrees that it was represented by counsel in connection with the execution and delivery of this Agreement, that it and its counsel reviewed and participated in the preparation and negotiation of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party (i.e., the Secured Party) shall not be employed in the interpretation of this Agreement.

21. Expenses. Grantor agrees to pay or to reimburse Secured Party for all reasonable costs and expenses (including reasonable attorney’s fees and expenses) that may be incurred by Secured Party in any effort to enforce any of the provisions of **Section 11**, or any of the obligations of Grantor in respect of the Collateral or in connection with (a) the preservation of the First Priority lien on, or the rights of Secured Party to the Collateral pursuant to this Agreement or (b) any actual or attempted sale, lease, disposition, exchange, collection, compromise, settlement or other realization in respect of, or care of, the Collateral, including all such costs and expenses (and reasonable attorney’s fees and expenses) incurred in any bankruptcy, reorganization, workout or other similar proceeding.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

TEACH Las Vegas, as Grantor

By \_\_\_\_\_

Name: Trishawn Allison

Title: Board Chairman

Address for Notices:

4660 N. Rancho Drive, Las Vegas, NV  
89130

CHARTER ASSET MANAGEMENT  
FUND, L.P., as Secured Party

By: Charter Asset Management GP LLC.,  
A Delaware limited liability company  
Its: General Partner

By: \_\_\_\_\_

Paul Im

Title: Managing Member

Address for Notices:

633 W. 5th Street, 26th Floor  
Los Angeles, CA 90071

By: \_\_\_\_\_

Name: David Park

Title: Managing Member

Address for Notices:

633 W. 5th Street, 26th Floor  
Los Angeles, CA 90071

**SCHEDULE 1**

**COMMERCIAL TORT CLAIMS**

**SCHEDULE 2**

**LOCATION OF COLLATERAL**

**4660 N. RANCHO DRIVE, LAS VEGAS, NV 89130**

## FACTORING AGREEMENT

**THIS FACTORING AGREEMENT (“Agreement”)** is made and executed this March 1, 2022 (the “**Effective Date**”) by and between TEACH Las Vega, a Nevada nonprofit public benefit corporation (“**Seller**”) and **CHARTER ASSET MANAGEMENT FUND, L.P.**, a Delaware limited partnership (“**CAM**”).

### RECITALS

A. CAM is in the business of factoring accounts and purchasing same, and Seller has requested that CAM purchase the Accounts set forth on Schedule 1 (the “**Accounts**”), pursuant to the terms of this Agreement.

B. CAM has agreed to purchase the Accounts subject to the terms and conditions of this Agreement.

**NOW THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

#### 1. **PURCHASE OF ACCOUNT.**

1.1 Appointment as Factor. Seller hereby appoints CAM to act as its sole and exclusive factor with respect to the Accounts. Seller hereby agrees to assign and sell and does hereby irrevocably sell and assign to CAM, and CAM hereby agrees to purchase the Accounts. For all purposes hereof, the term “Accounts” shall mean and include all amounts due pursuant to the Accounts, and all other forms of obligations owing to Seller arising from or out of the Accounts and all proceeds thereof.

1.2 Written Notice of Purchase and Assignment. Seller acknowledges that CAM shall have the right to notify the applicable account debtor of CAM’s rights with respect to the Accounts and direct account debtors to make payments of Accounts directly to CAM.

#### 2. **PURCHASE PRICE; OTHER OBLIGATIONS.**

2.1 Calculation of Purchase Price. The purchase price (“**Purchase Price**”) which is the amount funded as set forth on Schedule 1 is calculated as set forth on Schedule 1. The Purchase Price shall mean for the purposes of this Agreement with respect to an Account, the gross face value of the Account as set forth on Schedule 1 (the “**Face Value**”) minus the Administrative Fees as set forth on Schedule 1 minus the Discount Rate as set forth on Schedule 1. Seller acknowledges that the Purchase Price of each Account reflects its fair value. CAM shall fund to Seller the Purchase Price upon compliance by Seller with each of the terms and conditions of this Agreement.

2.2 Conditions Precedent for Payment of the Purchase Price. CAM shall have no obligation to pay the Purchase Price to Seller until each of the following obligations has been satisfied:

- (a) this Agreement has been fully executed and delivered by Seller;
- (b) the Security Agreement referenced in Section 5.1 hereof, and the security interest granted in the collateral therein, shall be in full force and effect;
- (c) Seller has delivered to CAM an appropriate resolution adopted by the Seller's board of directors or governors, substantially in the form attached hereto as Exhibit A, authorizing the execution, delivery and performance of this Agreement and sale of the Accounts;
- (d) Seller shall have executed and delivered to CAM the Irrevocable Assignment of Accounts in the form attached hereto as Exhibit B;
- (e) Seller shall have executed and delivered to CAM the Irrevocable Funds Distribution Authorization in the form attached hereto as Exhibit C;
- (f) Seller shall have executed and delivered to CAM the Authorization for Direct Payment via ACH attached hereto as Exhibit D;
- (g) Seller shall have delivered to CAM copies of all of its organizational documents and a Certificate of Good Standing from the state of its organization and if necessary, a copy of its license or licenses required to conduct its business in the state where said business is being conducted.

### 2.3 Method of Payment of the Accounts.

(a) Seller and CAM agree that payments may be made to CAM in connection with the Face Value of the Accounts in the following manners:

(i) Payment of the Face Value of the Accounts may be made directly to CAM by the account debtor on the Account by ACH payment or wire transfer or by mail; or

(ii) subject to CAM's consent, payment of the Face Value of any Account may be made by the account debtor to Seller, and Seller acknowledges that said payment is being made for the benefit of CAM and Seller shall hold said funds as trustee for the benefit of CAM and deliver same within three (3) calendar days of receipt of said payment and shall have no rights with respect to said funds. In the event Seller, subject to CAM's consent, elects to provide for payment to CAM pursuant to this subprovision, the Seller agrees within three (3) months of the date of this Agreement to enter into a Deposit Account Control Agreement with CAM and Seller's bank in form and content acceptable to CAM (the "DACA"). Failure of Seller to enter into the DACA as aforesaid may result in a termination of this Agreement by CAM after five (5) days notice to Seller. Until the DACA is in effect, Seller shall comply with the terms and conditions of this Agreement including this subprovision.

(iii) If payment of the Face Value of any Account is to be made by the account debtor to Seller in person via check or other similar instrument, Seller shall retrieve such payment from the account debtor, take such actions as required (via endorsement or otherwise) such that the payment can be deposited by CAM into its account, and, at CAM's election, either (A) deliver such payment to CAM's representative in person within three business days after Seller's receipt; or (B) deliver such payment by other means pursuant to CAM's instructions within three business days after Seller's receipt. Seller shall retrieve payment in person within three business days of being instructed to do so by CAM.

(b) Seller acknowledges that CAM is the owner of the Accounts and is fully entitled to all payments due with respect to the Accounts. Seller agrees that if there are procedures in place to allow account debtors or other third party to pay amounts due on the Accounts directly to CAM, Seller shall authorize such direct payment. In the event where there are no procedures already in place, Seller will authorize CAM to implement a new set of procedures to allow account debtors or other third party to pay amounts due on the Accounts directly to CAM. Seller must cooperate with CAM fully in order to facilitate the implementation of the procedures. In the event that CAM receives payment on an Account directly from the account debtor on the Account, or indirectly from any other third party, or in any other manner, CAM agrees that after deducting the amount equal to the sum of the Face Value plus all advances, interest and other amounts due to CAM under the terms of this Agreement, if any, it shall remit to Seller within a reasonable amount of time any excess of such amount, if any.

2.4 Failure of Account Debtor to Make Payment. In the Event that Seller or any account debtor of any of the Accounts fails to make a timely payment to CAM as described in Section 2.3, the outstanding amount owed to CAM shall accrue interest until paid at a rate equal to the lesser of 29.99% or the maximum non-usurious rate of interest as it effects from time to time which may be charged by CAM under applicable law. (the "Penalty Rate")

2.5 Administration Fee. In consideration of CAM's purchase of the Accounts, Seller agrees to pay the Administrative Fee (the "**Administrative Fee**") equal to the amount as set forth on Schedule 1 for each purchased Account. Payment of the Administrative Fee shall be due and payable by Seller upon CAM's purchase of the applicable Account.

3. **REPRESENTATIONS AND WARRANTIES AND COVENANTS.** To induce CAM to purchase the Accounts from Seller with full knowledge that the truth and accuracy of the following are being relied upon by CAM in the purchase of the Accounts and payments of the Purchase Price, Seller represents, warrants and covenants to CAM and agrees that:

(a) Seller (i) is a nonprofit public benefit corporation duly organized and validly existing under the laws of the State of Nevada, and qualified to operate in all jurisdictions where required; and (ii) has the requisite capacity and authority to execute and deliver this Agreement and the other agreements contemplated hereunder, to consummate the transactions contemplated hereby and thereby, and to perform its obligations hereunder and thereunder;

(b) this Agreement and all other agreements contemplate hereunder have been duly executed, and delivered by Seller and are valid and legally binding obligation of Seller, enforceable against Seller in accordance with their terms;

(c) neither the entering into of this Agreement nor the sale of the Accounts nor the performance by the Seller of any of its other obligations under this Agreement and the other agreements contemplated hereunder will contravene, breach or result in any default under the incorporation or other organizational documents of the Seller or in any material respect of any term or condition under any mortgage, lease, agreement, license, permit, statute, regulation, order, judgement, decree or law to which the Seller is a party or by which the Seller may be bound;

(d) Seller is the sole and absolute owner of each Account and has the full legal right to make said sale, assignment and transfer thereof hereunder;

(e) the Face Value on each Account is as set forth on Schedule 1 and such amounts are not in dispute;

(f) the payment of each Account is not contingent upon the fulfillment of any obligation or condition, past or future, and any and all obligations required of Seller with regard to such Account have been fulfilled by Seller;

(g) there are no defenses, offsets, recoupments or counterclaims with respect to any of the Accounts and no agreement has been made under which any account debtor with respect any of the Accounts, may claim any recoupment, deduction or discount;

(h) upon purchase, Seller will convey to CAM good and marketable title to each Account free and clear of all liens and encumbrances which shall thereafter be the sole and exclusive property of CAM;

(i) none of the account debtors with respect to any of the Accounts is insolvent as that term is defined in the United States Bankruptcy Code;

(j) all Accounts now existing or hereafter arising shall comply with each and every one of the representations, warranties, covenants and agreements referred to in this paragraph and as otherwise supplemented pursuant to this Agreement;

(k) no Account is evidenced by a note or other instrument;

(l) Seller will not, during the term of this Agreement, sell, transfer, pledge a security interest or hypothecate any of its Accounts to any party other than CAM. Seller agrees to reimburse CAM for actual out-of-pocket costs related to credit reports and UCC filings and searches incurred by CAM (and its agents, representatives and counsel) in connection with this Agreement;

(m) Seller is solvent and the execution and performance under this Agreement has been duly authorized by all necessary corporate action and is not in contravention of any of Seller's governing documents or any agreement by which Seller is bound under applicable law;

(n) Each Account purchased by CAM shall be the property of CAM and shall be collected by CAM pursuant to the terms of this Agreement but, as indicated herein, if for any reason payment of an Account should be paid to Seller, Seller shall promptly notify CAM of such payment, shall hold any check, drafts, or monies so received in trust for the benefit of CAM and shall promptly endorse, transfer and deliver the same to CAM as provided in Section 2.3 (a)(ii);

(o) Seller's place of business is the one set forth at the beginning of this Agreement and is the place where records concerning all Accounts are kept by Seller;

(p) Seller will not change the state of its registration or formation or its corporate or legal name or the place where the records concerning all accounts are kept or add an additional such place, in each case without CAM's prior written consent;

(q) There are no judgments outstanding affecting Seller or any of its property and there are no suits, proceedings, claims, demands or government investigations now pending or threatened against Seller or any of its property;

(r) As of the Effective Date, Seller is not in default or breach, nor shall any event shall have occurred or failed to occur which with the passage of time or service of notice constitute a default or breach, under any loan agreement, indenture, mortgage or other material agreement to which Seller is a party and

(s) Seller is not in violation of any law, ordinance, rule, order, regulation or other requirement of any governmental entity (whether federal, state or local) or any agency or instrumentality thereof.

4. **ASSUMPTION OF RISK.** Subject to compliance by Seller with the terms of this Agreement, CAM hereby assumes full risk of non-payment with respect to any of the Accounts and Seller shall have no liability for payment of any of the Accounts.

5. **SECURITY INTEREST.**

5.1 Grant of Security Interest. Seller has executed that certain Security Agreement March 1, 2022 (the “Security Agreement”), in favor of CAM as secured party pursuant to the terms of which Seller grants to CAM a continuing security interest and general lien upon all of the Collateral (as defined in the Security Agreement) in order to secure payment of the Secured Obligations (as defined in the Security Agreement).

5.2 Cooperation. Seller agrees to execute such further instruments and financing statements as may be required by any law in connection with the transactions contemplated hereby and to cooperate with CAM in filing or recording any renewals thereof, and Seller hereby authorizes CAM (and appoints any person whom CAM designates as its attorney) to sign Seller’s name on any such instrument and further authorizes CAM to file financing statements describing the Collateral in such manner as CAM may determine.

6. **INDEMNITIES.**

6.1 Indemnification. Seller hereby indemnifies and holds CAM and its affiliates, and their respective employees, attorneys and agents (each, an “**Indemnified Person**”) harmless from and against any and all suits, actions, proceedings, claims, damages, losses, liabilities and expenses of any kind or nature whatsoever (including attorneys’ fees and disbursements and other costs of investigation or defense, including those incurred upon any appeal) which may be instituted or asserted against or incurred by any such Indemnified Person as the result of any financial accommodation having been extended, suspended or terminated under this Agreement or any Other Agreement or with respect to the execution, delivery, enforcement, performance and administration of, or in any other way arising out of or relating to, this Agreement or any Other Agreement, and any actions or failures to act with respect to any of the foregoing, except to the extent that any such indemnified liability is finally determined by a court of competent jurisdiction to have resulted solely from such Indemnified Person’s gross negligence or willful misconduct. **NO INDEMNIFIED PERSON SHALL BE RESPONSIBLE OR LIABLE TO SELLER OR TO ANY OTHER PARTY FOR INDIRECT, PUNITIVE, EXEMPLARY OR CONSEQUENTIAL DAMAGES WHICH MAY BE ALLEGED AS A RESULT OF ANY FINANCIAL ACCOMMODATION HAVING BEEN EXTENDED, SUSPENDED OR TERMINATED UNDER THIS AGREEMENT OR ANY OTHER AGREEMENT OR AS A RESULT OF ANY OTHER TRANSACTION CONTEMPLATED HEREUNDER OR THEREUNDER.**

6.2 Taxes. If any tax by any governmental authority (other than income and franchise taxes) is or may be imposed on or as a result of any transaction between Seller and CAM, or in respect to services or sales (or any merchandise affected by such sales), which CAM is or may be required to withhold or pay, Seller agrees to indemnify and hold CAM harmless in respect of such taxes, and Seller will repay CAM the amount of any such taxes.

6.3 Review of Seller’s Bank Accounts. Seller agrees to take all action necessary, including disclosure of passwords or PINs, the addition of joint access signers, or other appropriate methods to allow CAM to view its bank accounts through the Internet or other applicable procedure.

7. **EVENT OF DEFAULT.**

7.1 Default. The occurrence of any of the following acts or events shall constitute an Event of Default (each a “Event of Default”) under this Agreement:

- (a) Seller’s material breach of any representation, warranty or covenant contained in this Agreement;
- (b) Seller’s failure to make timely payment of any amounts due under this Agreement;
- (c) Seller becomes insolvent or unable to meet its debts as they mature;
- (d) Seller delivers to CAM a representation, warranty, certification or other statement that is false in any material respect when made;
- (e) Any bankruptcy proceeding, insolvency arrangement or similar proceeding is commenced by or against Seller;
- (f) Seller suspends or discontinues its regular operations for any reason;
- (g) A receiver or trustee of any kind is appointed for Seller or any of Seller’s property;
- (h) Seller does not, in good faith, take all necessary steps to implement the manners of payment as provided in this Agreement;
- (i) A notice of lien, money judgment, levy, assignment, seizure, writ or warrant of attachment is entered or filed against Seller with respect to the Accounts or any Collateral (as said term is defined in the Security Agreement).
- (j) Seller’s material breach of any representation, warranty or covenant contained in the Security Agreement.

7.2 **Remedies.** After the occurrence of any Event of Default, CAM shall have immediate access to any and all books and records as may pertain to the Accounts or any of the Collateral (as defined in the Security Agreement). With respect to such Collateral, CAM shall have all rights and remedies of a secured party under the Security Agreement and Article 9 of the Uniform Commercial Code. Notwithstanding anything to the contrary herein, after the occurrence of any Event of Default, CAM shall have the right (but not the obligation) to collect all Accounts directly from account debtors.

8. **TERMINATION.** The term of this Agreement shall begin as of the Effective Date and continue until terminated in accordance with this Section. Either Party may terminate this Agreement upon thirty (30) days' prior written notice to the other Party. In addition, CAM may in its sole discretion terminate this Agreement effective immediately without prior notice upon the occurrence of an Event of Default. Upon termination of this Agreement, any amounts due from Seller to CAM will mature and become immediately due and payable. Notwithstanding the foregoing, no termination of this Agreement shall terminate or extinguish any obligation of a Party arising or occurring prior to such termination and all of CAM's rights, liens and security interests granted pursuant to the Security Agreement shall continue and remain in full force and effect after any termination of this Agreement. In addition, Seller agrees that it shall continue to remit to CAM all collections on Accounts received directly by it (if applicable) until all payments owed with respect to each Account have been paid in full.

9. **FUTURE AGREEMENTS.** Seller acknowledges that CAM may from time to time agree to purchase additional Accounts from Seller which shall be evidenced by additional Factoring Agreements.

10. **CONFIDENTIALITY.** Seller hereby agrees to maintain the confidentiality of this Agreement, any prior agreements regarding the purchase of its Accounts ("**Prior Agreements**") or any future agreements pertaining to the purchase of its Accounts ("**Future Agreements**") and agrees that this Agreement, Prior Agreements or Future Agreements cannot be duplicated or distributed to any third party without CAM's express written permission except as required by law. Seller further agrees to take reasonable measures to protect and maintain the security and confidentiality of information set forth in this Agreement, any Prior Agreements or Future Agreements.

11. **TRUE SALE OF ACCOUNTS.** Seller and CAM agree and acknowledge that the intention of the parties with respect to the Accounts is to accomplish a true sale of the Accounts as provided for in this Agreement. If for any reason, it is determined by a court of competent jurisdiction, that this Agreement does not provide a true sale of the Accounts, but constitutes a loan secured by the Accounts, then the Accounts shall be deemed to have been pledged to CAM pursuant to the Security Agreement.

12. **ENTIRE AGREEMENT.** This Agreement constitutes the entire agreement and understanding between Seller and CAM with respect to the sale of the Accounts provided for herein and supersedes all prior written and oral agreements, discussions or representations between Seller and CAM concerning the Accounts purchased by CAM pursuant to this Agreement. Notwithstanding the foregoing, the sale of the Accounts under this Agreement is also subject to the terms and conditions of the Security Agreement as referenced in Section 5.1. No modification or amendment to this Agreement or any waiver of any rights under this Agreement will be effective unless in a writing signed by Seller and CAM.

13. **MISCELLANEOUS.**

13.1 No Pledge of Credit. Seller shall not be entitled to pledge CAM's credit for any purpose whatsoever.

13.2 Waivers. Seller waives presentment and protest of any instruments and all notices thereof, notice of default and all other notices to which it might otherwise be entitled. Seller shall maintain, at its expense, proper books of account.

13.3 No Pledge or Sale of Accounts. During the term of this Agreement, Seller shall not sell or assign, negotiate, pledge or grant any security interest in the Accounts to anyone other than CAM.

13.4 Governing Law and Venue. This Agreement is executed and delivered in the State of California and shall be governed by California law without giving effect to its conflict of laws principles. Seller further agrees that any legal action or proceeding with respect to any of its obligations under this Agreement may be brought by CAM in any state or federal court located in Santa Clara County, California. Any claim or controversy asserted by Seller against CAM shall only be litigated in the State or Federal Courts located in Santa Clara County, California. By the execution and delivery of this Agreement, Seller submits to and accepts for itself and in respect of its property generally and unconditionally the non-exclusive jurisdiction of those courts. Seller waives any claims that Santa Clara County, California is not a convenient forum or the proper venue for any such suit, action or proceeding.

13.5 Waiver of Service of Process. Each of the parties to this Agreement hereby waives personal service of any summons or complaint or other process or papers to be issued in any action or proceeding involving any such controversy and hereby agrees that service of such summons or complaint or process may be made by certified mail to the other party at the address appearing herein; failure on the part of either party to appear or answer within thirty (30) days after such mailing of such summons, complaint or process shall constitute a default entitling the other party to enter a judgment or order as demanded or prayed for therein to the extent that said Court or duly authorized officer thereof may authorize or permit.

13.6 Waiver of Jury Trial. TO THE EXTENT ALLOWED BY APPLICABLE LAW, CAM AND SELLER DO HEREBY WAIVE ANY AND ALL RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING OF ANY KIND ARISING ON, OUT OF, BY REASON OF, OR RELATING IN ANY WAY TO THIS AGREEMENT OR THE INTERPRETATION OR ENFORCEMENT THEREOF OR TO ANY TRANSACTIONS THEREUNDER. IN THE EVENT CAM COMMENCES ANY ACTION OR PROCEEDING AGAINST SELLER, SELLER WILL NOT ASSERT ANY OFFSET OR COUNTERCLAIM, OF WHATEVER NATURE OR DESCRIPTION, IN ANY SUCH ACTION OR PROCEEDING.

13.7 No Waiver of Rights. No failure or delay by CAM in exercising any of its powers or rights hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such power or right preclude other or further exercise thereof or the exercise of any other right or power. CAM's rights, remedies and benefits hereunder are cumulative and not exclusive of any other rights, remedies or benefits which CAM may have. This Agreement may only be modified in writing and no waiver by CAM will be effective unless in writing and then only to the extent specifically stated.

13.8 Notices. All notices and other communications by either party hereto shall be in writing and shall be sent to the other party at the address specified herein.

13.9 Assignment. CAM shall have the right to assign this Agreement, and all of CAM's rights hereunder shall inure to the benefit of CAM's successors and assigns, and this Agreement shall inure to the benefit of and shall bind CAM's respective successors and assigns. Seller may not assign or transfer any of its rights or obligations hereunder without the prior written consent of CAM (and any attempted assignment or transfer by Seller without such consent shall be null and void).

13.10 Counterparts; Effectiveness. This Agreement may be executed in any number of counterparts and by the different parties on separate counterparts, and each such counterpart shall be deemed to be an original, but all such counterparts shall together constitute one and the same Agreement. This Agreement shall be deemed to have been executed and delivered when CAM has received counterparts hereof executed by all parties listed on the signature pages hereto. Facsimile, pdf, or other forms of electronic image versions of signatures hereto shall be deemed original signatures, which may be relied upon by each party hereto and shall be binding on the respective party.

13.11 Attorney Fees. In the event that any suit or action is instituted under or in relation to this Agreement, including without limitation to enforce any provision in this Agreement, the prevailing party in such dispute shall be entitled to recover from the losing party all fees, costs and expenses of enforcing any right of such prevailing party under or with respect to this Agreement, including without limitation, such reasonable fees and expenses of attorneys and accountants, which shall include, without limitation, all fees, costs and expenses of appeals.

13.12 Waiver of Sovereign Immunity. To the extent permitted by applicable law, Seller hereby waives any claim or defense of sovereign immunity as to all tort and contract claims arising under this Agreement.

13.13 Interpretation. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be prohibited or invalid under any such law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of this Agreement. As used in this Agreement, the singular shall include the plural, and masculine, feminine and neuter pronouns shall be fully interchangeable, where the context so requires. The headings of sections and paragraphs in this Agreement are for convenience only and shall not be construed to limit or define the content, scope or intent of the provisions hereof.

[Signature Page Follows]

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement on the day and year first above written.

**SELLER**  
**TEACH Las Vegas**

By: \_\_\_\_\_  
Name: Trishawn Allison  
Title: Board Chairman

Address for Notices:  
4660 N. Rancho Drive, Las Vegas, NV 89130

**CHARTER ASSET MANAGEMENT FUND,**  
**L.P.**

By: Charter Asset Management GP LLC.,  
A Delaware limited liability company  
Its: General Partner

By: \_\_\_\_\_  
Name: Paul Im  
Title: Managing Member

Address for Notices:  
633 W. 5th Street, 26th Floor  
Los Angeles, CA 90071

By: \_\_\_\_\_  
Name: David Park  
Title: Managing Member

Address for Notices:  
633 W. 5th Street, 26th Floor  
Los Angeles, CA 90071

**Schedule 1****Accounts****Installment 1 - March 1, 2022 - \$150,000.00**

<b>Account Authority / Payor</b>	<b>Account Receivable</b>	<b>Amount Purchased</b>	<b>Admin Fee</b>	<b>Discount %</b>	<b>Discount</b>	<b>Amount Funded</b>
Nevada Department of Education	FY 21-22 State Aid Distributive School Account (DSA) Apr PMT. District Code# 112. School Code# 112100	\$51,500.00	-	1.59%	\$818.85	-\$50,681.15
Nevada Department of Education	FY 21-22 State Aid Distributive School Account (DSA) May PMT. District Code# 112. School Code# 112100	\$51,500.00	-	2.79%	\$1,436.85	-\$50,063.15
Nevada Department of Education	FY 21-22 State Aid Distributive School Account (DSA) Jun PMT. District Code# 112. School Code# 112100	\$51,302.68	-	3.99%	\$2,046.98	-\$49,255.70
<b>Total</b>		<b>\$154,302.68</b>	<b>-</b>		<b>\$4,302.68</b>	<b>-\$150,000.00</b>

**Installment 2 - June 1, 2022 - \$100,000.00**

<b>Account Authority / Payor</b>	<b>Account Receivable</b>	<b>Amount Purchased</b>	<b>Admin Fee</b>	<b>Discount %</b>	<b>Discount</b>	<b>Amount Funded</b>
Nevada Department of Education	FY 22-23 State Aid Distributive School Account (DSA) Jul PMT. District Code# 112. School Code# 112100	\$20,000.00	-	1.69%	\$338.00	-\$19,662.00
Nevada Department of Education	FY 22-23 State Aid Distributive School Account (DSA) Aug PMT. District Code# 112. School Code# 112100	\$20,000.00	-	2.89%	\$578.00	-\$19,422.00
Nevada Department of Education	FY 22-23 State Aid Distributive School Account (DSA) Sep PMT. District Code# 112. School Code# 112100	\$20,000.00	-	4.09%	\$818.00	-\$19,182.00
Nevada Department of Education	FY 22-23 State Aid Distributive School Account (DSA) Oct PMT. District Code# 112. School Code# 112100	\$44,065.04	-	5.29%	\$2,331.04	-\$41,734.00
<b>Total</b>		<b>\$104,065.04</b>	<b>-</b>		<b>\$4,065.04</b>	<b>-\$100,000.00</b>

**EXHIBIT A**

**CHARTER SCHOOL BOARD RESOLUTION OF THE BOARD OF DIRECTORS OF  
TEACH Las Vegas**

The Board of Directors (“Board”) of TEACH Las Vegas (the “Charter School”), Pursuant to applicable law and the Charter School’s governing documents, hereby adopt the following recitals and resolutions by majority vote at a public meeting, effective as of the effective date of the Factoring Agreement (as defined herein):

1. Approval of Factoring Agreement and Sale of Receivables.

**WHEREAS**, the Board has reviewed the Factoring Agreement entered into by and among Charter Asset Management Fund, L.P. (“CAM”) and the Charter School (such agreement, the “Factoring Agreement”) and has had an adequate opportunity to ask questions regarding, and investigate the nature of, the Factoring Agreement;

**WHEREAS**, after careful consideration, the Board has determined that the terms and conditions of Factoring Agreement are just and equitable and fair as to the Charter School and that it is in the best interest of the Charter School to enter into the Factoring Agreement;

**WHEREAS**, the Board deems it to be in the best interest of the Charter School to cause the Charter School to sell and assign certain of its receivables to CAM as provided in the Factoring Agreement; and

**NOW, THEREFORE, BE IT RESOLVED**, that the Factoring Agreement is hereby approved;

**RESOLVED FURTHER**, that the Charter School may sell and assign certain of its receivables to CAM as provided in the Factoring Agreement;

**RESOLVED FURTHER**, that the officers and managers of the Charter School are hereby authorized and directed to cause the Charter School to enter into the Factoring Agreement and to execute all other documents necessary to effect the Factoring Agreement, and to take all actions necessary and appropriate to perform the Charter School’s obligations thereunder;

2. Enabling Power.

**RESOLVED**, that the officers and managers of the Charter School be, and each of them hereby is, authorized, directed and empowered to execute any applications, certificates, agreements or any other instruments or documents or amendments or supplements to such documents, or to do, or cause to be done, any and all other acts and things as such officers and managers, and each of them may, in their discretion, deem necessary or advisable and appropriate to carry out the purposes of the foregoing resolutions.

3. Authorization to Certify Resolution.

**RESOLVED**, that the Board Chairman and are hereby authorized to certify this resolution.

This written consent may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same written consent.

**IN WITNESS WHEREOF**, the Board of Directors has adopted the above resolution.

By: \_\_\_\_\_  
Trishawn Allison  
Board Chairman

By: \_\_\_\_\_

## **EXHIBIT B**

### **IRREVOCABLE ASSIGNMENT OF ACCOUNTS**

Pursuant to this assignment (“Assignment”), for value received and services performed by Charter Asset Management Fund, L.P., a Delaware limited partnership (“CAM”), TEACH Las Vegas (“Charter School”) DBA hereby irrevocably assigns, transfers and sets over to CAM the sole right to collect from the Nevada Achievement School District (“Payor”) the net proceeds of the Accounts (as defined herein) from the Payor, when such payments become due and payable to Charter School. The term “Accounts” shall mean all Accounts described in Schedule 1 of that certain Factoring Agreement dated as of March 1, 2022 between CAM and the Charter School (the “Factoring Agreement”).

#### **Recitals**

WHEREAS, under applicable law, the Charter School has the power to sell and assign its assets;

WHEREAS, the Charter School is entitled to receive state payments or other amounts to which the Charter School is entitled to receive from the Payor under applicable law (collectively, the “Payments”);

WHEREAS, the Charter School hereby warrants and represents to the Payor and CAM that (i) the Charter School is duly authorized under the laws of the State of Nevada (the “State”) to enter into the transactions contemplated hereby and to sell and assign the Accounts and other assets in furtherance of its educational purposes; (ii) all action on the Charter School’s part necessary for the consummation of the transaction contemplated hereby and the sale and assignment of the Accounts have been duly taken; (iii) this Assignment is valid and enforceable in accordance with its terms, except as enforceability may be limited by general equitable principles and by bankruptcy, insolvency or other similar laws affecting creditors’ rights generally; (iv) the Charter School has not heretofore conveyed, assigned, pledged, granted a security interest in or other disposal of the Accounts as has been satisfied by the Charter School and released; and (v) assuming receipt of the consents required herein, the execution, delivery and performance of this Assignment is not a contravention of law or any agreement, instrument, indenture or other undertaking to which the Charter School is a party or by which the Charter School is bound.

WHEREAS, except with respect to the Assignment below, the Charter School further warrants and represents to the Payor and CAM that the Factoring Agreement and all related documents do not provide for recourse of any kind against the Payor. The Charter School understands that the Payor does not make any representations concerning the financial condition of the Charter School or guarantee the continuous payment of Payments to the Charter School.

WHEREAS, the Charter School acknowledges and agrees that CAM is an intended third-party beneficiary of the Assignment contained herein.

**Assignment**

NOW, THEREFORE, in consideration of the mutual promises herein contained, it is hereby agreed and acknowledged that:

- (i) this Assignment is made by Charter School as consideration for CAM to enter into the Factoring Agreement executed on the Effective Date.
- (ii) Charter School may not revoke this Assignment;
- (iii) the Payor is hereby authorized and directed to release and pay the Payments to CAM when and in same the manner that such Payments were to be paid to Charter School; and
- (iv) the Payor shall make Payments to CAM with respect to the Accounts by wire pursuant to the wiring instructions provided by CAM.

[Signature page follows]

IN WITNESS WHEREOF, this Assignment is effective as of March 1, 2022.

**TEACH Las Vegas DBA**

By: \_\_\_\_\_  
Trishawn Allison  
Board Chairman

Acknowledged by:

CHARTER ASSET MANAGEMENT FUND, L.P.

By: Charter Asset Management GP, LLC,  
A Delaware limited liability company  
Its: General Partner

By: \_\_\_\_\_

Name: Paul Im  
Title: Managing Member

By: \_\_\_\_\_

Name: David Park  
Title: Managing Member

Address for Notices:  
633 W. 5th Street, 26th Floor  
Los Angeles, CA 90071

**WIRE / ACH INSTRUCTIONS**

Please remit all ACH / wire payments to the following:

Bank / Institution: Western Alliance Bank  
Account: Charter Asset Management Fund, L.P.  
Account Number: 8445370650  
Wiring/Routing Number: 121143260

**CHECK DELIVERY INSTRUCTIONS**

Please overnight mail all checks to the following address:

Charter Asset Management  
ATTN: Paul Im / Jonathan Yeh  
633 W. 5th Street, 26th Floor,  
Los Angeles, CA 90071

Checks made out to Charter School is acceptable to CAM pursuant to the Factoring Agreement and Irrevocable Funds Distribution Authorization.

## EXHIBIT C

### IRREVOCABLE FUNDS DISTRIBUTION AUTHORIZATION

Effective Date: March 1, 2022

The undersigned, TEACH Las Vegas (the “**Charter School**”), hereby irrevocably authorizes Nevada Achievement School District, (the “**Payor**”) to distribute directly to Charter Asset Management Fund L.P., a Delaware limited partnership (“**CAM**”), all amounts due from the Payor to the Charter School directly to CAM, whether by (1) mail, (2) ACH, or (3) wire transfer pursuant to the Electronic Funds Transfer Act as directed by CAM. The Charter School agrees to deliver to the Payor an Irrevocable Assignment of Accounts in the form attached as Exhibit A or such other documents required by the Payor to authorize the direct funds distribution to CAM. The Charter School shall assist CAM with respect to any documents required by Payor to allow Payor to make funds distributions directly to CAM. Payor may rely on this authorization in making direct funds distributions to CAM.

TEACH Las Vegas

By: \_\_\_\_\_  
Trishawn Allison  
Board Chairman

**EXHIBIT D**

**AUTHORIZATION FOR DIRECT PAYMENT VIA ACH  
(ACH DEBIT)**

Direct Payment via ACH is the transfer of funds from the TEACH Las Vegas (“Charter School”)’s account for the purpose of making payments for receivables due to Charter Asset Management Fund, L.P.

As board director and/or officer of Charter School and signer on all factoring and security agreements between Charter School and Charter Asset Management Fund, L.P., I authorize Charter Asset Management Fund, L.P. to electronically debit the account of Charter School as follows:

Bank / Institution: Bank of Nevada  
Account: TEACH Las Vegas  
Account Number: 8949408545  
Routing Number: 122401778  
School Address: 4660 N. Rancho Drive, Las Vegas, NV 89130

I understand that the amount and frequency of debits are pursuant to all executed factoring agreements executed between Charter School and Charter Asset Management Fund, L.P. for the 2020-2021 fiscal year.

I understand that this authorization will remain in full force and effect until all financial obligations of Charter School to Charter Asset Management Fund, L.P. are fulfilled pursuant to all executed agreements.

**TEACH LAS VEGAS**

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Trishawn Allison  
Board Chairman

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# Coversheet

## Approval of the Better 4 You Meals Contract

**Section:** III. ITEMS SCHEDULED FOR INFORMATION & POTENTIAL ACTION  
**Item:** F. Approval of the Better 4 You Meals Contract  
**Purpose:** Vote  
**Submitted by:**  
**Related Material:** TEACH LV 21-22 Temp Rate Adjustment Amendment-3-21.pdf



January 21, 2022

Andrea Moore  
Executive Director  
TEACH Las Vegas  
4660 North Rancho Road  
Las Vegas, NV 89130

**RE: Emergency Contract Amendment**

Dear Andrea Moore,

On behalf of Better 4 You Meals, I would like to take this opportunity to thank you for our continued partnership with TEACH Las Vegas.

The purpose of this letter is to request a temporary Emergency Contract Amendment to our current contract. Unfortunately, due to the industry wide inflationary cost increases our current meal rate is unsustainable and severely impacting our ability to continue providing your organization meals for the remainder of the school year. This request is a last resort. We have exhausted all cost cutting options and there appears to be no possibility in sight of continuing to provide high quality and nutritious meals to the students of TEACH Las Vegas.

All across the United States, schools are seeing unprecedented COVID induced cost increases in food, packaging, labor, and transportation. Vendor and food manufacturer shortages of school compliant food items have led vendors to make more costly substitutions, which they then immediately pass on the increase to us. The small contract increase, we mutually agreed upon, from the past year do not come close to covering these increased costs, which is why the USDA has allowed Emergency Contract Pricing Amendments for School Food Authorities (SFA). B4YM's contract rate increases from last year averaged around 3%, yet food cost has insurged almost 10% in the last 12 months and fuel has increased over 40%.

Because of the severity of the inflationary increases the government is projecting to continue, we are asking for your approval of the amendment effective with the January 1, 2022 billing cycle.

This request is aligned and allowable due to the COVID-19 National Public Health Emergency waivers authorized by the USDA. The USDA is allowing rate increases not in the original contract. This is also the reason your school is receiving substantially higher reimbursement rates this year through the Summer Food Service Program based reimbursement rates.

And on January 7<sup>th</sup>, 2022, the USDA announced the increased reimbursement rates effective January 1, 2022 through the end of the calendar year.

The chart below shows what you have been reimbursed from July 1 to December 31, 2021, alongside what the new rates are effective January 1, 2022.



	July – December 31 2021	Jan 1, 2022 – Dec 31, 2022	Increase
Breakfast	\$2.7110	<b>\$2.8037</b>	<b>\$0.0877</b>
Lunch	\$4.5662	<b>\$4.7362</b>	<b>\$0.17</b>
Supper	\$4.3175	<b>\$4.4875</b>	<b>\$0.17</b>

These increased reimbursements and are intended to support the SFAs foodservice program during the USDA's these inflationary times. Fortunately, the USDA and state agencies now understand the SFAs with vendors can use these funds to support their vendor who is incurring the higher costs that are mutually agreed upon by both parties.

We encourage and recommend consulting your state board of education and legal counsel. The emergency contract amendment request will not exceed June 30, 2022 and would be effective January 1, 2022.

We have provided some of the inflationary data from various sources that is directly related to servicing your contract in the table below. It is important to note these dramatic increases have occurred since our contract renewal roughly 6 to 9 months ago.

The primary driver is food, fuel, and labor inflation which has risen at levels not seen in decades.

Inflation	Overview	Comments
Labor	Labor: Wage rates have increased 10.3%	Labor shortages have caused us to offer higher rates and provide bonuses to attract and retain employees. Growers, manufacturers, distributors have increased their pay rates to employees and now passing the cost on to us.
Food Costs	Food Costs at home and away have surged up to 10% since December 2020	Proteins (examples: beef, chicken, & turkey) have seen a 12 month increase in material costs of 9.0%. Fruits and Vegetables have increased dramatically. Items such as Baby Carrots have increased \$.18 per serving. Oranges have increased as much as \$.20 per serving and Apples are up \$.08. Grains like bread, tortillas, and whole grain snacks are up 12% Cereal cups are up 30% due to labor strikes at the major cereal manufacturers.
Paper and Packaging	Paper and packaging costs, plus mod costs have increased 11%	The cost of the tray is up \$.02 each - <b>when available</b> . Additionally, the availability of trays continues to be extremely limited due to supply chain and replacement items are more expensive.



Fuel	Fuel costs are up 58.1%	Distribution costs to schools have increased because of the higher fuel. We are paying significantly more for deliveries to our facilities and fuel costs for our own delivery trucks has surged significantly.
Misc. Costs		Supply chain interruptions and manufacturer product availability has caused greater direct costs as often substituted items are more expensive or result in additional costs to handle and deliver.

We are sensitive to the financial challenges of all our schools but also ask that you recognize the USDA has provided financial relief to the SFAs through the SFFP funding by increasing the meal reimbursements for these specific scenarios. This increase request does not necessarily mean that all current supply and vendor challenges will cease, but it will hopefully halt any further menu/variety constrictions or and allow us to be handle oncoming challenges that have yet to present themselves.

We waited until the new reimbursement increases were announced to help mitigate the impact of this amendment request. Historically, schools have never received a mid-year reimbursement increase when participating in the NSLP Program, but by receiving the Summer Food Service Program reimbursement, you are receiving a significant and unexpected rate surge. This amendment is just a bit more than the mid-year increase and we expect this would not negatively impact your food program's bottom line.

Better 4 You Meals has led the way in school food service throughout COVID, and we ask for this short-term adjustment to help us continue providing your students and families with the absolute best possible meal service around.

Following USDA guidance, a future renewal would not include this temporary increase and would be based on your current contractual rate.

Please review and upon approval, sign and return to us by January 30<sup>th</sup>, 2022. Signed amendments can be e-mailed to [sholguin@better4youmeals.com](mailto:sholguin@better4youmeals.com) or if you would like a DocuSign agreement emailed to you, please let me or your Account manager know as soon as possible. Your Procurement Manager at CDE likely will need a copy of this amendment as well.

Again, we thank you for the opportunity to serve TEACH Las Vegas and we look forward to working with you and the children of TEACH Las Vegas through the remaining year and for years to come. If you have any questions or concerns, please contact your district manager.

Sincerely,

Fernando Castillo  
 Chief Executive Officer  
 Better 4 You Meals



## EMERGENCY CONTRACT AMENDMENT TEMPORARY AMENDMENT

Between Better 4 You Meals, Inc. and TEACH Las Vegas

This agreement made on January 1, 2022 between **Better 4 You Meals Inc.**, and TEACH Las Vegas is created for the purpose of amending the per meal rates of for the current service year.

**WHEREAS**, the parties entered into an Agreement dated for the 2021-2022 school year (the “Agreement”) whereby Better 4 You Meals would provide National School Lunch Program compliant meals to TEACH Las Vegas at agreed upon per meal rates

**WHEREAS**, the current term of the Agreement expires on June 30, 2022; and

**WHEREAS**, the parties wish to AMEND the Agreement until June 30, 2022.

**WHEREAS**, The parties and acknowledge that this Emergency Covid Amendment is permitted under the rules and regulations of the USDA.

The Agreement is hereby amended for the period commencing January 1, 2022 and ending June 30, 2022.

**Pricing**

- a. Better 4 You Meals will charge TEACH Las Vegas:

Meal Type	Meal Price
Breakfast	<b>\$2.15</b>
Lunch	<b>\$3.35</b>

This Agreement may be only renewed if the USDA waivers are extended beyond 6/30/2022 or as permitted by the USDA, and with mutual consent of both parties.

All other terms and conditions of the Agreement remain in full force and effect.

<b>Name &amp; Title of TEACH Las Vegas Representative</b>	<b>Address</b>
<b>Signature</b>	<b>Date</b>
<b>Name &amp; Title of Better 4 You Meals Representative</b> Steven Holguin, Vice President of Sales & Marketing	<b>Address</b> 5743 Smithway St, Commerce, CA 90040
<b>Signature</b>	<b>Date</b>