Teach Las Vegas

TEACH Las Vegas Special Board Meeting

Published on March 29, 2023 at 1:16 PM PDT
Amended on April 3, 2023 at 8:18 AM PDT

Date and Time

Thursday April 6, 2023 at 5:00 PM PDT

Location

Beth Bulgeron is inviting you to a scheduled Zoom meeting.
Topic: TEACH LV Special Meeting
Time: Apr 6, 2023 05:00 PM Pacific Time (US and Canada)
Join Zoom Meeting
https://teachpublicschools-org.zoom.us/j/88347110217
Meeting ID: 883 4711 0217
One tap mobile
+12532158782,,88347110217# US (Tacoma)
+12532050468,,88347110217# US
Dial by your location
+1 253 215 8782 US (Tacoma)
+1 253 205 0468 US
+1 719 359 4580 US
+1 346 248 7799 US (Houston)
+1 669 444 9171 US
+1 669 900 6833 US (San Jose)
+1 646 931 3860 US
+1 689 278 1000 US
+1 929 205 6099 US (New York)
+1 301 715 8592 US (Washington DC)
+1 305 224 1968 US
+1 309 205 3325 US
+1 312 626 6799 US (Chicago)
+1 360 209 5623 US
+1 386 347 5053 US

+1 507 473 4847 US
+1 564 217 2000 US
Meeting ID: 883 4711 0217
Find your local number: https://teachpublicschools-org.zoom.us/u/kdwqkz5VBj

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Agenda

	Purpose	Presenter	Time
I. Opening Items			**5:00 PM**
A. Call the Meeting to Order		Trishawn Allison	
B. Record Attendance		Beth Bulgeron	1 m
C. Public Comment		Trishawn Allison	5 m

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.

II. CONSENT ITEMS — 5:06 PM

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.

	Purpose	Presenter	Time
A. Approval of Board Agenda	Vote	Trishawn Allison	3 m
B. Approval of the Minutes of the February 27, 2023 Special Board Meeting	Vote	Trishawn Allison	2 m

III. ITEMS SCHEDULED FOR INFORMATION & POTENTIAL ACTION — 5:11 PM

	Purpose	Presenter	Time
A. Financial Report	Discuss	Richard McNeel	5 m

		Purpose	Presenter	Time
B.	CAM Factoring Agreement	Vote	Matthew Brown	5 m

Proposal to sell schedule state payments to TEACH

C.	Employee Retention Tax Credit	Vote	Matthew Brown	5 m

TEACH Las Vegas appears to be eligible for a $100,000 Employee Retention Tax Credit. This item would approved contracting with an outside tax and legal consultant (CFOMW Tax, LLC) to file the ERC application on behalf of TEACH LV. The fee is a 7% contingent upon a successful application.

D.	Enrollment and Transportation Amendment to the TEACH LV Charter & Fiscal Notice of Concern	Discuss	Matthew Brown	7 m
E.	Tentative 2023-2024 TEACH Las Vegas Budget	Vote	Richard McNeel	5 m

Due to NDE on or before April 17, 2023

F.	Approve the Amended Charter Impact Contract	Vote	Matthew Brown	5 m
G.	Discuss Board Terms and Continuity Plan	Discuss	Beth Bulgeron	5 m
H.	Approve the Board Meeting Calendar for 2023-2024	Vote	Beth Bulgeron	5 m
I.	Enrollment Update		Luis Ramirez	5 m
J.	Consider and Vote on the Academic Calendar for 2023-2024	Vote	Andrea Moore	5 m

IV. Closing Items **6:03 PM**

A.	Upcoming Meeting Date	FYI	Trishawn Allison	5 m

If matters for the April 25th board meeting have been taken care of in this meeting, our next Regular TEACH LV Board Meeting will be May 23, 2023.

B.	Public Comment			5 m
C.	Board Member Comments			5 m
D.	Adjourn Meeting	Vote		

Coversheet

Approval of the Minutes of the February 27, 2023 Special Board Meeting

Section: II. CONSENT ITEMS
Item: B. Approval of the Minutes of the February 27, 2023 Special Board Meeting
Purpose: Vote
Submitted by:
Related Material: 2023_02_27_board_meeting_minutes.pdf

"Educating The Whole Child"
TEACH PUBLIC SCHOOLS LAS VEGAS

Teach Las Vegas

Minutes

Special TEACH LV Board Meeting

Date and Time
Monday February 27, 2023 at 5:00 PM

Location
Beth Bulgeron is inviting you to a scheduled Zoom meeting.
Topic: TEACH LV Special Meeting
Time: Feb 27, 2023 05:00 PM Pacific Time (US and Canada)
Join Zoom Meeting
https://teachpublicschools-org.zoom.us/j/83083283414
Meeting ID: 830 8328 3414
One tap mobile
+12532050468,,83083283414# US
+12532158782,,83083283414# US (Tacoma)
Dial by your location
+1 253 205 0468 US
+1 253 215 8782 US (Tacoma)
+1 669 900 6833 US (San Jose)
+1 719 359 4580 US
+1 346 248 7799 US (Houston)
+1 669 444 9171 US
+1 305 224 1968 US
+1 309 205 3325 US
+1 312 626 6799 US (Chicago)
+1 360 209 5623 US
+1 386 347 5053 US
+1 507 473 4847 US
+1 564 217 2000 US
+1 646 931 3860 US
+1 689 278 1000 US
+1 929 205 6099 US (New York)
+1 301 715 8592 US (Washington DC)
Meeting ID: 830 8328 3414
Find your local number: https://teachpublicschools-org.zoom.us/u/kdXVZxrcp

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Directors Present
D. Horn (remote), J. Carver (remote), Q. Branch (remote), T. Allison (remote)

Directors Absent
C. Igeleke, N. Sarisahin

Guests Present
B. Bulgeron (remote), M. Brown (remote), R. McNeel (remote)

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 Monday Feb 27, 2023 at 5:02 PM.

B. Record Attendance

C. Public Comment

There was no public comment.

II. CONSENT ITEMS

A. Approval of Board Agenda

T. Allison made a motion to Approve the Board Agenda.
J. Carver seconded the motion.
The board **VOTED** to approve the motion.

Roll Call	
C. Igeleke	Absent
N. Sarisahin	Absent
Q. Branch	Aye
D. Horn	Aye
J. Carver	Aye
T. Allison	Aye

B. Approval of the Minutes of the January 24, 2023 Meeting

T. Allison made a motion to approve the minutes from the January 24, 2023 meeting TEACH LV Regular Board Meeting on 01-24-23.
J. Carver seconded the motion.
The board **VOTED** to approve the motion.

Roll Call	
J. Carver	Aye
D. Horn	Aye
T. Allison	Aye
C. Igeleke	Absent
Q. Branch	Aye
N. Sarisahin	Absent

III. ITEMS SCHEDULED FOR INFORMATION & POTENTIAL ACTION

A.

CAM Factoring Agreement

Matt Brown presented the CAM Factoring Agreement agenda item and explained that it was not needed at this time, therefore no vote was taken.

B. Enrollment and Transportation Amendment to the TEACH LV Charter

T. Allison made a motion to Approve the Enrollment and Transportation Amendment to the TEACH LV Charter.
Q. Branch seconded the motion.
Matt Brown presented the proposed amendment to the charter and explained how the amendment essentially reflected a one year delay in enrollment targets. He reviewed the conservative budget forecast- assuming a slight increase in per pupil and flat COLA. He also explained the obstacles that prevented implementation of a transportation plan in the first years and how TEACH LV was anticipating offering transportation in year three. Board member Horn asked about current student need for transportation, how the lack of transportation impacted enrollment and whether or not students have left TEACH LV due to lack of transportation. Mr. Brown explained that there were students who have moved away from the immediate vicinity of the school and might have stayed if transportation was provided.
The board **VOTED** to approve the motion.

Roll Call

N. Sarisahin	Absent
Q. Branch	Aye
T. Allison	Aye
D. Horn	Aye
C. Igeleke	Absent
J. Carver	Aye

IV. Closing Items

A. Upcoming Meeting Date

The next Regular Board Meeting will be held on March 21st at 5 pm.

B. Public Comment

There was no public comment.

C. Board Member Comments

There were no additional Board Comments.

D. Adjourn Meeting

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 5:16 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_Financial_Presentation_March_2023__as_of_Feb_2023_Close_.pdf

CHARTER
IMPACT

TEACH Las Vegas

Financial Presentation – March 2023 as of Feb 28th, 2023, Close

Highlights through February 28th, 2023

- Presenting Actuals through close of February 28th
- Revenues up $31.2k from December’s close
- Expenses decreased by $23.1K from original budget
- Cash flow remains at a critical level

TEACH – Las Vegas Revenue

	Year-to-Date			*Annual/Full Year*		
	Actual @ 02/28/2023	Original Budget 12/31/2022@ 383	Fav/(Unfav)	Forecast @ 02/28/2023 -125	Original Budget @06/30/2023- 383	Fav/(Unfav)
Revenue						
Distributed School Account	$ 1,508,144	$ 1,639,366	$ (131,222)	$ 2,443,720	$ 3,148,245	$ (704,525)
State Revenue	631,425	647,319	(15,894)	895,943	1,038,263	(142,320)
Federal Revenue	170,401	147,450	22,951	443,164	553,753	(110,589)
Other Local Revenue	578	-	578	578	-	578
Total Revenue	**$ 2,310,548**	**$ 2,434,135**	**$ (123,587)**	**$ 3,783,406**	**$ 3,783,406**	**$ (956,855)**

- Revenue increase of $31.2k from December 31st close due to recognizing a portion of CSP 180 revenue during the current year that was assumed for the subsequent year

CHARTER IMPACT

TEACH Las Vegas – Expenses

	Year-to-Date			Annual/Full Year		
	Actual @ 02/28/2023	Original Budget 12/31/2022@ 383	Fav/(Unfav)	Forecast @ 02/28/2023 -125	Original Budget @06/30/2023- 383	Fav/(Unfav)
Expenses						
Salaries	$ 1,180,062	$ 688,398	$ (491,664)	$ 1,803,320	$ 1,065,476	$ (737,844)
Employee Benefits	393,516	325,858	(67,658)	673,494	498,952	(174,542)
Prof. and Tech. Services	331,882	255,943	(75,939)	501,768	428,148	(73,619)
Property Services	594,257	534,264	(59,993)	861,711	836,907	(24,804)
Other Purchased Services	56,795	98,082	41,287	95,237	146,896	51,660
Supplies	690,918	726,064	35,146	881,181	1,241,355	360,174
Property	-		-	-	-	-
Debt Service and Misc.	55,693	10,752	(44,941)	57,043	18,449	(38,594)
General	15,538	22,956	7,418	37,631	39,353	1,723
Total Expenses	**$ 3,318,661**	**$ 2,662,317**	**$ (656,344)**	**$ 4,911,383**	**$ 3,639,689**	**$ (635,847)**
Total Surplus(Deficit)	**$ (1,008,113)**	**$ (228,182)**	**$ (779,931)**	**$ (1,127,977)**	**$ 143,717**	**$ (1,271,694)**

- Expenses represent a $23.1k savings from December 31st close based on run-rates which are a mix of various savings and increases

CHARTER IMPACT

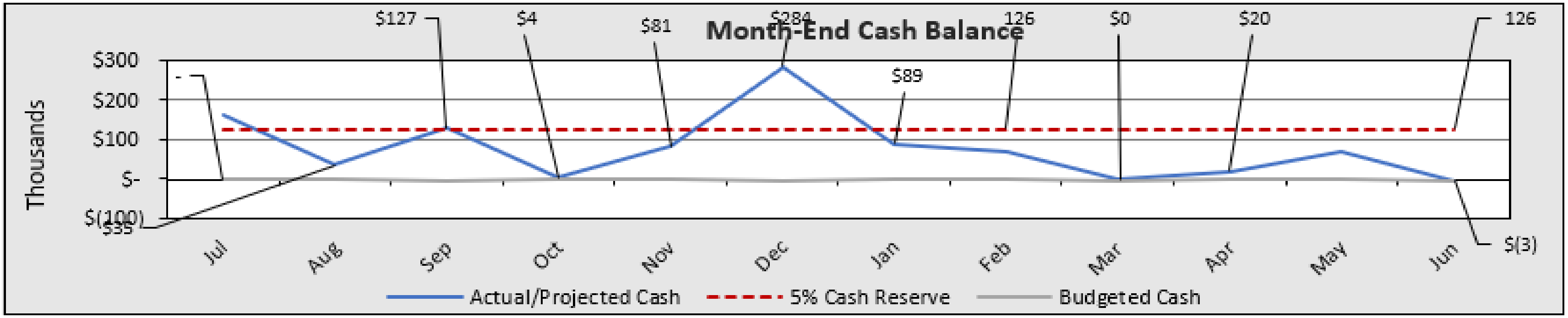
TEACH Las Vegas – Fund Balance

- Fund Balance Projected to end at -$794,020

	Year-to-Date			*Annual/Full Year*		
	Actual @ 02/28/2023	Original Budget 12/31/2022@ 383	Fav/(Unfav)	Forecast @ 02/28/2023 -125	Original Budget @06/30/2023-383	Fav/(Unfav)
Adjusted Surplus(Deficit)	(1,008,113)	(228,182)		(1,127,977)	143,717	
Beginning Fund Balance	333,958	333,958		333,958	333,958	
Ending Fund Balance	$ (674,155)	$ 105,775		$ (794,020)	$ 477,674	
As a % of Annual Expenses	-13.7%	2.9%		-16.2%	13.1%	

TEACH Las Vegas – Cash(Critical)

- Cash Balance at Feb Close was $134.7k which is 10 days cash on hand
- Cash Balance remains critical as the typical available factoring exceeds need at $734k as of Q4 close projected
- Additional funding will be necessary to meet current projected cash needs



Questions & Discussion

Appendix follows, including:

- Monthly Cash Flow / Forecast 22/23
- Budget vs. Actual
- Statement of Financial Position
- AP Aging
- Monthly Check Register

Teach Las Vegas - NV

Monthly Cash Flow/Forecast FY23

Revised 03/20/23

CHARTER IMPACT

			Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Year-End Accruals	Annual Forecast	Original Budget	Favorable / (Unfav.)
		Enrollment: 326																
Revenues																		
		State- Revenue-Distributed School Account																
	3110-1110	Ad Valorem Taxes	$ -	$ -	$ -	$ -	$ -	$ -	-	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	3110-1120	Sales and Use Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	3110-1191	Franchise Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
201	3110-1192	Basic General Governmental Services Tax	69,290	133,144	128,342	127,628	417,993	197,711	197,711	197,711	198,119	198,119	198,119	198,119	115,515	**2,377,518**	2,810,454	(432,936)
201	3110-1111	Basic Support	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
211	3254	PCFP - English Learner (restricted)			8,180	4,090	4,090	4,090	4,090	4,090	4,090	4,090	4,090	4,090	4,090	**49,081**	337,791	(288,710)
212	3255	PCFP - At-Risk (restricted)			2,853	1,426	1,426	1,426	1,426	1,426	1,427	1,427	1,427	1,427	1,427	**17,121**	-	17,121
			69,290	133,144	139,375	133,144	423,510	203,227	203,227	203,227	203,636	203,636	203,636	203,636	121,032	**2,443,720**	3,148,245	(704,525)
		State Revenue																
205	3115	Special Ed portion to DSA	-	3,926	-	-	3,926	-	-	3,926	-	-	3,926	-	-	**15,703**	140,944	(125,241)
	3200	Restricted Grants-in-Aid	-	-	(39,297)	-	311,583	-	-	347,362	38,917	38,917	38,917	38,917	104,925	**880,240**	897,319	(17,079)
			-	3,926	(39,297)	-	315,509	-	-	351,287	38,917	38,917	42,843	38,917	104,925	**895,943**	1,038,263	(142,320)
		Federal Revenue																
800	4500	Restricted Grants-in-Aid (NSLP)	-	-	-	-	73,582	-	55,499	-	29,280	29,280	29,280	29,280	29,280	**275,481**	343,995	(68,514)
649	4510	Title I A	-	-	-	-	-	13,367	-	26,346	6,765	6,765	6,765	6,765	**14,408**	**81,182**	115,793	(34,611)
709	4520	Title IIA	-	-	-	-	-	-	-	-	2,681	2,681	2,681	2,681	21,444	**32,166**	34,281	(2,115)
658	4530	Title III	-	-	-	-	-	-	-	-	763	763	763	763	6,103	**9,155**	-	9,155
715	4540	Title IV A	-	-	-	-	-	-	-	-	356	356	356	356	2,845	**4,268**	-	4,268
639	4571	Special Education Part B	-	-	-	-	-	-	1,607	-	3,409	3,409	3,409	3,409	25,669	**40,913**	23,095	17,818
	4703	Other Federal Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	36,590	(36,590)
			-	-	-	-	73,582	13,367	57,106	26,346	43,254	43,254	43,254	43,254	**99,749**	**443,164**	553,754	(110,590)
		Other Local Revenue																
	1790	Other Activity Income	-	-	-	-	578	-	-	-	-	-	-	-	-	**578**	-	578
			-	-	-	-	578	-	-	-	-	-	-	-	-	**578**	-	578
Total Revenue			**69,290**	**137,070**	**100,078**	**133,144**	**813,179**	**216,594**	**260,333**	**580,860**	**285,806**	**285,806**	**289,732**	**285,806**	325,706 -	**3,783,406**	**4,740,262**	**(957,434)**
Expenses																		
		Personal Services-Salaries																
	0111	Regular Employees: Teachers	36,244	110,046	124,995	107,275	100,899	137,429	108,834	106,802	103,354	103,354	103,354	103,354	-	**1,245,939**	661,427	(584,512)
	0112	Regular Employees: Instructional Aide	-	-	-	-	-	-	-	-	19,091	19,091	19,091	19,091	-	**76,364**	60,000	(16,364)
	0114	Regular Employees: Licensed Adm	8,885	13,030	12,876	19,445	12,821	17,614	14,927	15,352	8,025	8,025	8,025	8,025	-	**147,050**	98,385	(48,665)
	0117	Regular Employees: Other Classified	15,240	27,902	29,389	30,837	32,276	33,559	28,806	34,580	25,345	25,345	25,345	25,345	-	**333,967**	245,664	(88,303)
	0122	Temporary Employees: Instructio	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	0127	Temporary Employees: Other Classified	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	0151	Additional Compensation: Teachers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	0154	Additional Compensation: Licensed Admin.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	0157	Additional Compensation: Other Classified	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	0161	Extra Duties: Teachers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	0164	Extra Duties: Licensed Administration	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	0167	Extra Duties: Other Classified	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
			60,369	150,978	167,260	157,558	145,995	188,602	152,567	156,734	155,814	155,814	155,814	155,814	-	**1,803,320**	1,065,476	(737,844)
		Personnel Services - Employee Benefits																
	0211	Group Insurance: Teacher	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	0212	Group Insurance: Instructional Aides	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	0214	Group Insurance: Licensed Admin.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	0217	Group Insurance: Other Classified	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	0222	Social Security: Temp Instructional Aides	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	0224	Social Security: Licensed Administration	-	198	284	-	-	-	-	-	-	-	-	-	-	**482**	-	(482)
	0227	Social Security: Other Classified / Support Staff						175	159	231								
	0231	Retirement: Teachers	6,780	20,318	20,542	21,008	19,911	26,643	20,646	20,907	29,016	29,016	29,016	29,016	-	**272,818**	193,467	(79,351)
	0232	Retirement: Instructional Aides	-	-	-	-	-	-	-	-	3,255	3,255	3,255	3,255	-	**13,020**	3,720	(9,300)
	0234	Retirement: Licensed Admin.	2,387	3,740	3,740	3,740	3,740	5,103	4,236	4,484	326	326	326	326	-	**32,472**	6,100	(26,372)
	0237	Retirement: Other Classified	2,407	4,579	5,097	5,801	5,956	5,647	4,972	5,801	6,616	6,616	6,616	6,616	-	**66,724**	71,857	5,133
	0241	Medicare: Teachers	492	1,530	1,522	1,549	1,446	1,944	1,515	1,539	1,414	1,414	1,414	1,414	-	**17,194**	9,591	(7,603)
	0242	Medicare: Instructional Aides	-	-	-	-	-	-	-	-	761	761	761	761	-	**3,045**	870	(2,175)
	0244	Medicare: Licensed Admin.	116	182	182	182	182	249	206	219	76	76	76	76	-	**1,824**	1,427	(397)
	0247	Medicare: Other Classified	189	376	398	418	438	458	391	479	322	322	322	322	-	**4,437**	3,562	(875)
	0261	Unemployment: Teachers	941	2,869	2,500	2,258	2,046	2,741	3,153	3,203	1,873	1,873	1,873	1,873	-	**27,202**	13,104	(14,098)
	0262	Unemployment: Instructional Aides	-	-	-	-	-	-	-	-	1,575	1,575	1,575	1,575	-	**6,300**	1,800	(4,500)
	0264	Unemployment: Licensed Admin.	-	136	136	136	136	136	427	452	51	51	51	51	-	**1,765**	936	(829)
	0267	Unemployment: Other Classified	419	805	851	892	912	871	836	1,018	494	494	494	494	-	**8,581**	6,444	(2,137)
	0271	Worker's Comp: Teachers	-	-	407	404	404	404	404	404	637	637	637	637	-	**4,975**	4,299	(676)
	0272	Worker's Comp: Instructional Aides	-	-	-	-	-	-	-	-	114	114	114	114	-	**455**	390	(65)
	0274	Worker's Comp: Licensed Admin.	-	-	-	-	-	-	-	-	52	52	52	52	-	**209**	640	431
	0277	Worker's Comp: Other Classified	-	-	-	-	-	-	-	-	159	159	159	159	-	**635**	1,597	962
	0281	Health Benefits: Teachers	(656)	16,162	(618)	7,931	49,805	8,112	6,717	21,348	19,384	19,384	19,384	19,384	-	**186,337**	157,765	(28,572)
	0282	Health Benefits: Instructional Aides	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	0284	Health Benefits: Licensed Admin.	-	3,326	-	975	975	516	745	745	446	446	446	446	-	**9,064**	5,346	(3,718)
	0287	Health Benefits: Other Classified	(907)	4,139	(907)	(240)	(96)	(96)	(96)	(96)	3,564	3,564	3,564	3,564	-	**15,956**	16,038	82
			12,169	58,359	34,136	45,053	85,854	52,902	44,309	60,733	70,135	70,135	70,135	70,135	-	**673,494**	498,952	(174,542)

Teach Las Vegas - NV

Monthly Cash Flow/Forecast FY23

Revised 03/20/23

CHARTER IMPACT

Enrollment:	326	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Year-End Accruals	Annual Forecast	Original Budget	Favorable / (Unfav.)
Purchased Professional and Technical Services																	
0310	Offical/Administrative Services	472	504	17,019	16,185	16,839	28,099	16,466	16,462	15,855	15,855	15,855	46,855	-	**206,464**	237,013	30,549
0320	Professional Educational Services	-	3,500	19,861	17,483	29,051	10,493	-	23,391	7,427	7,427	7,427	7,427	-	**133,485**	12,081	(121,403)
0331	Prof-Dev/Instructional Lic. Personnel			-			-	-	-	2,205	2,205	2,205	2,205	-	**8,821**	-	(8,821)
0333	Prof-Dev/Administrative Lic. Personnel			-	-	-	-	-	-	-	-	-	-	-	**-**	-	-
0336	Prof-Dev/Other Classfied-Support Personnel			-	-	-	-	-	-	-	-	-	-	-	**-**	-	-
0337	Prof-Dev/Technology Training	-	-	-	-	-	-	-	-	1,250	1,250	1,250	1,250	-	**5,000**	32,468	27,468
0340	Other Professional Services	-	2,985	-	-	23,195	17,037	-	8,479	167	167	167	167	-	**52,362**	22,855	(29,507)
0345	Marketing	-	3,500	-	-	-	-	-	-	2,195	2,195	2,195	2,195	-	**12,279**	25,284	13,005
0350	Technical Services	-	-	-	-	-	-	-	-	1,366	1,366	1,366	1,366	-	**5,463**	8,387	2,923
0351	Data Processing and Coding Services	7,337	7,337	7,049	7,094	6,759	6,181	6,181	12,927	4,257	4,257	4,257	4,257	-	**77,895**	90,062	12,167
		7,809	17,826	43,929	40,762	75,843	61,810	22,647	61,258	34,721	34,721	34,721	65,721	-	**501,768**	428,148	(73,619)
Purchased Property Services																	
0410	Utility Services	4,629	5,538	3,993	7,707	3,317	8,849	4,864	4,766	4,171	4,171	4,171	4,171	-	**60,346**	72,828.98	12,483
0420	Cleaning Services	3,424	17,608	2,709	10,839	5,254	5,122	3,468	-	4,167	4,167	4,167	4,167	-	**65,091**	54,972.34	(10,118)
0430	Repairs and Maintenance Services	-	350	13,744	2,756	16,235	5,766	1,272	17,771	3,526	3,526	3,526	3,526	-	**71,998**	81,677.04	9,679
0441	Renting Land and Buildings	54,250	54,250	54,250	54,250	54,250	54,250	54,250	54,464	54,250	54,250	54,250	54,250	-	**651,212**	624,203.00	(27,009)
0444	Other Rentals	-	416	208	208	19	7,404	874	-	417	417	417	417	-	**10,796**	3,225.19	(7,571)
0490	Other Purchased Property Services		330	-	-	275	165	-	165	333	333	333	333	-	**2,268**	-	(2,268)
		62,303	78,493	74,904	75,760	79,350	81,555	64,727	77,166	66,864	66,864	66,864	66,864	-	**861,711**	836,907	(24,804)
Other Purchased Services																	
0519	Student Transportation		-	-	-	-	775	-	-	333	333	333	333	-	**2,108**	-	(2,108)
0521	Property Insurance "Business Owners"	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**	-	-
0522	Liability Insurance "Errors and Omissions"	2,083	2,239	1,302	1,770	1,770	1,770	1,770	1,770	2,949	2,949	2,949	2,949	-	**26,274**	37,857	11,584
0523	Fidelity / Other Insurance "Umbrella"		-	-	-	-	-	-	-	-	-	-	-	-	**-**	-	-
0531	Postage	-	-	45	-	451	-	-	-	176	176	176	176	-	**1,201**	15,171	13,971
0534	Telephone - Cell phone services	4,355	2,661	-	-	-	-	-	-	1,250	1,250	1,250	1,250	-	**12,016**	12,621	605
0535	Data Communications, Internet, Video	-	524	6,883	5,270	4,196	4,222	4,746	8,191	4,250	4,250	4,250	4,250	-	**51,032**	18,646	(32,386)
0540	Advertising	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**	15,780	15,780
0550	Printing and Binding	-	-	-	-	-	-	-	-	(0)	(0)	(0)	(0)	-	**(0)**	39,522	39,522
0569	Tuition-Other		-	-	-	-	-	-	-	-	-	-	-	-	**-**	-	-
0580	Travel	-	-	-	-	-	-	-	-	652	652	652	652	-	**2,606**	7,300	4,694
		6,438	5,424	8,230	7,040	6,418	6,767	6,516	9,962	9,610	9,610	9,610	9,610	-	**95,237**	146,896	51,660
Supplies																	
0610	General Supplies	-	26,388	35,126	3,616	35,999	35,050	-	4,483	3,646	3,646	3,646	3,646	-	**155,248**	247,949.06	92,701
0612	Non-Technology Supplies and Equipment	28,934	10,582	28,106	30,744	156,176	10,034	-	9,475	0	0	0	0	-	**274,050**	197,838.55	(76,212)
0622	Electricity		-	-	-	-	-	-	-	-	-	-	-	-	**-**	-	-
0630	Food	-	-	34,732	-	30,546	25,022	-	73,466	25,774	25,774	25,774	25,774	-	**266,861**	271,812.29	4,951
0640	Books and Periodicals	-	-	9,561	-	-	-	-	-	239	239	239	239	-	**10,518**	2,870.94	(7,647)
0641	Textbooks	-	-	23,279	7,039	23,259	3,575	-	-	3,107	3,107	3,107	3,107	-	**69,582**	227,199.02	157,617
0651	Supplies -Tech -Software	4,189	5,415	-	6,475	8,625	7,739	-	-	6,465	6,465	6,465	6,465	-	**58,305**	162,229.05	103,924
0652	Techology Supplies-Equipment	-	2,481	-	1,831	1,831	5,310	-	1,831	8,333	8,333	8,333	8,333	-	**46,618**	131,455.81	84,838
		33,123	44,866	130,803	49,705	256,435	86,730	-	89,255	47,566	47,566	47,566	47,566	-	**881,181**	1,241,355	360,174
Property																	
0734	Technology-Related Hardware		-	-	-	-	-	-	-	-	-	-	-	-	**-**	-	-
		-	-	-	-	-	-	-	-	-	-	-	-	-	**-**	-	-
Debt Service and Misc.																	
0810	Dues and Fees	-	-	-	239	2,950	1,168	-	-	88	88	88	88	-	**4,707**	11,305	6,598
0892	Penalties and Interest	-	237	15,440	-	35,482	-	-	178	250	250	250	250	-	**52,337**	7,145	(45,192)
		-	237	15,440	239	38,432	1,168	-	178	338	338	338	338	- -	**57,043**	18,449	6,598
General																	
0591	Sponsorship Fee	866	1,595	1,595	1,595	2,471	2,471	2,471	2,471	4,287	4,287	4,346	4,287	4,886	**37,631**	**39,353**	1,722
0790	Depreciation		-	-	-	-	-	-	-	-	-	-	-	-	**-**	-	-
		866	1,595	1,595	1,595	2,471	2,471	2,471	2,471	4,287	4,287	4,346	4,287	4,886	**37,631**	39,353	-
Total Expenses		**183,076**	**357,777**	**476,297**	**377,712**	**690,799**	**482,005**	**293,238**	**457,756**	**389,335**	**389,335**	**389,394**	**420,335**	4,886	**4,911,383**	4,275,536	**(635,847)**
Surplus (Deficit)		**$ (113,787)**	(220,708)	(376,219)	(244,568)	122,380	(265,410)	**$ (32,905)**	**$ 123,104**	**$ (103,529)**	**$ (103,529)**	**$ (99,662)**	**$ (134,529)**	**$ 320,821**	**$ (1,127,978)**	**$ 464,726**	**$ (1,593,281)**

Teach Las Vegas - NV

Monthly Cash Flow/Forecast FY23

Revised 03/20/23

CHARTER IMPACT

Enrollment: 326	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Year-End Accruals	Annual Forecast	Original Budget	Favorable / (Unfav.)
Cash Flow Adjustments																
Monthly Surplus (Deficit)	(113,787)	(220,708)	(376,219)	(244,568)	122,380	(265,410)	(32,905)	123,104	(103,529)	(103,529)	(99,662)	(134,529)	320,821	**(1,128,542)**		
Cash flows from operating activities																
Depreciation/Amortization	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**		
Public Funding Receivables	-	-	113,102	-	-	-	-	-	-	-	-	-	(325,706)	**(212,604)**		
Grants and Contributions Rec.	-	126,449	77,396	-	-	-	-	-	-	-	-	-	-	**203,845**		
Due To/From Related Parties	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**		
Prepaid Expenses	187	364	(573)	(105)	(105)	(105)	(105)	(105)	-	-	-	-	-	**(546)**		
Other Assets	28,934		-	-	-	-	-	-	-	-	-	-	-	**28,934**		
Accounts Payable	-	(60,729)	(51,376)	124,812	32,777	(76,124)	7,749	53,305	-	-	-	-	4,886	**35,299**		
Accrued Expenses	5,282	(16,519)	33,246	(3,197)	729	14,856	3,198	47,435	-	-	-	-	-	**85,030**		
Other Liabilities	54,091	51,863	53,953	(32,876)	3,521	17,768	(83,864)	(83,059)	-	-	-	-	-	**(18,604)**		
Cash flows from investing activities																
Purchases of Prop. And Equip.			-	-	-	-	-	-	-	-	-	-	-	**-**		
Notes Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**		
Cash flows from financing activities																
Proceeds from Debt	-	-	434,483	-	535,264	-	-	-	-	-	-	-	-	**969,748**		
Payments on Debt	-	-	-	(55,000)	(262,383)	(20,000)			(107,000)	(107,000)	(107,000)	(107,000)	-	**(765,383)**		
Total Change in Cash	(25,293)	(119,279)	284,012	(210,934)	432,183	(329,015)	(105,928)	140,679	(210,529)	(210,529)	(206,662)	(241,529)				
Cash, Beginning of Month	68,380	43,087	(76,192)	207,774	(3,159)	429,023	100,009	(5,919)	134,760	(75,769)	(286,298)	(492,960)				
Cash, End of Month	$ 43,087	(76,192)	207,820	(3,159)	429,023	100,009	$ (5,919)	$ 134,760	$ (75,769)	$ (286,298)	$ (492,960)	$ (734,489)	(55)	**DCOH**		

TEACH Las Vegas

Budget vs Actual

For the period ended February 28, 2023

	Current Period Actual	Current Period Budget	Current Period Variance	Current Year Actual	YTD Budget	YTD Budget Variance	Total Budget
Revenues							
State Revenue Distributed School Account							
Basic General Governmental Services Tax	$ 197,711	$ 234,195	$ (36,484)	$ 1,469,529	$ 1,639,366	$ (169,837)	$ 2,810,454
PCFP - English Learner (restricted)	4,090	-	4,090	28,631	-	28,631	-
PCFP - At-Risk (restricted)	1,426	-	1,426	9,985	-	9,985	-
Basic Support	-	-	-	-	-	-	337,791
Total State Revenue Distributed School Account	203,227	234,195	(30,968)	1,508,144	1,639,366	(131,222)	3,148,245
State Revenue							
Special Ed portion to DSA	3,926	-	3,926	11,777	-	11,777	140,944
Restricted Grants-in-Aid	347,362	250,000	97,362	619,648	647,319	(27,671)	897,319
Total State Revenue	351,287	250,000	101,287	631,425	647,319	(15,894)	1,038,263
Federal Revenue							
Title I	26,346	-	26,346	39,713	57,896	(18,183)	115,793
Title IIA	-	-	-	-	17,141	(17,141)	34,281
Special Education Part B	-	-	-	1,607	-	1,607	23,095
Restricted Grants-in-Aid From the Federal Government T	-	-	-	129,081	72,413	56,668	343,995
Other Federal Funds	-	-	-	-	-	-	36,590
Total Other State Revenue	26,346	-	26,346	170,401	147,450	22,951	553,753
Other Local Revenue							
Other Activity Income	-	-	-	578	-	578	-
Total Other Local Revenue	-	-	-	578	-	578	-
Total Revenues	**580,860**	**484,195**	**96,665**	**2,310,548**	**2,434,135**	**(123,587)**	**4,740,261**
Expenses							
Certificated Salaries							
Salaries of Regular Employees Paid to Teachers	106,802	59,604	(47,198)	832,524	423,010	(409,514)	661,427
Salaries of Regular Employees Paid to Instructional Aides	-	5,455	5,455	-	38,182	38,182	60,000
Salaries of Regular Employees Paid to Licensed Administ	15,352	8,199	(7,153)	114,950	65,590	(49,360)	98,385
Total Certificated Salaries	122,154	73,258	(48,896)	947,474	526,782	(420,692)	819,812
Classified Salaries							
Salaries of Regular Employees Paid to Other Classified / S	34,580	21,012	(13,568)	232,588	161,616	(70,972)	245,664
Total Classified Salaries	34,580	21,012	(13,568)	232,588	161,616	(70,972)	245,664
Benefits							
Social Security Contributions for Licensed Administration	-	-	-	482	-	(482)	-
Social Security Contributions for Other Classified / Suppo	231	-	(231)	564	-	(564)	-
Retirement Contributions for Teachers	20,907	17,434	(3,473)	156,754	123,730	(33,024)	193,467
Retirement Contributions for Instructional Aides or Assis	-	338	338	-	2,367	2,367	3,720
Retirement Contributions for Licensed Administration	4,484	508	(3,975)	31,169	4,067	(27,102)	6,100
Retirement Contributions for Other Classified / Support S	5,801	6,146	345	40,259	47,273	7,013	71,857
Medicare Payments for Teachers	1,539	864	(675)	11,537	6,134	(5,403)	9,591
Medicare Payments for Instructional Aides or Assistants	-	79	79	-	554	554	870
Medicare Payments for Licensed Administration	219	119	(100)	1,519	951	(568)	1,427
Medicare Payments for Other Classified / Support Staff	479	305	(174)	3,147	2,343	(804)	3,562
Unemployment Compensation for Teachers	3,203	1,181	(2,022)	19,711	8,381	(11,331)	13,104
Unemployment Compensation for Instructional Aides or	-	164	164	-	1,145	1,145	1,800
Unemployment Compensation for Licensed Administrati	452	78	(374)	1,561	624	(937)	936
Unemployment Compensation for Other Classified / Sup	1,018	551	(467)	6,603	4,239	(2,364)	6,444
Worker's Comp: Teachers	404	358	(46)	2,428	2,866	438	4,299
Worker's Comp: Instructional Aides	-	33	33	-	260	260	390
Worker's Comp: Licensed Admin.	-	53	53	-	426	426	639
Worker's Comp: Other Classified	-	133	133	-	1,065	1,065	1,597
Health Benefits: Teachers	21,348	13,147	(8,201)	108,800	105,177	(3,624)	157,765
Health Benefits: Licensed Admin.	745	446	(300)	7,282	3,564	(3,718)	5,346
Health Benefits: Other Classified	(96)	1,337	1,433	1,700	10,692	8,992	16,038
Total Benefits	60,733	43,274	(17,460)	393,516	325,858	(67,659)	498,952

TEACH Las Vegas

Budget vs Actual

For the period ended February 28, 2023

	Current Period Actual	Current Period Budget	Current Period Variance	Current Year Actual	YTD Budget	YTD Budget Variance	Total Budget
Books & Supplies							
Textbooks	-	25,508	25,508	57,152	152,819	95,667	227,199
Books and Reference Materials	-	-	-	9,561	2,871	(6,690)	2,871
Supplies - Technology - Software	-	7,881	7,881	32,443	102,568	70,125	162,229
Supplies/Equipment - Information Technology Related	1,831	-	(1,831)	13,285	126,407	113,122	131,456
Travel	-	1,153	1,153	-	6,986	6,986	7,300
General Supplies	4,483	2,350	(2,133)	140,662	179,640	38,978	247,949
Supplies/Equipment - Non-information technology suppl	9,475	5,470	(4,005)	274,050	52,016	(222,034)	197,839
Food Services	73,466	-	(73,466)	163,766	109,744	(54,022)	271,812
Total Books & Supplies	89,255	42,361	(46,894)	690,918	733,050	42,133	1,248,654
Subagreement Services							
Professional Educational Services	23,391	1,271	(22,120)	103,778	6,331	(97,448)	12,081
Student Transportation	-	-	-	775	-	(775)	-
Total Subagreement Services	23,391	1,271	(22,120)	104,553	6,331	(98,223)	12,081
Operations & Housekeeping							
Dues and Fees	-	-	-	4,357	10,752	6,396	11,305
Insurance	1,770	2,806	1,036	14,476	25,256	10,780	37,857
Utility Services	4,766	6,307	1,542	43,662	46,695	3,033	72,829
Cleaning Services	-	266	266	48,424	17,740	(30,684)	54,972
Miscellaneous Expenditures	-	-	-	(0)	-	0	-
General	2,471	3,279	808	15,538	22,956	7,418	39,353
Telephone - Cell phone services	-	1,079	1,079	7,016	8,249	1,234	12,621
Data Communications, Internet, Video, T-lines, web-base	8,191	-	(8,191)	34,032	-	(34,032)	18,646
Postage	-	-	-	496	13,707	13,211	15,171
Total Operations & Housekeeping	17,199	13,738	(3,461)	168,001	145,355	(22,646)	262,754
Facilities, Repairs & Other Leases							
Renting Land and Buildings	54,464	52,017	(2,447)	434,212	416,135	(18,077)	624,203
Other Leases	-	631	631	9,129	631	(8,498)	3,225
Other Purchased Property Services	165	-	(165)	935	-	(935)	-
Repairs and Maintenance Services	17,771	-	(17,771)	57,894	53,062	(4,832)	81,677
Total Facilities, Repairs & Other Leases	72,400	52,648	(19,752)	502,170	469,829	(32,341)	709,105
Professional/Consulting Services							
Other Professional Services	8,479	-	(8,479)	51,695	19,884	(31,811)	22,855
Prof-Dev/Technology Training	-	2,722	2,722	-	2,722	2,722	32,468
Technical Services	-	-	-	-	571	571	8,387
Official/Administrative Services	16,462	19,751	3,290	112,044	158,009	45,965	237,013
Printing and Binding	-	-	-	-	28,104	28,104	39,522
Data Processing and Coding Services	12,927	7,850	(5,077)	60,865	53,693	(7,172)	90,062
Marketing	-	4,994	4,994	3,500	14,734	11,234	25,284
Advertising	-	-	-	-	15,780	15,780	15,780
Total Professional/Consulting Services	37,867	35,317	(2,550)	228,104	293,496	65,392	471,369
Interest							
Penalties and Interest	178	-	(178)	51,337	-	(51,337)	7,145
Total Interest	178	-	(178)	51,337	-	(51,337)	7,145
Total Expenses	**457,756**	**282,879**	**(174,878)**	**3,318,661**	**2,662,317**	**(656,345)**	**4,275,536**
Change in Net Assets	**123,104**	**201,316**	**(78,213)**	**(1,008,113)**	**(228,182)**	**(779,931)**	**464,725**
Net Assets, Beginning of Period	(797,259)			333,958			
Net Assets, End of Period	**$ (674,156)**			**$ (674,156)**			

TEACH Las Vegas

Statement of Financial Position

February 28, 2023

	Current Balance	Beginning Year Balance	YTD Change	YTD % Change
Assets				
Current Assets				
Cash and Cash Equivalents	$ 134,760	$ 68,380	$ 66,380	97%
Public Funding Receivables	312,642	425,744	(113,102)	-27%
Grants & Contributions Receivable	-	221,569	(221,569)	-100%
Other Accounts Receivable	17,725	-	17,725	0%
Prepaid Expenses	4,735	4,189	546	13%
Total Current Assets	**469,862**	**719,883**	**(250,021)**	**-35%**
Long-Term Assets				
Property & Equipment, Net	34,824	34,824	-	0%
Total Long Term Assets	**34,824**	**34,824**	**-**	**0%**
Total Assets	**$ 504,685**	**$ 754,706**	**$ (250,021)**	**-33%**
Liabilities				
Current Liabilities				
Accounts Payable	$ 355,285	$ 295,983	$ 59,302	20%
Accrued Expenses	179,076	94,047	85,030	90%
Other Current Liabilities	71,864	1,719	70,144	4080%
Total Current Liabilities	**606,225**	**391,749**	**214,476**	**55%**
Long-Term Liabilities				
Notes Payable, Net of Current Portion	450,719	29,000	421,719	1454%
Other Long-Term Liabilities	121,897	-	121,897	0%
Total Long-Term Liabilities	**572,616**	**29,000**	**543,616**	**1875%**
Total Liabilities	**1,178,841**	**420,749**	**758,092**	**180%**
Total Net Assets	(674,156)	333,958	**(1,008,113)**	**-302%**
Total Liabilities and Net Assets	**$ 504,685**	**$ 754,706**	**$ (250,021)**	**-33%**

TEACH Las Vegas

Accounts Payable Aging

February 28, 2023

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
Revolution Foods, PBC	0123-3475	1/31/2023	3/2/2023	$ 30,290	$ -	$ -	$ -	$ -	$ 30,290
Cheerleading Company	0678267CW	11/15/2022	12/15/2022	-	-	-	14,917	-	14,917
Skill Struck, Inc.	1274	11/18/2022	12/18/2022	-	-	-	5,000	-	5,000
Charter Impact	13316	10/1/2022	10/1/2022	-	-	-	-	7,434	7,434
Charter Impact	13385	9/30/2022	10/1/2022	-	-	-	-	1,201	1,201
Charter Impact	13466	11/1/2022	11/1/2022	-	-	-	-	7,099	7,099
Charter Impact	13523	10/31/2022	11/1/2022	-	-	-	-	20	20
Charter Impact	13582	12/1/2022	12/1/2022	-	-	-	6,521	-	6,521
Charter Impact	13680	1/1/2023	1/1/2023	-	-	6,521	-	-	6,521
Charter Impact	13822	2/1/2023	2/1/2023	-	6,521	-	-	-	6,521
Charter Impact	13912	1/31/2023	2/1/2023	-	225	-	-	-	225
Charter Impact	13983	3/1/2023	3/1/2023	6,521	-	-	-	-	6,521
ServiceMaster Restoration by EMT	14233-WTR	11/30/2021	11/30/2021	-	-	-	-	10,671	10,671
ServiceMaster Restoration by EMT	14233-WTR-01	9/22/2022	9/22/2022	-	-	-	-	10,706	10,706
Center For Teacher Effectiveness	147704	8/19/2022	8/19/2022	-	-	-	-	9,561	9,561
BoardOnTrack, Inc.	2021-11685-BOT	2/13/2023	3/10/2023	4,995	-	-	-	-	4,995
Norri Eells	2022-2023 TEACH-4	2/24/2023	2/24/2023	-	4,500	-	-	-	4,500
Fencing Specialists, Inc.	21321	6/11/2021	6/11/2021	-	-	-	-	17,462	17,462
Squish Pest Control, Inc.	217206	2/10/2023	2/10/2023	-	450	-	-	-	450
Scoot Education Inc.	24647	10/4/2022	10/11/2022	-	-	-	-	1,795	1,795
Kingdom Plumbing	2564100	12/15/2022	1/14/2023	-	-	1,558	-	-	1,558
Scoot Education Inc.	25797	10/19/2022	10/26/2022	-	-	-	-	780	780
Wildflower Therapy Services, LLC	264	1/31/2022	2/28/2023	5,360	-	-	-	-	5,360
Scoot Education Inc.	26775	11/2/2022	11/9/2022	-	-	-	-	1,040	1,040
Scoot Education Inc.	27517	11/5/2022	12/5/2022	-	-	-	2,358	-	2,358
Scoot Education Inc.	28055	11/16/2022	11/23/2022	-	-	-	-	2,184	2,184
Scoot Education Inc.	29421	12/7/2022	12/14/2022	-	-	-	1,820	-	1,820
CliftonLarsonAllen LLP	3487164	11/23/2022	11/23/2022	-	-	-	-	7,497	7,497
Scoot Education Inc.	35355	2/22/2023	3/1/2023	1,040	-	-	-	-	1,040
Howard & Howard Attorneys PLLC	735772	1/18/2023	1/18/2023	-	-	1,086	-	-	1,086
Aces High Party Rental	7405	12/16/2022	12/16/2022	-	-	-	665	-	665
Brady Industries	7818466	1/31/2023	3/2/2023	1,970	-	-	-	-	1,970
Staples	8068405225	11/26/2022	12/11/2022	-	-	-	3,930	-	3,930

TEACH Las Vegas

Accounts Payable Aging

February 28, 2023

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
Staples	8069086071	1/28/2023	2/12/2023	-	8,793	-	-	-	8,793
TEACH Public Schools	AR-1060	6/3/2022	6/3/2022	-	-	-	-	32,062	32,062
TEACH Public Schools	AR-1080	7/31/2022	7/31/2022	-	-	-	-	32,062	32,062
TEACH Public Schools	AR-1081	9/9/2022	10/9/2022	-	-	-	-	32,062	32,062
Scoot Education Inc.	INV-0688	11/15/2022	12/15/2022	-	-	-	104	-	104
TCI	INV100713	11/10/2022	12/10/2022	-	-	-	16,117	-	16,117
Sehi Computer Products, Inc.	I00232298	1/13/2023	2/12/2023	-	86	-	-	-	86
Sehi Computer Products, Inc.	I00232614	1/25/2023	2/24/2023	-	2,375	-	-	-	2,375
Meal Time	MTMN00000480	1/27/2023	2/26/2023	-	2,830	-	-	-	2,830
Nevada PERS	NEVA012023	1/20/2023	1/20/2023	-	-	45,707	-	-	45,707
Sehi Computer Products, Inc.	R00008274	10/18/2022	11/17/2022	-	-	-	-	(611)	(611)
		Total Outstanding Invoices		$ 50,176	$ 25,780	$ 54,872	$ 51,432	$ 173,025	$ 355,285

TEACH Las Vegas

Check Register

For the period ended February 28, 2023

Check Number	Vendor Name	Transaction Description	Check Date	Check Amount
10436	Asset Panda, LLC	Asset Panda Subscription - 09/12/22 - 11/28/24	2/23/2023	$ 2,739.11
10437	Brady Industries	Janitorial Supplies	2/23/2023	3,267.85
10438	Communication Electronic Systems LLC	Fire Alarm Monitoring	2/23/2023	330.00
10439	COX Business	Communication Svcs - 11/30/22 - 02/28/23	2/23/2023	4,222.00
10440	EMCOR Services Mesa Energy	HVAC Svcs & Repair Svcs 07/22-12/22	2/23/2023	10,879.50
10441	GoTo Communications, Inc.	Communication Svcs - 01/23-02/23 & Yealink Phone w/Power (10)	2/23/2023	2,653.37
10442	Image 2000, Inc.	Office Supplies	2/23/2023	877.13
10443	Jared Perry	SpEd Svcs - 11/06/22 - 11/27/22 & 11/28/22 - 01/19/23	2/23/2023	1,860.00
10444	MasterCorp Commercial Services	Janitorial Svcs - 09/22	2/23/2023	5,077.67
10445	Meal Time	Consulting Svcs & Hardware Barcode Scanner (2)	2/23/2023	796.16
10446	Mobile Mini	Container Rental - 12/13/22 - 01/09/23	2/23/2023	219.20
10447	NCSAA	ES Flag Football	2/23/2023	775.00
10448	NWEA	Textbooks	2/23/2023	3,575.00
10449	Pacific Business Technologies North	Copier Lease	2/23/2023	7,141.27
10450	Renaissance Life & Health Insurance Compan	Dental/Vision/Life Ins. - 02/01/23 - 02/28/23 & 11/01/22 - 11/30/22	2/23/2023	13,513.19
10451	Revolution Foods, PBC	Meals - 10/22, 11/22 & 12/22	2/23/2023	68,198.00
10452	Scoot Education Inc.	Sub Svcs - 12/22-02/23	2/23/2023	6,864.00
10453	SmartSign	Office Supplies	2/23/2023	748.29
10454	Squish Pest Control, Inc.	Pest Control Svcs - 07/22 & 08/22	2/23/2023	450.00
10455	Teacher Innovations, Inc.	Planbook Subscription - 1 Yr	2/23/2023	148.50
10456	Troop LLC	Sub Svcs	2/23/2023	172.50
10457	Wildflower Therapy Services, LLC	SpEd Svcs - 11/01/22 - 11/30/22 & 12/01/22 - 12/16/22	2/23/2023	8,506.67
10458	Williams Scotsman, INC	Container Rental - 02/07/23 - 03/06/23	2/23/2023	214.13
ACH	The Hartford	Workers Comp Ins.	2/6/2023	404.15
ACH	NV Energy	Utility Svcs - 12/15/22 - 01/18/23	2/9/2023	529.77
ACH	NV Energy	Utility Svcs - 12/15/22 - 01/18/23	2/9/2023	653.11
ACH	NV Energy	Utility Svcs - 12/15/22 - 01/18/23	2/9/2023	1,370.15
ACH	Great American Insurance Co.	PAC/UMB Insurance	2/13/2023	1,878.18
ACH	COX Business	Cox Communications - 01/30/23 - 02/28/23	2/21/2023	2,111.00
ACH	Bank of Nevada	Analysis Charges	2/21/2023	87.50
ACH	Las Vegas Valley Water District	Utility Svcs - 12/28/22 - 01/30/23	2/27/2023	1,751.08
			Total Disbursements Issued in February	**$ 152,013.48**

Coversheet

CAM Factoring Agreement

Section:	III. ITEMS SCHEDULED FOR INFORMATION & POTENTIAL ACTION
Item:	B. CAM Factoring Agreement
Purpose:	Vote
Submitted by:	
Related Material:	Factoring Agreement TEACH Las Vegas April 7, 2023.pdf

FACTORING AGREEMENT

THIS FACTORING AGREEMENT ("**Agreement**") is made and executed this April 7, 2023 (the "**Effective Date**") by and between TEACH Las Vegas DBA TEACH Las Vegas Charter School, 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 August 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.

(k) Seller fails to open the School on or prior to August 15, 2022, 2022.

(l) Seller's Enrollment Variation measured as of the last day of any calendar month fails to meet Lender's underwriting criteria in effect on such date as determined by Lender in Lender's sole and absolute discretion.

(m) The occurrence of any event which Lender determines in Lender's sole and absolute discretion impacts Seller's ability to pay (or cause to be paid) to Lender any amounts due under this 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, than 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 of 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: Chairperson, Board of Directors

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

Account Authority / Payor	Account Receivable	Amount Purchased	Admin Fee	Discount %	Discount	Amount Funded
Nevada Department of Education	FY 22-23 State Aid Distributive School Account (DSA) Jun PMT. District Code# 2. School Code# 112100	$104,155.82	$ -	3.99%	$4,155.82	-$100,000.00
Total		$104,155.82	$ -		$4,155.82	-$100,000.00

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 Chairperson, Board of Directors 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
Chairperson, Board of Directors

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 TEACH Las Vegas Charter School 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 24, 2023 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 24, 2023.

TEACH Las Vegas DBA TEACH Las Vegas Charter School

By: ________________________________

Trishawn Allison
Chairperson, Board of Directors

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: Hanmi Bank
Account: Charter Asset Management Fund, L.P.
Account Number: 550104624
Wiring/Routing Number: 122039399

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: April 7, 2023

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
Chairperson, Board of Directors

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

____
Trishawn Allison
Chairperson, Board of Directors

Coversheet

Employee Retention Tax Credit

Section:	III. ITEMS SCHEDULED FOR INFORMATION & POTENTIAL ACTION
Item:	C. Employee Retention Tax Credit
Purpose:	Vote
Submitted by:	
Related Material:	ERC Service Fee Agreement.pdf

CFOMW Tax, LLC

38 29th Place

Venice, CA 90291

SERVICES FEE AGREEMENT

Instructions: Review and sign the agreement below on a desktop computer.

Via Email: mbrown@teachps.org

RE: Fee Agreement and Engagement for TEACH Las Vegas Charter School

Dear Matt Brown,

Thank you for selecting CFOMW Tax, LLC (the "Firm" or "we") to provide TEACH Las Vegas Charter School ("Client" or "you") with the tax consulting services set forth below. In connection with our engagement to perform this work, we require written acknowledgement of this agreement for our files and the relevant rules of professional conduct.

We feel that it is in the best interest of our clients that they be fully informed of our billing practices and what services we will be undertaking on their behalf. The purpose of this letter, therefore, is to set forth the scope of our engagement to you, to set forth the financial arrangements regarding our engagement, and to verify our agreement of the foregoing:

1. Scope of Engagement

Subject to the terms and conditions herein, including without limitation advance payment of the retainer and a signed copy of this agreement, the Firm will perform those services which you requested and, more specifically, calculating your potential refund claim related to the IRS Employee Retention Tax Credit ("ERTC"), prepare all related tax forms to obtain the ERTC, and, if necessary, provide audit representation related to the ERTC (the "Engagement"). We anticipate this work will require us to review your historical tax records and ask you various questions related to the Engagement.

2. Responsibilities of the Parties

The Firm will provide those services reasonably required to represent you in prosecuting the claims described in Paragraph 2 and will take reasonable steps to keep you informed of progress and developments, and to respond promptly to inquiries and communications. You agree to be truthful with the Firm, to cooperate, to keep the Firm informed of any information and developments which may come to your attention, to abide by this Agreement, to pay the Firm's bills for costs on time, and to keep the Firm advised of your address, telephone number and whereabouts. You agree to cooperate fully with the Firm in all matters related to the preparation and presentation of your claims.

3. Fee for Representation

Generally, we bill an hourly rate, however for this matter we will only bill you to complete the Engagement if the Engagement results in a refund of taxes or amounts previously paid or due related to a successful ERTC claim. In the event that you obtain a refund related to taxes or amounts paid pursuant to the ERTC claim, you shall pay a fee as follows:

Seven percent (7.0%) of the total refund amount received. For the avoidance of doubt, should you receive a refund of $100,000; you shall pay me a fee of $7,000. This fee is due immediately and payable within thirty (30) days of receipt of part or all of the refund you receive. Should your refund be overturned by the IRS on audit, the Firm will refund the fee previously paid pro-rata with the principal amount the Client repays to the IRS. For the avoidance of doubt, should the Client pay a fee to the Company of One Hundred Dollars $100 and the IRS later overturns Ten Percent (10%) of the original refund principal amount, the Firm shall repay the Client Ten Dollars ($10).

In the event we are required to do additional work outside the reasonably anticipated scope of this Engagement ("Out-of-Scope Services"), such work shall be on a separate hourly basis and may require a separate engagement letter; an hourly rate can be outlined in that agreement. Out-of-Scope Services shall include work on separate or distinct matters not contemplated initially by both parties at the time this Agreement was entered into, or rework or other updates to documents necessary to correct inaccurate statements or representations. If we anticipate the need to provide any significant Out-of-Scope Services in connection with Engagement, we will endeavor to notify you before commencing with such work and incurring expenses and time and may request that you sign a separate engagement letter for the additional services to be performed.

Out-of-Scope Services include, but are not limited to the following:

- Preparation of original or amended federal or state income tax returns other than those as outlined in the Engagement;
- Bookkeeping or financial record compilation services;
- Representation before state tax authorities concerning audits or formal examinations;
- Other business consulting services not related to the proposed Engagement;
- Preparing or drafting of other legal documents not specifically discussed earlier;
- Costs for subsequent state revenue authority appeals and audits, or costs incurred for filing in federal, District Court, or any other state

We do our best to see that our clients are satisfied not only with our services but also with the reasonableness of the fees and disbursements charged for these services. Therefore, if you have any questions about or objection to a statement or the basis for our fees to you, you should raise it promptly and not more than thirty (30) days after you receive a bill for discussion. If you object only to a portion of the statement, we ask you pay the remainder, which will not constitute a waiver of your objections.

4. Disbursements

The performance of professional services generally involves costs and expenses, some of which must be paid to third parties. These expenses include, but are not limited to, administrative filing fees, court reporters, deposition fees, travel costs, copying costs, telecopier costs, messenger services, long distance telephone charges, computerized research expenses and expenses of experts whom we deem appropriate to assist in our representation of you. For purposes of this Engagement, we shall not charge any amounts for costs and expenses.

5. Retainer

No retainer is being requested as part of this Engagement.

6. No Guarantees

The Firm and you understand and agree that no results have been guaranteed by the Firm or any of its employees and that this agreement is not based upon any such promises or anticipated results.

7. Disputes and Arbitration

In the unlikely event you and the Firm are unable to resolve differences on the question of any fee and/or expense items, you hereby agree to make a good faith effort at resolving the dispute. If the dispute cannot be resolved, the parties agree to submit all disputes arising under this agreement to arbitration in Los Angeles, California before a single arbitrator of the American Arbitration Association ("AAA"). The arbitrator shall be selected by application of the rules of the AAA, or by mutual agreement of the parties, except that such arbitrator shall be an attorney admitted to practice law in California. No party to this agreement will challenge the jurisdiction or venue provisions as provided in this section. Nothing contained herein shall prevent the party from obtaining an injunction.

8. Withdrawal from Representation

Our firm's relationship with you is one of mutual trust and confidence. If you, for whatever reason, wish us to cease representing you, you may request that we do so. If we feel we no longer wish to represent you, we will inform you in writing so you have sufficient time to find new representation. We generally will only do so in the following circumstances: (a) a lack of cooperation by you in promptly submitting necessary requested information; (b) your knowingly providing us, your adversaries or the government with false information; (c) your disregard of advice about matters of critical importance to your case; (d) your failure to promptly pay fees; or (e) for any other reason provided advance notice is provided.

Upon such termination, however, you would remain liable for any unpaid fees and costs. We also shall be authorized to reveal this agreement and any other necessary documents to any court or agency if the same should prove necessary to effect withdrawal or collection of our fees. Should you terminate the Engagement after the relevant forms required to file the ERTC are provided to you and a refund is later obtained, the fees stated above shall remain fully due and payable.

It is the policy of this firm to make every effort to have our clients feel that they are treated on a fair basis. We welcome an honest discussion of our fees and our services and encourage our clients to inquire about any matter relating to our fee arrangement or monthly statements that are in anyway unclear or appear unsatisfactory. If you have any questions, please do not hesitate to call us.

9. Miscellaneous

This agreement will also apply to services rendered for such future matters that we agree will be handled by the Firm. If, however, such services, are substantially different from those to which this agreement applies (for instance, an appearance on your behalf in court), either party may request that a new agreement be executed, or that this agreement be re-acknowledged.

By executing this agreement, you acknowledge that fees received by the Firm may be utilized to pay employees or contractors associated with the Firm who assisted with the Engagement.

The Firm is not responsible for any errors or omissions regarding information, in whatever form, that you provide to the Firm; you agree that the Firm cannot verify the accuracy of your information and as such the Firm is in no way liable in any way for such provided information.

If this letter correctly sets forth your understanding of the scope of the services to be rendered to the company by the Firm and the manner by which fees will be charged and paid, and if the terms of the engagement are satisfactory, please execute the enclosed copy of this letter and return it to us. If the scope of the services described is incorrect or if the terms of the engagement set forth in this letter are not satisfactory to you, please let us know in writing so that we can discuss either aspect.

By executing this agreement, you acknowledge that there is uncertainty concerning the outcome of this matter and that the Firm and the undersigned professionals have made no guarantees as to the disposition of any phase of this matter. All representations and expression relative to the outcome of this matter, are only expressions of the said professional's opinions and do not constitute guarantees. We look forward to continuing to work with you and thank you once again for the opportunity to serve.

Very truly yours,

Michael Williams

READ, AGREED AND CONSENTED TO:

Signer Name *

Matt | Brown

First Name | Last Name

Signer Title *

Principal

Date *

03-24-2023

Date

Signature *

Sign Here

Clear

Submit

Coversheet

Enrollment and Transportation Amendment to the TEACH LV Charter & Fiscal Notice of Concern

Section: III. ITEMS SCHEDULED FOR INFORMATION & POTENTIAL ACTION
Item: D. Enrollment and Transportation Amendment to the TEACH LV Charter & Fiscal Notice of Concern
Purpose: Discuss
Submitted by:
Related Material: 230303-TEACH220826-RFA-Budget-Workbook-FY23-BUDGET-B(1).xlsx
230303-220826-RFA-Budget-Workbook-FY23-BUDGET-A.xlsx
FY22 FPF Memo_FINAL_030323.pdf
230303-SPCSA-Recommendation-Memo-TEACHreduc.pdf
230303-TEACH-Charter-Amendment-Application(1).pdf

Notice

The following file is attached to this PDF. You will need to open this packet in an application that supports attachments to pdf files, e.g. Adobe Reader:

230303-TEACH220826-RFA-Budget-Workbook-FY23-BUDGET-B(1).xlsx

Notice

The following file is attached to this PDF. You will need to open this packet in an application that supports attachments to pdf files, e.g. Adobe Reader:

230303-220826-RFA-Budget-Workbook-FY23-BUDGET-A.xlsx

Joe Lombardo
Governor

STATE OF NEVADA

Rebecca Feiden
Executive Director

STATE PUBLIC CHARTER SCHOOL AUTHORITY

1749 North Stewart Street Suite 40
Carson City, Nevada 89706-2543
(775) 687-9174 · Fax (775) 687-9113

2080 East Flamingo Road Suite 230
Las Vegas, Nevada 89119-5164
(702) 486-8895 · Fax (702) 486-5543

ACTION MEMORANDUM

TO:	SPCSA Board
FROM:	Mike Dang, Manager of Organizational and Financial Performance Mark Modrcin, Director of Authorizing
SUBJECT:	Agenda Item #9: Recommendations Under the SPCSA Financial Performance Framework for FY22
DATE:	March 3, 2023

Background

As the Authority is aware, NAC 387.775 requires that all public charter schools undergo an annual financial audit conducted by an independent third-party. These audits must be submitted to governing boards no later than November 1 of each calendar year, and subsequently must be submitted to the SPCSA by December 1 of each year.

The results of these annual audits are then analyzed against the SPCSA Financial Performance Framework, which is a critical tool in evaluating a charter schools' financial well-being, health, and performance as part of ongoing monitoring. Charter schools manage their finances consistent with state and federal law; however, the SPCSA is responsible for ensuring that sponsored schools are financially stable and meeting the SPCSA board-approved financial performance standards. Ultimately, these standards are intended to ensure that schools are financially healthy and that the financial position of the school is not jeopardizing its ability to operate and effectively serve students in both the short and long-term.

As a reminder, the SPCSA Financial Performance Framework includes eight indicators, four aimed at assessing the near-term health of a school and four aimed at assessing the long-term sustainability and viability of a school. These indicators are as follows:

Near Term Indicators	Sustainability Indicators
Current Ratio	Total Margin and Aggregated Three-Year Total Margin
Unrestricted Days Cash-On-Hand Ratio (UDCOH)	Debt to Asset Ratio
Enrollment Variance[1]	Cash Flow
Debt (or Lease) Default	Debt or Lease Service Coverage Ratio

For each indicator, schools receive one of three ratings: Meets the Standard (MS), Does Not Meet the Standard (DNMS), or Falls Far Below Standard (FFBS).

As stated in the SPCSA Financial Performance Framework Technical Guide, poor financial performance measure ratings may result in intervention by the SPCSA. Generally, a school with a financial framework profile results that include at least one indicator rated at Falls Far Below Standard and/or at least three indicators rated at Does Not Meet Standard may be recommended to enter the intervention process.

The Authority has three levels of intervention when schools do not meet financial standards. These levels are as follows: Notice of Concern, Notice of Breach and Notice of Intent to Terminate. It is important to note that the SPCSA considers the academic, financial, and organizational performance of a charter school, including any past or current notices, when determining whether to approve a request for an amendment to its charter contract (NRS 388A.276 and NAC 388A.400). Additionally, past performance, including any past or current notices is considered when determining whether to renew a charter contract (NRS 388A.285).

Analysis

SPCSA staff have reviewed all Fiscal Year Ending June 30, 2022 (FY 22) independent financial audits received through the NAC 387.775 deadline of December 1, plus any audits after this deadline but before January 31, 2023. All schools submitting audits by this date were provided preliminary ratings against the SPCSA Financial Performance Framework standards. SPCSA staff provided schools a window within which schools could review, confirm and/or comment on their preliminary ratings rated performance against the established standards as adopted by the Authority. This memorandum and the recommendations herein pertain to 30 schools. At this time, the SPCSA has not received audits for the following eight schools: CIVICA Career & Collegiate Academy of Nevada, Doral Academy, Doral Academy of Northern Nevada, Explore Academy, Mater Academy of Northern Nevada, Nevada Prep, Pinecrest Academy of Nevada, and Pinecrest Academy of Northern Nevada. Results and recommendations regarding these outstanding audits will be provided at a future meeting.

As part of SPCSA staff's review of independent financial audits, SPCSA staff took into consideration a few unique circumstances. First, as has been discussed previously at SPCSA Board Meetings, the SPCSA experienced some delays in providing timely grant reimbursements to schools during FY22, in part due to the significant influx of federal emergency grant funds. In some cases, these delays may have resulted in a school audit reporting less cash on hand than would have otherwise been available at the end of the fiscal year. SPCSA staff determined the

[1] Enrollment Variance was adopted by the Authority at its June 25, 2021 board meeting for FY 23. As such, no results for FYE 22 will be presented. This leaves a total of seven indicators being reported for FY22.

amount of reimbursement that should have been paid by the close of the fiscal year, and to appropriately account for this under the framework and to not penalize schools for issues beyond their control, this amount was incorporated into all impacted calculations within the framework.

Second, the Financial Performance Framework technical guide, as adopted by the Authority provides for a possible adjustment to a school's rating under the Cash Flow and/or Unrestricted Days Cash-On-Hand measures in the event that the school makes a large capital investment that results in a decline in the cash balance. Three schools that would otherwise have received ratings of Does Not Meet Standard or Falls Far Below Standard provided evidence of large capital investments that impacted one or both of these measures. As a result, SPCSA staff has adjusted the ratings for these schools. Additional information regarding the ratings for these schools and the circumstances of the capital investment can be found in Appendix B.

In addition, as the Authority is aware, participation in the Public Employee Retirement System (PERS) is required of all sponsored schools. SPCSA-sponsored schools, as PERS participants are liable for certain periodic PERS related contributions, and these expenses are reflected in the Revenue and Expense related calculations in the SPCSA Financial Performance Ratings model. Additionally, the Net Pension Liability represents the difference between the total pension liability and the assets set aside to pay current employees, retirees and beneficiaries. This is incorporated into the Debt-to Asset Ratio, Total Margin and Debt Service Coverage Ratio indicators for each school.

While the Net Pension Liability is currently included in the adopted Financial Performance Framework rating calculations, SPCSA staff's analysis raise some questions about whether PERS related adjustments impacting revenues and expenditures are clarifying or distorting the financial ratings of sponsored schools. More specifically, SPCSA staff reviewed the fiscal impacts from certain Public Employee Retirement System (PERS) accounting adjustments to the Debt-to-Asset Ratio, Total Margin and Debt Service Coverage Ratio for each school.

While SPCSA staff maintains considerable trust in the ability of the Financial Performance Framework to provide an accurate portrayal of a school's overall financial health, the inclusion of the Net Pension Liability in the framework calculations appears to have at least partially distorted the financial picture for several schools. In these circumstances SPCSA staff is not recommending the Authority take any action. Additionally, SPCSA staff intends to examine this issue closely and bring recommendations to the Authority before the beginning of FY24 regarding how to handle Net Pension Liability adjustments within the Financial Performance Framework in the future. Schools impacted by this are addressed within the "Schools with Unique Circumstances" section of the memo.

Finally, several schools had significant deficiencies or findings identified as part of their independent financial audit. While the Financial Performance Framework evaluates the financial health of schools, audit findings would typically be reflected under the Organizational Performance Framework which includes a measure related to the financial management and oversight of the school. Appendix C summarizes any significant audit findings for sponsored schools. SPCSA staff will monitor these schools as they work to resolve these deficiencies or findings.

Overall, results under the SPCSA Financial Performance Framework were positive with the majority of schools demonstrating strong short-term and long-term financial health. A complete listing of these results, which SPCSA staff recommends that the Authority adopt can be found in Appendix A. There are, however, a handful of schools for which the Financial Performance Framework raises concerns regarding the school's financial health. As a result, SPCSA staff is recommending that the Authority issues Notices of Concern to three schools, maintain an existing

Notice of Concern for one school, and require a revised Targeted Remediation Plan for one school. Finally, the SPCSA staff is recommending that the Authority rescind a prior Notice of Concern for one school that has made significant improvement on the Financial Performance Framework. Proposed motions can be found below, and details regarding the financial performance each of school recommended for action, as well as other schools with unique circumstances that are not recommended for action are provided within the remainder of this memorandum.

Proposed Motions

1. Adopt the Financial Performance Framework results presented for the schools listed in Appendix A for fiscal year 2022 for all indicators except the Enrollment Variance measure, which was not rated.

2. Rescind the Notice of Concern for Quest Preparatory Academy.

3. Maintain the Notice of Concern for Signatory Preparatory, as the school works to resolve remaining financial concerns.

4. Issue a Notice of Concern under the Financial Performance Framework to the following schools, require each to develop and submit a financial improvement plan, and require each to provide quarterly updates regarding the implementation of the improvement plan:

    - Democracy Prep

    - Girls Empowerment Middle School (GEMS)

    - TEACH Las Vegas

5. Require Legacy Traditional Schools to develop and submit an updated Targeted Remediation Plan for the fiscal years ending 2023 and 2024.

This remainder of this memorandum is broken down into multiple sections.

1) **Schools Currently Operating Under a Notice:** Two SPCSA schools – Quest Preparatory Academy and Signature Preparatory – are operating under Notices of Concern.

2) **Schools Recommended for Notices of Concern or Revised Targeted Remediation Plans**

3) **Schools with Unique Circumstances:** A small number of schools earned a Does Not Meet Standard rating in three or more indicators, and/or earned one or more Falls Far Below Standard ratings under any of the seven measured financial rating indicators for FY22. However, due to unique circumstances, SPCSA staff is not recommending any action.

Appendix A: Financial Performance Framework Results

Appendix B: Schools Requiring Adjustments: SPCSA staff has made adjustments to ratings for some schools for reasons enumerated in the Financial Performance Technical guide (such as one-time capital expenditures).

Appendix C: Schools with Significant Deficiencies in their Audit: The financial audit for four SPCSA schools included significant deficiencies as determined by their auditor.

1) Schools Currently Operating Under a Notice

Quest Preparatory Academy

Current Ratio	UDCOH	Enrollment Variance	Debt Default	Total Margin	Debt to Asset Ratio	Cash Flow	Debt Coverage Ratio
MS	MS	NR	MS	MS	MS	MS	MS

During FY22, Quest Preparatory Academy has seen improvements across all areas of financial performance, resulting in the school achieving Meets Standards ratings in all seven indicators. Quest Preparatory Academy's auditor noted a minor concern regarding the recognition of grant revenues. Despite this concern, the auditor did not believe that this materially impacted the school's financial reporting.

Given Quest Preparatory Academy's improved performance compared to prior years, SPCSA staff recommends that the Authority rescind Quest Preparatory Academy's Notice of Concern.

Signature Preparatory

Current Ratio	UDCOH	Enrollment Variance	Debt Default	Total Margin	Debt to Asset Ratio	Cash Flow	Debt Coverage Ratio
MS	MS	NR	MS	DNMS	DNMS	MS	DNMS

Signature Preparatory Met Standards in four of seven measures for FY22. The three measures that the school Did Not Meet Standards on were Total Margin, Debt to Asset Ratio, and Debt Service Coverage Ratio.

The school is currently operating under a Notice of Concern due to not meeting performance expectations in FY21, during which time Signature Preparatory Did Not Meet Standards on Current Ratio, Unrestricted Days Cash on Hand, Debt to Asset Ratio, and Cash Flow. During FY22 the school's current ratio improved from 0.91 to 2.38 compared to FY21, a significant increase that deserves recognition. Unrestricted Days Cash on Hand improved from 24.9 days to 47.2 days, a trend that SPCSA staff hopes that the school is able to maintain. The Debt to Asset Ratio also improved from 99.6% to 98.8%. Finally, the Cash Flow measure improved significantly going from a negative cash flow of approximately $270,000 to a positive cash flow of over $2,000,000.

Unfortunately, two measures that previously had Met Standards have seen declines from FY21 to FY22. Previously, Signature Preparatory had a positive one year and aggregated three-year total margin. During the past fiscal year, the school had a negative total margin for the year, though was able to maintain a positive aggregated three-year total margin. As a consequence of the negative total margin, the Debt Service Coverage Ratio also saw a significant decline in FY22.

The improvements that Signature Preparatory have achieved should be commended and the school should be encouraged to continue to strive for improved financial performance. However, the school still has three indicators not meeting performance standards.

Given these improvements, staff recommends that the Authority accept the FY22 results under the Financial Performance Framework for Signature Preparatory but maintain the Notice of Concern as the school is not yet meeting standards under at least five of the measured indicators.

2) Schools Recommended for Notices of Concern or Revised Targeted Remediation Plans

Democracy Prep

Current Ratio	UDCOH	Enrollment Variance	Debt Default	Total Margin	Debt to Asset Ratio	Cash Flow	Debt Coverage Ratio
DNMS	FFBS	NR	MS	DNMS	MS	DNMS	DNMS

Democracy Prep's (DPAC) ratings include four Does Not Meet Standards ratings and one Falls Far Below Standard rating. DPAC's Unrestricted Days Cash On Hand (UDCOH) showed the school ended the fiscal year of June 30, 2022 with only 12.5 days of cash on hand. In other words, the school had less than two weeks of cash on hand to cover its average daily expenses. The school's estimated average daily expenses rose from $30k per day to $41k per day, a 37% increase. Primarily, the school's Instructional and Support Services and related expenses rose from $11.1m to $15.3m. Essentially, the school increased this spending from $10k per pupil to $13k per pupil. In this case the school went from a FY 21 surplus of $937k to a FY 22 deficit of $1.7 million.

DPAC's audit shows intercompany activity[2] such that it had a net accounts receivable balance due to the school of about $477,000 from its Charter Management Organization. If these funds had been paid to the school prior to the end of the fiscal year and been reported as cash instead of accounts receivable, the school would have four Meets Standards ratings, but would still have three measures rated as Does Not Meet Standard including the Unrestricted Days Cash on Hand (UDCOH), Total Margin, and Debt Coverage Ratio. Even with this additional cash, the school's UDCOH would only be 24 days. According to the approved Financial Performance Framework technical guide and nationally accepted practices for authorizing, schools operating for three or more years should maintain the equivalent of at least 60 days of unrestricted cash in order to meet performance standards. DPAC could also Meet Standards with a positive, one-year trend along with UDCOH greater than or equal to 30 days. DPAC would have needed approximately $245,000 of additional cash (on top of the previously referenced $477,000 in accounts receivable) to meet this 30-day UDCOH threshold. To be clear, it would take over $700,000 more cash have over 30 days of cash on hand. Even then, the school falls well short of the 60-day UDCOH standard which is the general expectation for schools that have been operating for at least three years. It is noteworthy that the school's expenses increased by approximately 39% compared to FY21. As such, SPCSA staff recommends that the Authority issue a Notice of Concern given that the school earned at least three Does Not Meet Standard ratings.

The audit also mentions a Title 1 Maintenance of Effort (MOE) finding, including questioned costs for federal awards. MOE conditions require an entity to expend a minimum amount of its funds towards an activity and not simply replace its funding investment with, say, federal grant funding. Entities are to "supplement, not supplant" their required minimum spending. The audit states that corrective action was taken by the school. SPCSA Staff will conduct ongoing monitoring of this issue under the Organizational Performance Framework regarding the school's progress in resolving the deficiencies or findings. The schools will be asked to provide a status update on resolving these matters as part of quarterly financial statements submitted to the SPCSA.

In conclusion, SPCSA staff recommends that the Authority issue DPAC a Notice of Concern, require the school develop and submit a financial improvement plan, and require the school to provide a status

[2] This is uncommon and raises concerns about financial management and oversight. SPCSA staff expects to address this with Democracy Prep prior to the start of FY24 to avoid similar circumstances in future years.

update on implementing the improvement plan when it submits its quarterly financial statements to the SPCSA.

Girls Empowerment Middle School (GEMS)

Current Ratio	UDCOH	Enrollment Variance	Debt Default	Total Margin	Debt to Asset Ratio	Cash Flow	Debt Coverage Ratio
MS	MS	NR	MS	DNMS	DNMS	MS	DNMS

Girls Empowerment Middle School (GEMS) completed its second year of operations on June 30, 2022. The school earned three DNMS rating under the Financial Performance Framework. The school's Net Surplus (Deficit) was a deficit of $343,708 before PERS adjustments and $307,055 after adjustments. Consequently, the adjustments had little, if any, effect on the ratings. As with the other schools noted in this memo, SPCSA staff inquired with questions and requested additional information and clarification. GEMS noted that the school has prioritized improving its enrollment which rose 7% to 103 for FY22 from 96 for FY21. Staff believe that, assuming good money management, and with enrollment gains the school should be able to improve its standing under this framework in future years. SPCSA staff finds that a primary driver in the school's financial performance framework ratings has been the school's enrollment levels the past several years. Simply, the school has not met enrollment projections resulting in a loss of anticipated revenues over consecutive fiscal years. While SPCSA staff agrees that improved enrollment should be a top priority of the school, should this not occur, the school is likely to see a deteriorating financial outlook. For these reasons, SPCSA staff recommends that the Authority issue a Notice of Concern.

Additionally, the GEMS audit noted two areas of findings:

1. The first area dealt with improper access. This included that the executive director could both make and edit transactions within the accounting system while having the authorization to issue payments. Other personnel had access to the school's safe which contained cash. This accounting process system and finance handling structure created a higher risk of misappropriation of funds. If such a misappropriation were to be realized, the audit said there was a chance that it would not be detected within a timely period.
2. The second matter had to do with an improper cutoff fiscal handling system. This primarily dealt with various items not being properly recorded in their appropriate periods. It also included another improperly recorded transaction in that state receivables were recorded as negative balances in a deferred revenues account rather than as an offsetting receivable.

The school responded that it is rewriting their entire fiscal policy and updating their internal control procedures to ensure these matters are resolved. SPCSA Staff will conduct ongoing monitoring of these issues under the Organizational Performance Framework regarding the school's progress in resolving the deficiencies or findings. The schools will be asked to provide a status update on resolving these matters as part of quarterly financial statements submitted to the SPCSA.

SPCSA staff recommends the Authority issue GEMS a Notice of Concern, require the school develop and submit a financial improvement plan, and require the school to provide a status update on implementing the improvement plan when it submits its quarterly financial statements to the SPCSA.

TEACH Las Vegas

Current Ratio	UDCOH	Enrollment Variance	Debt Default	Total Margin	Debt to Asset Ratio	Cash Flow	Debt Coverage Ratio
MS	FFBS	NR	MS	DNMS	FFBS	NR	DNMS

The FY22 results for TEACH Las Vegas show the school met standards on only two measures, Current Ratio and Debt Default. The school Did Not Meet Standards for the Total Margin and the Debt Coverage Ratio. It should be noted that the school opened for the 2021 – 2022 school year, and that while the school earned a Does Not Meet Standards rating, the Total Margin measure requires at least two years of negative performance for a school to be eligible to be rated Falls Far Below Standards on that measure. The school Fell Far Below Standards on the Unrestricted Days Cash On Hand and Debt to Asset Ratio. Cash flow was not rated because the performance framework requires a minimum of two years of data to determine a rating.

After reviewing available data, requesting clarification as well as speaking with the school, SPCSA staff believes that the current financial performance of TEACH can be traced back to their difficulty in meeting enrollment goals. The school had originally been approved for year one enrollment of 325 students. During the July 30, 2021, SPCSA Board Meeting, the SPCSA Board approved a request from TEACH Academy to reduce their enrollment cap to only 150 students, after the TEACH Las Vegas Board was able to demonstrate that the school would be financially viable at 150 students. Ultimately the school only achieved an enrollment of 112 students (or 75% of its reduced enrollment cap).

If the school had been able to enroll the full 150 students, and assuming the base per pupil funding amount of approximately $7,200, the school would have likely received an additional $250-$300 thousand in revenue. Assuming no additional expenses would have been incurred, this still would not have been enough for the school to Meet Standards on Total Margin, but it would have brought the school very close to Meeting Standards, such that with additional federal funds or local fundraising, the school could have had a positive Total Margin for the year. It is even harder to predict what would have happened with the cash balance, but it would have only taken an additional $24,000 in cash to Meet Standards on Unrestricted Days Cash on Hand.

TEACH has made impressive gains in enrollment from the 2021 – 22 school year to the current academic year as the school had 332 students enrolled as of the most recent Validation Day (October 1, 2022). However, quarterly reports from this year are still showing deficits continuing from the prior year, and TEACH Las Vegas only shows approximately 11.1 days of cash available to cover their average daily expenses of $6,140. It is increasingly important that the school meet enrollment goals in upcoming years so as to improve its financial standing.

As a result of the above, SPCSA staff recommends that a Notice of Concern be issued to TEACH Las Vegas.

SPCSA staff recommends that the Authority issue TEACH a Notice of Concern, require the school develop and submit a financial improvement plan, and require the school to provide a status update on implementing the improvement plan when it submits its quarterly financial statements to the SPCSA.

Legacy Traditional Schools

Current Ratio	UDCOH	Enrollment Variance	Debt Default	Total Margin	Debt to Asset Ratio	Cash Flow	Debt Coverage Ratio
MS	MS	NR	MS	MS	FFBS	MS	DNMS

Legacy Traditional School Met Standards on five of seven measures for FY22. Legacy Traditional Schools earned a Does Not Meet Standards rating for its Debt Service Coverage Ratio, however this ratio improved compared to previous years for Legacy Traditional School. The Debt Service Coverage Ratio for this year was 1.06, just below the standard of 1.1 and, importantly, it is more than double what the school has averaged over its contract (0.47). The school Fell Far Below Standards on the Debt to Asset Ratio measure, however the school had incurred this debt prior to the adoption of the Financial Performance Framework by the Authority for FY20. As a result, Legacy Traditional Schools has been operating under a Targeted Remediation Plan approved by the Authority as a result of the FY20 ratings.

SPCSA staff recommends that the Authority require Legacy Traditional Schools provide an updated Targeted Remediation plan that shows progress to date and how the school will continue to show financial improvement, particularly under the Debt to Asset Ratio and Debt Service Coverage Ratio.

3) Schools with Unique Circumstances:

Discovery Charter School

Current Ratio	UDCOH	Enrollment Variance	Debt Default	Total Margin	Debt to Asset Ratio	Cash Flow	Debt Coverage Ratio
FFBS	DNMS	NR	MS	MS	MS	MS	MS

Discovery's ratings include one Falls Far Below Standard rating under its Current Ratio and one Does Not Meet Standard rating under the Unrestricted Days Cash On Hand. Discovery's Current Ratio rating of FFBS is impacted by the school's audit showing $636k in Current Assets—and $9.0m in Current Liabilities. This results in a Current Ratio of 0.07x. The minimum required ratio as 1.1x or greater to achieve a Meets Standards rating. A Meets Standards rating of 1.1x or greater suggests that the school has sufficient current assets, including cash and cash equivalents to pay their current liabilities. A Current Ratio of 0.07x suggests an entity that is seriously short on available funds to pay its current bills.

Mitigating this rating, perhaps, is that almost all of this current liability comes from an obligation Discovery elected to incur to exercise their purchase option to acquire their site.

Discovery exercised this purchase option in July of 2023, into the new fiscal year. SPCSA staff asked Discovery's auditor, Rubin Brown, why they considered or approved the amount of this option, $8,796,354 (97%) of the $9,043,425 (100%) a Current Liability—when the option was not exercised in FY 2022 but in FY 2023. Discovery, according to a letter from Rubin Brown, didn't exercise the option until 14 days into the new fiscal year of 2023, on July 14, 2023. The auditor said they discussed with GASB's technical office the propriety of letting the purchase option amount be presented in FY 2022 instead of FY 2023. The result was, according to the auditor, that GASB agreed with the amount being placed in the prior fiscal year. The auditor also indicated that the school intended to issue bonds to pay off the current liability.

SPCSA staff also spoke with the school's financial advisor who interpreted the above amount to be a long-term liability. Consequently, Discovery submitted their financial statements to their auditor believing their Current Liabilities would have been in line with their Current Assets and not have generated a low rating. In short, the school exercised the option which was contingent upon receiving the financing they were negotiating. Discovery did not receive the financing until FY23, and as a result, did not believe the amount should not have been considered a Current Liability in FY22.

SPCSA staff note from the audit that the school entered into a loan agreement in FY 23, on July 1, for an amount over $24 million. It would appear that the auditors are deeming that the school exercised this in FY 22, however. Additionally, this funding amount would pay off the above amount and provide additional funding for the facility. The school is in process of returning about $12 million of this due to its decision not to expand as it earlier intended. It is noteworthy that the bonds were issued, indicating that the bond issuers considered the school to have sufficient assets to pay off this liability over time.

Staff note that but for the exercise of the option—or if the accounting treatment was presented in FY23 – that this would have resulted in Discovery receiving a Current Ratio of 2.58x, a clear Meets Standards rating well over the 1.1x threshold when the school included the FY23 amount for the purchase option. Staff note that Discovery received a 2.48x rating, FY 2021. Nevertheless, the July 14, 2023 execution of the option was booked for FY22.

Consequently, while SPCSA staff recognize that Discovery's Current Ratio FFBS would warrant a recommendation for a Notice of Concern according to the Financial Performance Framework Technical Guide, these appear to be extraordinary and unique circumstances. For these reasons, SPCSA staff does not recommend that the Authority issue a Notice of Concern.

The audit of Discovery's financial records described a few findings, as follows:

1. The school did not properly record a receivable or its state (DSA/PCFP) payment and a grant receivable.
2. The school also had no procedures implemented to evaluate unrecorded liabilities at each month end for the year ending in June 30th 2021.
3. The school did not record a lease as a capital lease properly when the lease met the criteria of a capital lease.
4. Finally, the school's accounting books were not maintained on the accrual basis as required by the state public charter school Authority (SPCSA).

The school indicates in the audit that it has resolved these matters, or in the case of the capital lease finding that it did not need remediation. SPCSA Staff will conduct ongoing monitoring of these issues under the Organizational Performance Framework regarding the school's progress in resolving the deficiencies or findings. The schools will be asked to provide a status update on resolving these matters as part of quarterly financial statements submitted to the SPCSA.

In conclusion, SPCSA finds that the classification of the school's lease and liabilities according to the audit to be unique and not a signal that the school is under financial distress. Staff recommends that the Authority take no action with regards to Discovery Charter Schools.

Nevada Connections Academy

Current Ratio	UDCOH	Enrollment Variance	Debt Default	Total Margin	Debt to Asset Ratio	Cash Flow	Debt Coverage Ratio
MS	MS	NR	MS	DNMS	MS	FFBS	MS

Nevada Connections Academy Met Standards on only five of seven measures. The school Did Not Meet Standards on the Total Margin measure, having a positive aggregated three-year margin, but a negative current year margin. The school Fell Far Below Standards on the Cash Flow measure, with a negative multiyear cash flow and negative one year cash flow. Staff has not been informed of any planned and approved large capital investments to justify the decrease in cash balance. It is noteworthy, however, that Nevada Connections Academy is still adjusting to a significant reduction in approved enrollment as a result of the settlement approved by the Authority on May 5, 2020.

In light of Nevada Connections Academy's recent financial performance, including improved performance under the school's Debt Service Coverage Ratio when compared to FY21, SPCSA staff does not recommend any action by the Authority with regard to Nevada Connections Academy. SPCSA staff will continue to monitor the school's performance on a quarterly basis as the school adjusts to reduced enrollment across the high school grades.

In conclusion, SPCSA staff recommends that the Authority take no action with regards to Nevada Connections Academy.

Alpine Academy

Current Ratio	UDCOH	Enrollment Variance	Debt Default	Total Margin	Debt to Asset Ratio	Cash Flow	Debt Coverage Ratio
DNMS	MS	NR	MS	DNMS	MS	MS	DNMS

Alpine Academy met standards across the board FY 21 for all measures being rated. For FY 22 the school received three Does Not Meet Standards ratings. SPCSA staff requested additional information and clarification regarding the school's Current Ratio, Total Margin and Cash Flow ratings. This information indicates that the school's rating under the Current Ratio was just short of the Meets Standard threshold by approximately $16,000. For a sense of magnitude, the relative size of this increment needed was about 1% of their total revenue base of $1.2 million.

The Total Margin calculation for Alpine would have met standards but for the Net Pension Liability related adjustments made. In other words, before the PERS adjustments, the school's Net Margin was a positive $23,000. That turns to a negative $88,000 after the PERS adjustments. Regarding the Debt Service Coverage Ratio, if the non-cash flow PERS adjustments were not considered, the school would have been about $18,000 short of receiving a Meets Standards in this category. Stated another way, the Debt Service Coverage Ratio would still be rated as Does Not Meet Standard.

Overall, SPCSA staff finds that Alpine came substantially close to meeting standards for the above three ratings. As previously noted in this memo, SPCSA staff would like to continue to analyze the impact of the Net Pension Liability under the current framework calculations. In staff's eyes, it appears to have at least partially distorted the ratings for Alpine Academy as the school would have otherwise met performance expectations for FY22.

In conclusion, SPCSA staff recommend that the Authority take no action with regards to Alpine Academy. While three Does Not Meets Standards ratings would normally trigger a recommendation to issue a Notice of Concern, it is not clear to SPCSA staff that the school is under financial distress when the impact of the Net Pension Liability is set aside.

Honors Academy of Literature

Current Ratio	UDCOH	Enrollment Variance	Debt Default	Total Margin	Debt to Asset Ratio	Cash Flow	Debt Coverage Ratio
MS	MS	NR	MS	DNMS	MS	FFBS	DNMS

The FY22 results for Honors Academy of Literature show two Does Not Meet Standards ratings and one Falls Far Below Standard rating. For its Total Margin results, Honors earned a Does Not Meet Standards rating. The margin results, based on their revenue of $1.8 million fell short by 1.89%, or about $34,000 as they reflected a Net Deficit of $34,000. In other words, if the school had generated $34,000 more from its $1.8 million in revenue, the school would have received a Meets Standard rating for its Total Margin rating. Note, however, that the school's financial Statement of Activities does show that the school generated a Margin of $191,000, far more than the $34,000 deficit shown in the ratings model. This $225,000 swing from a positive margin to a negative, a deficit, comes about after accounting adjustments for Net Pension Liabilities related items.

Regarding its Debt Service Coverage Ratio, the school generated $191,000 (a surplus) in pre PERS related Net Margin. As mentioned above, this turns to a negative $34,000 (a deficit) when the PERS adjustments are made.

For its Cash Flow rating, Honors received a Falls Far Below Standard rating. This comes after a 37% decline in its ending cash balance on a year over year (YOY) basis. It would have taken $188,000 more in its June 30, 2022 cash account to avoid a YOY cash balance decline, which is the essence of the measure. After inquiring, Honors Academy provided evidence of capital expenditures of approximately $100,000 that occurred during FY22. Additionally, as a result of changes in policies at the Nevada Department of Education, the school was transitioned from quarterly payments from the Distributive School Account (DSA) education funding system in FY21 to monthly Pupil Centered Funding Plan (PCFP) education funding system beginning in FY22. The transition from quarterly to monthly PCFP payments resulted in only 11 PCFP payments being received in FY22, whereas in prior years, the school received the equivalent of 12 monthly payments per year paid out in four quarterly payments. The final payment of FY22 was booked under accounts receivable. When coupled with the capital expenditures, this amount more than offsets the approximately $188,000 needed to Meets Standard under the Cash Flow indicator. This transition from the quarterly to monthly payment scheme created a one-time, unique situation that should not cause an issue in future years.

As previously noted in this memo, SPCSA staff would like to continue to analyze the impact of the Net Pension Liability under the current framework calculations. In staff's eyes, it appears to have at least partially distorted the ratings for Honors Academy of Literature as the school would have otherwise met performance expectations for FY22.

In conclusion, SPCSA staff recommends that the Authority take no action with regards to Honors Academy of Literature. While two Does Not Meets Standards ratings and one Falls Far Below Standard rating would normally trigger a recommendation to issue a Notice of Concern, it is not clear to SPCSA staff that the school is under financial distress when the impact of the Net Pension Liability is set aside. Additionally, SPCSA staff concludes that had the school not expended funds for capital expenditures, nor had there been a transition from quarterly DSA payments to monthly PCFP payments, the school would likely have met the performance standard under the Cash Flow indicator.

Appendix A: Financial Performance Framework Ratings

	School	Current Ratio	UDCOH	Enrollment Variance	Debt Default	Total Margin	Debt to Asset Ratio	Cash Flow Measures	Debt Coverage Service Ratio
1	Alpine Academy	DNMS	MS	NR	MS	DNMS	MS	MS	DNMS
2	Amplus Academy	MS	MS	NR	MS	DNMS	DNMS	MS	MS
3	Beacon Academy	MS	MS	NR	MS	MS	MS	MS	MS
4	Coral Academy of Science	MS	MS	NR	MS	MS	MS	MS	MS
5	Democracy Prep	DNMS	FFBS	NR	MS	DNMS	MS	DNMS	DNMS
6	Discovery Charter School	FFBS	DNMS	NR	MS	MS	MS	MS	MS
7	Elko Institute for Academic Achievement	MS	MS	NR	MS	MS	MS	MS	MS
8	Equipo Academy	MS	MS	NR	MS	DNMS	MS	DNMS	MS
9	Founders Academy	MS	MS	NR	MS	MS	MS	DNMS	MS
10	Freedom Classical Academy	MS	MS	NR	MS	MS	MS	MS	MS
11	Futuro Academy	MS	MS	NR	MS	MS	MS	MS	MS
12	GEMS (fka GALS)	MS	MS	NR	MS	DNMS	DNMS	MS	DNMS
13	Honors Academy of Literature	MS	MS	NR	MS	DNMS	MS	FFBS	DNMS
14	Imagine School at Mountain View	MS	MS	NR	MS	MS	MS	MS	MS
15	Leadership Academy of Nevada	MS	MS	NR	MS	MS	MS	DNMS	MS
16	Learning Bridge Charter School	MS	MS	NR	MS	MS	MS	MS	MS
17	Legacy Traditional School	MS	MS	NR	MS	MS	FFBS	MS	DNMS
18	Mater Academy of Nevada	MS	MS	NR	MS	MS	DNMS	MS	MS
19	Nevada Connections Academy	MS	MS	NR	MS	DNMS	MS	FFBS	MS
20	Nevada Rise	MS	MS	NR	MS	MS	MS	MS	MS
21	Nevada State High School	MS	MS	NR	MS	MS	MS	MS	MS
22	Nevada State High School - Meadowood	MS	MS	NR	MS	MS	MS	MS	MS
23	Nevada Virtual Academy	MS	MS	NR	MS	DNMS	MS	MS	MS
24	Oasis Academy	MS	MS	NR	MS	MS	MS	MS	MS
25	Quest Academy	MS	MS	NR	MS	MS	MS	MS	MS
26	Signature Preparatory	MS	MS	NR	MS	DNMS	DNMS	MS	DNMS
27	Silver Sands Montessori School	MS	MS	NR	MS	MS	MS	MS	MS
28	Somerset Academy of Las Vegas	MS	MS	NR	MS	MS	MS	MS	MS
29	Sports Leadership and Management Academy	MS	MS	NR	MS	MS	DNMS	MS	MS
30	TEACH Academy	MS	FFBS	NR	MS	DNMS	FFBS	NR	DNMS

Appendix B: Schools Requiring Adjustments

Beacon Academy of Nevada

Current Ratio	UDCOH	Enrollment Variance	Debt Default	Total Margin	Debt to Asset Ratio	Cash Flow	Debt Coverage Ratio
MS	MS	NR	MS	MS	MS	MS	MS

The FY22 ratings for Beacon Academy initially generated a Cash Flow rating of Falls Far Below Standards (FFBS) rating. This FFBS rating was for a decline in its end of year cash balance compared to the prior year. However, the technical guide provides that the SPCSA board may consider whether the decline in cash was the result of a school board's decision to invest the school's funds in a certain manner such as a capital project. Beacon had been saving money over the years and applied some of it to help the school acquire and modify its new East campus to complement its original West campus during fiscal years 20 and 21. SPCSA staff reviewed information provided by the school, the Authority's approval for this campus, as well as the impact of this school board action noting that if the school had simply not expended this cash that its end of year balance would have exceeded the ending cash balance of the prior year. This would have given the school a Meets Standards rating. Consequently, pursuant to the Financial Performance Framework Technical Guide, staff have adjusted the Cash Flow rating to a Meets Standards, as shown above. As a result, the school would meet standards under each indicator.

Equipo Academy

Current Ratio	UDCOH	Enrollment Variance	Debt Default	Total Margin	Debt to Asset Ratio	Cash Flow	Debt Coverage Ratio
MS	MS	NR	MS	DNMS	MS	DNMS	MS

The FY22 ratings for Equipo Academy initially generated a Falls Far Below Standards for Cash Flow and a Does Not Meet Standards rating for Unrestricted Days Cash On Hand (UDCOH) and Total Margin. Three Does Not Meet Standards ratings or one Falls Far Below Standard rating ordinarily triggers a Notice of Concern be issued to the school. However, upon further review, staff adjusted certain figures to reflect that major capital expenditures incurred by the school, as approved by the school's governing board, as the school acquired and improved the property next to its current facility. As previously noted in this memo, the technical guide provides that the SPCSA board may consider whether a decline in cash was the result of a school board's decision to invest the school's funds in a certain manner such as a capital project. SPCSA staff have reviewed information provided by the school, and have adjusted the UDCOH to Meets Standard and the Cash Flow rating to Does Not Meet Standard. Consequently, based on the ratings above and the noted adjustments, Equipo is meeting the performance standards under five indicators.

Oasis Academy

Current Ratio	UDCOH	Enrollment Variance	Debt Default	Total Margin	Debt to Asset Ratio	Cash Flow	Debt Coverage Ratio
MS	MS	NR	MS	MS	MS	MS	MS

The initial FY22 ratings revealed that Oasis Academy earned a Meets Standard rating on six measures, with a Falls Far Below Standard rating for a decline in its end of year cash balance as its FY22 cash balance was lower than its FY21 cash balance. However, the technical guide provides that the SPCSA board may consider whether the decline in cash was the result of a school board's decision to invest the school's funds in a certain manner such as a capital project. Oasis had a large capital expense, resulting in a decrease in cash balance. SPCSA staff reviewed information provided by the school, in addition to the Authority's approval for this purchase, and has adjusted the Cash Flow rating to Meets Standard. As a result, the school meets standards under each indicator.

Appendix C: Schools with "Significant Deficiencies" or "Findings" as described in their Audit

For each school listed below, SPCSA Staff will conduct ongoing monitoring under the Organizational Performance Framework regarding the school's progress in resolving the deficiencies or findings. These schools will be asked to provide a status update on resolving these matters as part of quarterly financial statements submitted to the SPCSA.

Amplus Academy

Current Ratio	UDCOH	Enrollment Variance	Debt Default	Total Margin	Debt to Asset Ratio	Cash Flow	Debt Coverage Ratio
MS	MS	NR	MS	DNMS	DNMS	MS	MS

Amplus Academy does not have a ratings profile for FY 22 warranting a Notice of Concern or other intervention alternative. However, staff note that Amplus was found to have two "Significant Deficiencies" by its auditors. The audit included the following statements: "In our opinion, the School complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022."

The audit indicates that "No Material weaknesses were identified." However, the audit identified "Significant deficiencies", including a finding that "Grant Tracking [was] not Accurately Reconciled to the General Ledger." The auditors added: "Certain grants only showed revenues in the accounting system without the underlying expenses pertaining to those revenues. While many of the grants did reconcile, the ESSER grants and the state allocations under the Pupil Centered Funding Program (PCFP) for English Language Learners and At-Risk were not appropriately classified in a timely manner."

The school did respond to this finding as follows: "The School will incorporate a reconciliation of grants to requests for reimbursements as a part of the monthly financial close process, including evidence of such reconciliations on the close checklist."

Mater Academy of Nevada

Current Ratio	UDCOH	Enrollment Variance	Debt Default	Total Margin	Debt to Asset Ratio	Cash Flow	Debt Coverage Ratio
MS	MS	NR	MS	MS	DNMS	MS	MS

Mater Academy of Nevada Met Standards on six of seven measures. The only measure the school Did Not Meet Standards for was Debt to Asset Ratio, which while not meeting standards, did show improvement over the prior year (decreasing from 99% to 95%).

The auditor had four significant concerns regarding Mater's financial reporting. The auditors identified multiple instances where accurate accounts reconciliations were not adequately performed. In particular, "The school does not have an appropriate process in place to provide consistent support of the timely preparation of account reconciliations to include evidence of the resolution of variances, as well as overall review and approval." It was noted that Academica, the school's management company, experienced turnover in staff during 2022, but has since increased staffing size and are in the process of implementing the auditor's recommended changes.

Auditors also noted that bond interest accrual was only recorded through June 15, rather than to the end of the year on June 30. Additionally, multiple capital leases' amortization schedules did not factor in any residual value at the end of the lease, which resulted in misstatements of year-end lease liability balances. Finally, it was determined that multiple fully depreciated capital assets no longer in use by the school were not recorded as disposals, leading to an overstatement of gross capital assets and gross accumulated depreciation.

Despite these concerns and noting the changes that have already been made to prevent future occurrences, the auditors do not believe that these deficiencies caused any material misstatement in the final audited financial statements.

Somerset Academy of Las Vegas

Current Ratio	UDCOH	Enrollment Variance	Debt Default	Total Margin	Debt to Asset Ratio	Cash Flow	Debt Coverage Ratio
MS	MS	NR	MS	MS	MS	MS	MS

Somerset Academy of Las Vegas Met Standards on all seven measures for FY22.

The auditor had four significant concerns regarding Somerset's financial reporting. The auditors identified multiple instances where accurate accounts reconciliations were not adequately performed. In particular, "The school does not have an appropriate process in place to provide consistent support of the timely preparation of account reconciliations to include evidence of the resolution of variances, as well as overall review and approval." It was noted that Academica, the school's management company, experienced turnover in staff during 2022, but has since increased staffing size and are in the process of implementing the auditor's recommended changes.

Auditors also noted that bond interest accrual was only recorded through June 15, rather than to the end of the year on June 30. Additionally, multiple capital leases' amortization schedules did not factor in any residual value at the end of the lease, which resulted in misstatements of year-end lease liability balances. Finally, it was determined that multiple fully depreciated capital assets no longer in use by the school were not recorded as disposals, leading to an overstatement of gross capital assets and gross accumulated depreciation.

Despite these concerns and noting the changes that have already been made to prevent future occurrences, the auditors do not believe that these deficiencies caused any material misstatement in the final audited financial statements.

Sports Leadership and Management Academy

Current Ratio	UDCOH	Enrollment Variance	Debt Default	Total Margin	Debt to Asset Ratio	Cash Flow	Debt Coverage Ratio
MS	MS	NR	MS	MS	DNMS	MS	MS

Sports Leadership and Management Academy Met Standards on six of seven measures for FY22. The one measure that SLAM Did Not Meet Standards on was Debt to Asset Ratio.

The auditor had three significant concerns regarding Somerset's financial reporting. The auditors identified multiple instances where accurate accounts reconciliations were not adequately performed. In particular, "The school does not have an appropriate process in place to provide consistent support of the timely preparation of account reconciliations to include evidence of the resolution of variances, as well as overall review and approval." It was noted that Academica, the school's management company, experienced turnover in staff during 2022, but has since increased staffing size and are in the process of implementing the auditor's recommended changes.

Additionally, multiple capital leases' amortization schedules did not factor in any residual value at the end of the lease, which resulted in misstatements of year-end lease liability balances. Finally, it was determined that multiple fully depreciated capital assets no longer in use by the school were not recorded as disposals, leading to an overstatement of gross capital assets and gross accumulated depreciation.

Despite these concerns and noting the changes that have already been made to prevent future occurrences, the auditors do not believe that these deficiencies caused any material misstatement in the final audited financial statements.

Joe Lombardo
Governor

STATE OF NEVADA

Rebecca Feiden
Executive Director

STATE PUBLIC CHARTER SCHOOL AUTHORITY

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ACTION MEMORANDUM

TO:	SPCSA Authority Board
FROM:	Mark Modrcin, Director of Authorizing, SPCSA Danny Peltier, Management Analyst III, SPCSA
SUBJECT:	**TEACH Las Vegas – Charter Amendment Request to Reduce Enrollment Cap and to Adjust Student Transportation Plans**
DATE:	March 3, 2023

Summary of Request and Recommendation

TEACH Las Vegas (TEACH) has submitted an amendment application requesting that the State Public Charter School Authority (SPCSA) grant a Good Cause Exemption and approve the school to reduce its enrollment cap for the 2022-2023, 2023-2024, 2024-2025, 2025-2026, 2026-2027, and 2027-2028 school years. Along with the reduction, TEACH is requesting to delay the implementation of its transportation plan until the 2023-24 school year.

SPCSA staff has reviewed the application and recommends that the Authority grant the Good Cause Exemption and approve the amendment requests as presented. A proposed motion can be found on page of 4 this memo.

Background and Overview of the Amendment

TEACH is currently in its second year of operation and is located at 4660 N. Rancho Dr. Las Vegas, NV 89130 serving grades K-8. The mission of TEACH Las Vegas is to “create a high quality, innovative K-12 teaching and learning environment in North Las Vegas that focuses on literacy; integrating state-of-the-art technologies across the core curriculum to achieve academic proficiency for all students.” The school’s vision “is to reach students of all backgrounds by teaching the entire child which includes the social, physical, emotional and intellectual needs of the student. Upon graduation, the knowledge and the experiences acquired at TEACH will be effectively applied to students’ daily lives.”

As of Validation Day 2022, TEACH had 332 students enrolled. TEACH was initially approved to reduce its enrollment cap for the 2021-22 school year at the July 30, 2021 SPCSA board meeting. At that July 2021 meeting, TEACH was approved to reduce its enrollment cap from 325 students to 150 students for the 2021-22 school year. TEACH also requested to reduce its enrollment cap in subsequent years, and these figures are provided on page 4 of this memo.

According to the amendment application, TEACH is requesting to reduce its 2022-23 enrollment cap from 425 to 325 and to adjust each subsequent years' enrollment caps to the previous years' original target. Thus, the proposed cap for the 2024-25 school year is the cap that was originally approved for 2023-24, and so on, until the school is fully enrolled in the 2027-28 school year with 975 students, which would be the start of the second charter term[1]. If approved, TEACH's enrollment cap for the remainder of this charter term would be:

School Year	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
Grade Levels	K-8	K-8	K-9	K-10	K-11	K-12
Total Enrollment	325	425	550	675	800	975

According to the amendment application, TEACH has faced a number of challenging circumstances since opening two years ago. Those challenges included, COVID restrictions on in-person events and sharing its campus with another charter school.

TEACH did note in their amendment application that they were able to nearly triple their enrollment in year 2 to reach the target of 325 that was originally proposed for year one. TEACH believes they are well-positioned to meet the proposed readjusted annual growth targets in future years under its current contract, thus operating one year behind the original targets and culminating in the originally proposed full capacity in the 2027-28 school year.

TEACH's second request as part of this amendment is to defer the implementation of the transportation plan until at least the 2023-24 school year. TEACH was approved to offer transportation as part of their original charter application. The transportation plan was approved to be deferred at the July 30, 2021 meeting. According to the amendment application, TEACH currently does not have available funds to purchase a vehicle for transportation in part due to the lower than expected enrollment, although the school was preparing to offer this service during the 2022 – 2023 school year. TEACH noted in its application that they are hopeful that if approved by the legislature, the increases its per pupil funding included in the Governor's proposed budget, would allow the school to offer student transportation in the 2023-24 school year. However, according to the amendment application, without this funding increase, TEACH will need to secure a private grant to offer transportation next school year. While TEACH is working on obtaining private funding for transportation, it has been unable to secure the necessary funding at this time.

According to the amendment application, staffing levels have been impacted by the school failing to meet enrollment targets, resulting in delays in the projected growth. TEACH explained that the hiring of the additional positions has been delayed one year. According to the

[1] Charter renewal will be considered by the Authority in the Fall of 2026.

amendment application, the school is currently using factoring (selling of receivables) to account for the impact of enrollment shortfalls in FY22-23. TEACH explains that although this will create a significant operating deficit and a negative ending fund balance, it projects a significant surplus for FY23-24 and future years if enrollment targets are met. TEACH believes that enrollment targets are reasonable in that they assume growth year over year that is about half of the growth that occurred between FY21-22 and FY22-23. Additionally, TEACH is projecting to reach a positive fund balance by FY25-26 according to the amendment application.

Finally TEACH noted in their amendment application that they are working with a CMO, back office provider, and other vendors on restructuring and/or eliminating parts of its 22-23 contracted debit, which could save the school up to $300,000 in FY22-23. TEACH explained that these potential savings are not contemplated in the budget that was submitted as a part of this amendment.

Legal Authority and Requirements Related to Amendment Requests

Existing charter schools that are sponsored by the SPCSA may submit a charter school contract amendment application to the SPCSA – which is reviewed by SPCSA staff and presented for SPCSA Board action – in order to, among other things, increase enrollment, add grade levels above and beyond what the charter school is approved to serve, or add a new campus. When determining whether to approve an amendment request, the sponsor considers the charter school's compliance with applicable local, state and federal laws and regulations and evidence relating to the academics, finance and organization of the charter school. (See NAC 388A.400(8) and NRS 388A.276).

Analysis and Staff Recommendation

When reviewing an amendment application, SPCSA staff reviews the academic, financial and organizational performance of the applicant charter school. In the case of CASLV, SPCSA staff finds the school to be meeting academic, financial and organizational performance expectations for all campuses. While TEACH has yet to be rated under the NSPF, the middle school was found to be meeting expectations on the 2021-2022 SPCSA Academic Performance Framework. The TEACH elementary school did not receive a rating under the SPCSA's 2021 Academic Performance Framework.

Additionally, the school earned 97 points (out of 100) under the SPCSA Organizational Performance Framework for the 2021 – 22 school year as approved by the Authority on December 16, 2022. As such, SPCSA staff finds the school to be 'Meeting Standards.' TEACH has yet to be rated on the SPCSA's Financial Performance Framework. However, as discussed below, the calculations under the Financial Performance Framework for fiscal year 2022 raise some concerns about the school's financial health, which has been noticeably impacted by under enrollment in the first few years of operations.

SPCSA staff recommends that the Authority approve the two requests of TEACH. While SPCSA staff is disappointed that student transportation is not a viable option for TEACH at this time, but is hopeful TEACH will be able to offer transportation in the

23-24 school year. The SPCSA staff, along with TEACH, recognize the transportation component was a key feature of the TEACH charter application. If TEACH is able to continue on the enrollment trajectory it has shown in years 1 and 2, SPCSA staff expects transportation to be offered in some capacity beginning in the 23-24 school year. This will coincide with a continued increase in enrollment, likely assisting more families choosing to enroll at the school.

SPCSA staff continues to monitor TEACH with regard to its financial performance and does have some concerns about the impact of lower than anticipated enrollment on the school's financial performance. More specifically, SPCSA staff believes that the school's failure to reach past enrollment targets have created some financial distress for the school which could result in SPCSA intervention. However, TEACH was able to nearly triple its enrollment from the 21-22 school year to the 22-23 school year and if this trend continues, SPCSA staff expects the school will be on more solid financial ground to start the 23-24 school year. Because the school is showing some signs of improved enrollment levels, and that this request is a reduction of the school's current enrollment (not an expansion), SPCSA staff recommends the Authority approve TEACH's request to reduce its enrollment cap for the 2022-2023, 2023-2024, 2024-2025, 2025-2026, 2026-2027, and 2027-2028 school years and the defer the transportation plan until 2023-24 school year.

Proposed Motion: Grant the Good Cause Exemption request and approve the TEACH Las Vegas request to reduce its 2022-2023 approved enrollment cap from 425 students to 325 students and to further reduce the cap for the remainder of the charter contract term as detailed in this recommendation memo and to defer implementation of transportation until the 2023-2024 school year.

If approved, the enrollment cap for TEACH Las Vegas will be as follows for the remainder of the charter term:

School Year	**2022-23**	**2023-24**	**2024-25**	**2025-26**	**2026-27**	**2027-28**
Grade Levels	K-8	K-9	K-10	K-11	K-12	K-12
Total Enrollment[2]	325	425	550	675	800	975

The current, approved, enrollment caps for TEACH Las Vegas are as follows:

School Year	**2022-23**	**2023-24**	**2024-25**	**2025-26**	**2026-27**
Grade Levels	K-8	K-9	K-10	K-11	K-12
Total Enrollment	425	550	675	800	975

[2] If the school is renewed at the end of the current charter contract, TEACH Las Vegas will grow to serve 975 students in grades K-12

School Demographics change since 2021 TEACH LV

Year	Enrollment	A	B	C	H	I	M	P	IEP	ELL	FRL
21-22	112	0.0%	24.1%	15.1%	52.6%	0.0%	2.6%	5.3%	*	27.6%	93.7%
22-23	332	0.9%	22.5%	14.4%	53.0%	0.6%	6.6%	1.8%	10.8%	16.5%	61.4%

A – Asian
B – Black
C – Caucasian
H – Hispanic
I – American Indian/Alaskan Native M
– Two or more races
P – Pacific Islander
IEP – Individualized Education Plan – A student with a disability/special education student
ELL – English Language Learner
FRL – A student who qualifies for Free or Reduced-Price Lunch

TEACH – LV Organizational Performance

Year	Rating
2021 – 2022	Meets the Standard

TEACH – LV Academic Performance

School Year	NSPF Rating
2021 – 2022	Elementary: Not Rated Middle: 62.6
2020 – 2021[3]	Not Rated

TEACH – LV 2021-22 SPCSA Academic Performance Framework Results[4]

Campus	2021-22 SPCSA Academic Framework Score	2021-22 SPCSA Academic Framework Rating
TEACH LV ES	Not Rated	Not Rated
TEACH LV MS	69.5	MEETS STANDARD

[3] Due to COVID-19, the Nevada Department of Education (NDE) applied for and was granted a 2020-21 school year waiver from the U.S. Department of Education for certain requirements established by the Every Student Succeeds Act (ESSA). Nevada statewide assessments were administered in the 2020-21 school year, but the NDE did not calculate new Nevada School Performance Framework (NSPF) school ratings for the 2020-21 school year.
[4] The Nevada Department of Education (NDE) calculated NSPF index scores for the 2021-22 school year but did not calculate corresponding star ratings (shown as N/A). 2021-22 NSPF details and rules can be found at: http://nevadareportcard.nv.gov/DI/MoreDownload?filename=Nevada%20School%20Performance%20Framework%20Manual%202021-22%20School%20Year.pdf

STATE PUBLIC CHARTER SCHOOL AUTHORITY

RFA: Reduce in Enrollment in Existing Grade Levels

The SPCSA considers reductions to an approved enrollment cap to be a material change of the charter contract and require approval by the State Public Charter School Authority Board.

Executive Summary

TEACH Las Vegas is a nonprofit charter school currently in its 2nd year of operation, serving grades K-8, located at 4660 N. Rancho Dr. Las Vegas, NV 89130. Under the leadership of Executive Director Andrea Moore and with the support of its CMO TEACH Public Schools, TEACH Las Vegas seeks to achieve the following:

> to create a high quality, innovative K-12 teaching and learning environment in North Las Vegas that focuses on literacy; integrating state-of-the-art technologies across the core curriculum to achieve academic proficiency for all students.

To fulfill our mission, we will:

1. Challenge students who are unchallenged by traditional teaching applications to attain academic proficiency to grade level and above

2. Allow each student the freedom to learn by exploring cutting edge technologies and concepts.

Enable students to become creative, self-motivated, competent college bound students, and lifelong learners that live responsibly as informed, and productive members of a complex social, economic, and global society.

TEACH LV will reach students of all backgrounds by teaching the entire child which includes the social, physical, emotional and intellectual needs of the student. Upon graduation, the knowledge and the experiences acquired at TEACH will be effectively applied to students' daily lives.

TEACH LV will create an educational environment that will foster success in the classroom as well as the community. To this end, the school will work relentlessly toward the following program goals:

1. Prepare students for academic success through secondary school as well as post-secondary education.
2. Prepare students to be responsible and active participants in their community.
3. Enable students to become life-long learners.

REQUEST FOR AMENDEMENT

TEACH Las Vegas is submitting a request to amend its charter contract with SPCSA to reduce its year two enrollment cap from 425 to 325 and to adjust each subsequent years' enrollment caps to the previous years' original target. Thus, the proposed cap for SY 24-25 is the cap that was originally approved for SY 23-24, and so on, until the school is fully enrolled in SY 27-28 with 973 students.

TEACH LV opened in SY 20-21 under challenging circumstances (a short incubation period, COVID restrictions on in-person events, and sharing its campus with another charter school) and was not able to meet its year one enrollment plan of 325. However, TEACH LV was able to nearly triple its enrollment in year 2 to reach the target of 325 that was originally proposed for year one. TEACH LV is well-positioned to meet the proposed readjusted annual growth targets, operating one year behind its original targets and culminating in the originally proposed full capacity in SY 27-28.

The staffing plan will mirror the delayed enrollment plan:

Grade Level	Number of Students				
	2023-24	**2024-25**	**2025-26**	**2026-27**	**2027-28**
K	75	75	75	75	75
1	50	75	75	75	75
2	50	50	75	75	75
3	50	50	50	75	75
4	25	50	50	75	75
5	25	25	50	50	75
6	50	50	50	50	75
7	50	50	50	50	75
8	50	50	50	50	75
9	-	75	75	75	75
10	-	-	75	75	75
11	-	-		75	75
12	-	-		-	75
Total	425	550	675	800	975

FISCAL

TEACH has included two budget forecasts to this amendment request. Budget A assumes a $1,000 per pupil funding increase starting in 23-24k (half of the $2,000 figure considered in the governor's current draft budget). Budget B is even more conservative and assumes only a small 4% COLA increase in FY23/24. In both these scenarios, TEACH LV can maintain viability in both the short and long term under the updated enrollment plan.

TRANSPORTATION

Additionally, TEACH LV will not offer student transportation in year 2 as planned. TEACH LV doesn't currently have available funds to purchase a vehicle for transportation. TEACH LV is hopeful that the state increases its per pupil funding by the $2,000 allocated in the Governor's proposed budget, which would allow the school to offer student transportation in the 2023-24 school year. Without this funding increase, TEACH will need to secure a private grant to offer transportation next school year. While TEACH is working on obtaining private funding for transportation, it has been unable to secure any funding currently.

References:

Attachment A: Budget A

Attachment B: Budget A Narrative

Attachment C: Budget B

Attachment D: Budget B Narrative

TEACH Las Vegas Budget Narrative for Charter Draft Amendment – Budget A

2. Provide a budget narrative including a detailed description of assumptions and revenue estimates, including but not limited to the basis for revenue projections, staffing levels, and costs. The narrative should specifically address the degree to which the school budget will rely on variable income (e.g., grants, donations, fundraising, etc.). There is no page limit for the budget narrative. Include the following: A detailed discussion of Per-Pupil Revenue: Use the figures provided in developing your budget assumptions.

Revenues- Revenue estimates for FY23-24 consider the Governor's currently proposed budget of a 22.6% increase to base funding, but conservatively assumes only 13% of an increase beginning in FY23-24, with a 2% increase assumed each year thereafter. The base per-pupil rate is projected to increase from $7,293 in FY22-23 to $8,241 in FY23-24, which is 13%. Then beginning in FY24-25 is projected to increase by 2% each year.

One-Time Funding-The only one-time funding assumed in the model for future years is for FY23-24 where there has been awarded a Teacher's Retention grant that carries over into FY23-24 in the amount of $66,320. All other revenue is recurring based on the projected enrollment and a 2% COLA after FY23-24.

Staffing Levels-Staffing levels are impacted in pushing the projected growth back one year. Essentially the hiring of the increased positions is delayed one year. There is small growth for positions assumed in FY23-24 as the staff is already in place to accommodate the projected growth in FY23-24. Thereafter, a minimum of 4 teaching positions, and one support position are assumed each year to account for the enrollment growth.

Facilities- Facilities growth and expenses are properly accounted for in the model as the building footprint increases with the enrollment growth.

Other Expenses-It should be noted that there is a significant drop in the Other Expenses category in the model between FY22-23 and FY23-24. This is due to a one-time Charter Startup grant that is being spent down in FY22-23 that will not carryover to FY23-24. Thereafter, the increases are driven by the projected growth in enrollment impact on costs with significant facilities growth expense as outlined in the model.

Surplus-It can be assumed that beginning in FY26, where a larger surplus exists, the program and staffing levels will be reviewed and there may possibly be additional staffing growth or other expenses added based on assessed needs. Staffing has been increased in the model based solely on enrollment growth ratio. Where large surpluses exist, it is reasonable to assume this ratio will be adjusted while remaining fiscally conservative.

3. Given current the current enrollment of your school, discuss in detail the school's plans to address the loss of revenues. Please reference the submitted budget as may be appropriate.

Currently, the school is using factoring (selling of receivables) to account for the impact on cash, due to the enrollment shortfall in FY22-23. Although this will create a significant operating deficit and a

negative ending fund balance, the school projects a significant surplus for FY23-24 and future years if enrollment targets are met. Enrollment targets are reasonable in that they assume growth year over year that is nearly half of the growth that occurred between FY21-22 and FY22-23. Additionally, the school is projected to reach a positive fund balance by FY25-26. Additionally, the school is working with the CMO, back office and other vendors on restructuring and/or eliminating parts of its 22-23 contracted debit, which could save the school approximately 200k-300k in FY22-23. These potential savings are not included in the provided forecasts.

TEACH Las Vegas Budget Narrative for Charter Draft Amendment – Budget B

2. Provide a budget narrative including a detailed description of assumptions and revenue estimates, including but not limited to the basis for revenue projections, staffing levels, and costs. The narrative should specifically address the degree to which the school budget will rely on variable income (e.g., grants, donations, fundraising, etc.). There is no page limit for the budget narrative. Include the following: A detailed discussion of Per-Pupil Revenue: Use the figures provided in developing your budget assumptions.

Revenues- Revenue estimates for FY23-24 consider the Governor's currently proposed budget of a 22.6% increase to base funding, but conservatively assumes only 4% of an increase beginning in FY23-24, with a 2% increase assumed each year thereafter. The base per-pupil rate is projected to increase from $7,293 in FY22-23 to $7,584 in FY23-24, which is 4%. Then beginning in FY24-25 is projected to increase by 2% each year.

One-Time Funding-The only one-time funding assumed in the model for future years is for FY23-24 where there has been awarded a Teacher's Retention grant that carries over into FY23-24 in the amount of $66,320. All other revenue is recurring based on the projected enrollment and a 2% COLA after FY23-24.

Staffing Levels-Staffing levels are impacted in pushing the projected growth back one year. Essentially the hiring of the increased positions is delayed one year. There is small growth for positions assumed in FY23-24 as the staff is already in place to accommodate the projected growth in FY23-24. Thereafter, a minimum of 4 teaching positions, and one support position are assumed each year to account for the enrollment growth.

Facilities- Facilities growth and expenses are properly accounted for in the model as the building footprint increases with the enrollment growth.

Other Expenses-It should be noted that there is a significant drop in the Other Expenses category in the model between FY22-23 and FY23-24. This is due to a one-time Charter Startup grant that is being spent down in FY22-23 that will not carryover to FY23-24. Thereafter, the increases are driven by the projected growth in enrollment impact on costs with significant facilities growth expense as outlined in the model.

Surplus-It can be assumed that beginning in FY26, where a larger surplus exists, the program and staffing levels will be reviewed and there may possibly be additional staffing growth or other expenses added based on assessed needs. Staffing has been increased in the model based solely on enrollment growth ratio. Where large surpluses exist, it is reasonable to assume this ratio will be adjusted while remaining fiscally conservative.

3. Given current the current enrollment of your school, discuss in detail the school's plans to address the loss of revenues. Please reference the submitted budget as may be appropriate.

Currently, the school is using factoring (selling of receivables) to account for the impact on cash, due to the enrollment shortfall in FY22-23. Although this will create a significant operating deficit and a

negative ending fund balance, the school projects a significant surplus for FY23-24 and future years if enrollment targets are met. Enrollment targets are reasonable in that they assume growth year over year that is nearly half of the growth that occurred between FY21-22 and FY22-23. Additionally, the school is projected to reach a positive fund balance by FY26-27. Additionally, the school is working with the CMO, back office and other vendors on restructuring and/or eliminating parts of its 22-23 contracted debit, which could save the school approximately 200k-300k in FY22-23. These potential savings are not included in the provided forecasts.

Teach Las Vegas

Special TEACH LV Board Meeting

Published on February 17, 2023 at 2:39 PM PST

Date and Time

Monday February 27, 2023 at 5:00 PM PST

Location

Beth Bulgeron is inviting you to a scheduled Zoom meeting.
Topic: TEACH LV Special Meeting
Time: Feb 27, 2023 05:00 PM Pacific Time (US and Canada)
Join Zoom Meeting
https://teachpublicschools-org.zoom.us/j/83083283414
Meeting ID: 830 8328 3414
One tap mobile
+12532050468,,83083283414# US
+12532158782,,83083283414# US (Tacoma)
Dial by your location

+1 253 205 0468 US
+1 253 215 8782 US (Tacoma)
+1 669 900 6833 US (San Jose)
+1 719 359 4580 US
+1 346 248 7799 US (Houston)
+1 669 444 9171 US
+1 305 224 1968 US
+1 309 205 3325 US
+1 312 626 6799 US (Chicago)
+1 360 209 5623 US
+1 386 347 5053 US
+1 507 473 4847 US
+1 564 217 2000 US
+1 646 931 3860 US
+1 689 278 1000 US
+1 929 205 6099 US (New York)

+1 301 715 8592 US (Washington DC)
Meeting ID: 830 8328 3414
Find your local number: https://teachpublicschools-org.zoom.us/u/kdXVZxrcp

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Agenda

	Purpose	Presenter	Time
I. Opening Items			**5:00 PM**
A. Call the Meeting to Order		Trishawn Allison	
B. Record Attendance		Beth Bulgeron	1 m
C. Public Comment		Trishawn Allison	5 m

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.

II. CONSENT ITEMS — **5:06 PM**

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.

	Purpose	Presenter	Time
A. Approval of Board Agenda	Vote	Trishawn Allison	3 m
B. Approval of the Minutes of the January 24, 2023 Meeting	Vote	Trishawn Allison	2 m

III. ITEMS SCHEDULED FOR INFORMATION & POTENTIAL ACTION — **5:11 PM**

	Purpose	Presenter	Time
A. CAM Factoring Agreement	Vote	Matthew Brown	5 m

Proposal to sell schedule state payments to TEACH

	Purpose	Presenter	Time
B. Enrollment and Transportation Amendment to the TEACH LV Charter	Vote	Matthew Brown	7 m

IV. Closing Items			**5:23 PM**
A. Upcoming Meeting Date	FYI	Trishawn Allison	5 m

The next regular Board Meeting is scheduled for March 21, 2023 at 5 pm

B. Public Comment			5 m
C. Board Member Comments			5 m
D. Adjourn Meeting	Vote		

Coversheet

Approval of the Minutes of the January 24, 2023 Meeting

Section: II. CONSENT ITEMS
Item: B. Approval of the Minutes of the January 24, 2023 Meeting
Purpose: Vote
Submitted by:
Related Material: 2023_01_24_board_meeting_minutes.pdf

Teach Las Vegas

Minutes

TEACH LV Regular Board Meeting

Date and Time
Tuesday January 24, 2023 at 5:00 PM

Directors Present
C. Igeleke (remote), D. Horn (remote), J. Carver (remote), N. Sarisahin (remote), Q. Branch (remote), T. Allison (remote)

Directors Absent
None

Ex Officio Members Present
A. Moore

Non Voting Members Present
A. Moore

Guests Present
B. Bulgeron (remote), M. Brown (remote), R. Carranza, R. McNeel

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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 24, 2023 at 5:06 PM.

B. Record Attendance

C. Public Comment

There was no public comment.

II. CONSENT ITEMS

A. Approval of Board Agenda

T. Allison made a motion to Approve the Board Agenda.
J. Carver seconded the motion.
The board **VOTED** to approve the motion.

Roll Call

T. Allison	Aye
J. Carver	Aye
N. Sarisahin	Aye
Q. Branch	Aye
D. Horn	Aye
C. Igeleke	Aye

T. Allison made a motion to approve the minutes from the November Special Board Meeting TEACH LV Special Board Meeting on 11-03-22.
J. Carver seconded the motion.
The board **VOTED** to approve the motion.

Roll Call

D. Horn	Aye
N. Sarisahin	Aye
T. Allison	Aye
J. Carver	Aye
C. Igeleke	Aye
Q. Branch	Aye

B. Approval of the Minutes of the November 3, 2022 Board Meeting

III. ITEMS SCHEDULED FOR INFORMATION & POTENTIAL ACTION

A. Updated Lease Agreement

B. Financial Report

Richard McNeel gave the financial report and described how revenues were down, expenditures were up and cash flow was at a critical level. He explained the decrease was primarily due to a drop in enrollment and the fact that Special Education and other high needs student groups are funded based on the previous school year's enrollment numbers, which were significantly lower. In addition, the title allocations were reduced. Richard explained the staffing and the board asked questions about the number of teachers that were budgeted compared to actual. Matt and Richard explained that the CSP grant and the Highly Qualified Teacher grant provided for some positions. Matt explained how the cash flow situation warranted a Special Meeting in February to discuss and vote on a sale of receivables.

C. CAM Factoring Agreement

Matt provided additional detail from what was discussed in the Financial Report, specifically around the timing and amount of what will be needed in the CAM Factoring Agreement. He explained the benefit of waiting until the funds were needed later next month. This item was tabled for the next meeting by Trish Allison.

D.

Update- Required Board Training

Beth Bulgeron gave an update on the required board training and asked if Crislove, the only board member who has not completed the training, would be able to complete and certify. Board member Crislove responded that the materials need to be resent to her.

E. Enrollment Update

ED Andrea Moore described the high mobility rate at the school and accounted for the 54 students who have moved, or due to transportation issues, changed schools. Only one student left the school because he was dissatisfied with the school. All others were due to changes in living arrangements or the ability to continue the commute to school.

Ms. Moore also presented the board with recruitment and enrollment numbers for new students next year, including robust interest in Kindergarten and she anticipates many grade levels will have a waitlist.

F. Report of the Executive Director

ED Andrea Moore reported that there was high moral at the school for both staff and students. All teachers are planning to return except one who is moving out of state. Disciplinary problems in the middle school have decreased significantly. She described the benefits of having sports to student motivation.

IV. Closing Items

A. Upcoming Meeting Date

The next Regular Board Meeting is scheduled for March 231, 2023 and a Special Board meeting will be scheduled for mid February.

B. Public Comment

There was no public comment.

C. Board Member Comments

There were no board member comments.

D. Adjourn Meeting

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 6:26 PM.

Respectfully Submitted,
T. Allison

Coversheet

Enrollment and Transportation Amendment to the TEACH LV Charter

Section: III. ITEMS SCHEDULED FOR INFORMATION & POTENTIAL ACTION
Item: B. Enrollment and Transportation Amendment to the TEACH LV Charter
Purpose: Vote
Submitted by:
Related Material:
TEACH LV SPCSA Draft Enrollment Amendement 2.17.23.docx
TEACH Las Vegas Budget Narrative A.docx
TEACH Las Vegas Budget Narrative B.docx
220826-RFA-Budget-Workbook-FY23 BUDGET B.xlsx
220826-RFA-Budget-Workbook-FY23-BUDGET A.xlsx

STATE PUBLIC CHARTER SCHOOL AUTHORITY

RFA: Reduce in Enrollment in Existing Grade Levels

The SPCSA considers reductions to an approved enrollment cap to be a material change of the charter contract and require approval by the State Public Charter School Authority Board.

Executive Summary

TEACH Las Vegas is a nonprofit charter school currently in its 2nd year of operation, serving grades K-8, located at 4660 N. Rancho Dr. Las Vegas, NV 89130. Under the leadership of Executive Director Andrea Moore and with the support of its CMO TEACH Public Schools, TEACH Las Vegas seeks to achieve the following:

> **to create a high quality, innovative K-12 teaching and learning environment in North Las Vegas that focuses on literacy; integrating state-of-the-art technologies across the core curriculum to achieve academic proficiency for all students.**

To fulfill our mission, we will:

1. **Challenge students who are unchallenged by traditional teaching applications to attain academic proficiency to grade level and above**

2. **Allow each student the freedom to learn by exploring cutting edge technologies and concepts.**

Enable students to become creative, self-motivated, competent college bound students, and lifelong learners that live responsibly as informed, and productive members of a complex social, economic, and global society.

TEACH LV will reach students of all backgrounds by teaching the entire child which includes the social, physical, emotional and intellectual needs of the student. Upon graduation, the knowledge and the experiences acquired at TEACH will be effectively applied to students' daily lives.

TEACH LV will create an educational environment that will foster success in the classroom as well as the community. To this end, the school will work relentlessly toward the following program goals:

1. **Prepare students for academic success through secondary school as well as post-secondary education.**
2. **Prepare students to be responsible and active participants in their community.**
3. **Enable students to become life-long learners.**

REQUEST FOR AMENDEMENT
TEACH Las Vegas is submitting a request to amend its charter contract with SPCSA to reduce its year two enrollment cap from 425 to 325 and to adjust each subsequent years' enrollment caps to the previous years' original target. Thus, the proposed cap for SY 24-25 is the cap that was originally approved for SY 23-24, and so on, until the school is fully enrolled in SY 27-28 with 973 students.

TEACH LV opened in SY 20-21 under challenging circumstances (a short incubation period, COVID restrictions on in-person events, and sharing its campus with another charter school) and was not able to meet its year one enrollment plan of 325. However, TEACH LV was able to nearly triple its enrollment in year 2 to reach the target of 325 that was originally proposed for year one. TEACH LV is well-positioned to meet the proposed readjusted annual growth targets, operating one year behind its original targets and culminating in the originally proposed full capacity in SY 27-28.

The staffing plan will mirror the delayed enrollment plan:

Grade Level	Number of Students				
	2023-24	**2024-25**	**2025-26**	**2026-27**	**2027-28**
K	75	75	75	75	75
1	50	75	75	75	75
2	50	50	75	75	75
3	50	50	50	75	75
4	25	50	50	75	75
5	25	25	50	50	75
6	50	50	50	50	75
7	50	50	50	50	75
8	50	50	50	50	75
9	-	75	75	75	75
10	-	-	75	75	75
11	-	-		75	75
12	-	-		-	75
Total	425	550	675	800	975

FISCAL

TEACH has included two budget forecasts to this amendment request. Budget A assumes a $1,000 per pupil funding increase starting in 23-24k (half of the $2,000 figure considered in the governor's current draft budget). Budget B is even more conservative and assumes only a small 4% COLA increase in

FY23/24. In both these scenarios, TEACH LV can maintain viability in both the short and long term under the updated enrollment plan.

TRANSPORTATION

Additionally, TEACH LV will not offer student transportation in year 2 as planned. TEACH LV doesn't currently have available funds to purchase a vehicle for transportation. TEACH LV is hopeful that the state increases its per pupil funding by the $2,000 allocated in the Governor's proposed budget, which would allow the school to offer student transportation in the 2023-24 school year. Without this funding increase, TEACH will need to secure a private grant to offer transportation next school year. While TEACH is working on obtaining private funding for transportation, it has been unable to secure any funding currently.

References:

Attachment A: Budget A

Attachment B: Budget A Narrative

Attachment C: Budget B

Attachment D: Budget B Narrative

TEACH Las Vegas Budget Narrative for Charter Draft Amendment – Budget A

2. Provide a budget narrative including a detailed description of assumptions and revenue estimates, including but not limited to the basis for revenue projections, staffing levels, and costs. The narrative should specifically address the degree to which the school budget will rely on variable income (e.g., grants, donations, fundraising, etc.). There is no page limit for the budget narrative. Include the following: A detailed discussion of Per-Pupil Revenue: Use the figures provided in developing your budget assumptions.

Revenues- Revenue estimates for FY23-24 consider the Governor's currently proposed budget of a 22.6% increase to base funding, but conservatively assumes only 13% of an increase beginning in FY23-24, with a 2% increase assumed each year thereafter. The base per-pupil rate is projected to increase from $7,293 in FY22-23 to $8,241 in FY23-24, which is 13%. Then beginning in FY24-25 is projected to increase by 2% each year.

One-Time Funding-The only one-time funding assumed in the model for future years is for FY23-24 where there has been awarded a Teacher's Retention grant that carries over into FY23-24 in the amount of $66,320. All other revenue is recurring based on the projected enrollment and a 2% COLA after FY23-24.

Staffing Levels-Staffing levels are impacted in pushing the projected growth back one year. Essentially the hiring of the increased positions is delayed one year. There is small growth for positions assumed in FY23-24 as the staff is already in place to accommodate the projected growth in FY23-24. Thereafter, a minimum of 4 teaching positions, and one support position are assumed each year to account for the enrollment growth.

Facilities- Facilities growth and expenses are properly accounted for in the model as the building footprint increases with the enrollment growth.

Other Expenses-It should be noted that there is a significant drop in the Other Expenses category in the model between FY22-23 and FY23-24. This is due to a one-time Charter Startup grant that is being spent down in FY22-23 that will not carryover to FY23-24. Thereafter, the increases are driven by the projected growth in enrollment impact on costs with significant facilities growth expense as outlined in the model.

Surplus-It can be assumed that beginning in FY26, where a larger surplus exists, the program and staffing levels will be reviewed and there may possibly be additional staffing growth or other expenses added based on assessed needs. Staffing has been increased in the model based solely on enrollment growth ratio. Where large surpluses exist, it is reasonable to assume this ratio will be adjusted while remaining fiscally conservative.

3. Given current the current enrollment of your school, discuss in detail the school's plans to address the loss of revenues. Please reference the submitted budget as may be appropriate.

Currently, the school is using factoring (selling of receivables) to account for the impact on cash, due to the enrollment shortfall in FY22-23. Although this will create a significant operating deficit and a

negative ending fund balance, the school projects a significant surplus for FY23-24 and future years if enrollment targets are met. Enrollment targets are reasonable in that they assume growth year over year that is nearly half of the growth that occurred between FY21-22 and FY22-23. Additionally, the school is projected to reach a positive fund balance by FY25-26. Additionally, the school is working with the CMO, back office and other vendors on restructuring and/or eliminating parts of its 22-23 contracted debit, which could save the school approximately 200k-300k in FY22-23. These potential savings are not included in the provided forecasts.

TEACH Las Vegas Budget Narrative for Charter Draft Amendment – Budget B

2. Provide a budget narrative including a detailed description of assumptions and revenue estimates, including but not limited to the basis for revenue projections, staffing levels, and costs. The narrative should specifically address the degree to which the school budget will rely on variable income (e.g., grants, donations, fundraising, etc.). There is no page limit for the budget narrative. Include the following: A detailed discussion of Per-Pupil Revenue: Use the figures provided in developing your budget assumptions.

Revenues- Revenue estimates for FY23-24 consider the Governor's currently proposed budget of a 22.6% increase to base funding, but conservatively assumes only 4% of an increase beginning in FY23-24, with a 2% increase assumed each year thereafter. The base per-pupil rate is projected to increase from $7,293 in FY22-23 to $7,584 in FY23-24, which is 4%. Then beginning in FY24-25 is projected to increase by 2% each year.

One-Time Funding-The only one-time funding assumed in the model for future years is for FY23-24 where there has been awarded a Teacher's Retention grant that carries over into FY23-24 in the amount of $66,320. All other revenue is recurring based on the projected enrollment and a 2% COLA after FY23-24.

Staffing Levels-Staffing levels are impacted in pushing the projected growth back one year. Essentially the hiring of the increased positions is delayed one year. There is small growth for positions assumed in FY23-24 as the staff is already in place to accommodate the projected growth in FY23-24. Thereafter, a minimum of 4 teaching positions, and one support position are assumed each year to account for the enrollment growth.

Facilities- Facilities growth and expenses are properly accounted for in the model as the building footprint increases with the enrollment growth.

Other Expenses-It should be noted that there is a significant drop in the Other Expenses category in the model between FY22-23 and FY23-24. This is due to a one-time Charter Startup grant that is being spent down in FY22-23 that will not carryover to FY23-24. Thereafter, the increases are driven by the projected growth in enrollment impact on costs with significant facilities growth expense as outlined in the model.

Surplus-It can be assumed that beginning in FY26, where a larger surplus exists, the program and staffing levels will be reviewed and there may possibly be additional staffing growth or other expenses added based on assessed needs. Staffing has been increased in the model based solely on enrollment growth ratio. Where large surpluses exist, it is reasonable to assume this ratio will be adjusted while remaining fiscally conservative.

3. Given current the current enrollment of your school, discuss in detail the school's plans to address the loss of revenues. Please reference the submitted budget as may be appropriate.

Currently, the school is using factoring (selling of receivables) to account for the impact on cash, due to the enrollment shortfall in FY22-23. Although this will create a significant operating deficit and a

negative ending fund balance, the school projects a significant surplus for FY23-24 and future years if enrollment targets are met. Enrollment targets are reasonable in that they assume growth year over year that is nearly half of the growth that occurred between FY21-22 and FY22-23. Additionally, the school is projected to reach a positive fund balance by FY26-27. Additionally, the school is working with the CMO, back office and other vendors on restructuring and/or eliminating parts of its 22-23 contracted debit, which could save the school approximately 200k-300k in FY22-23. These potential savings are not included in the provided forecasts.

Notice

The following file is attached to this PDF. You will need to open this packet in an application that supports attachments to pdf files, e.g. Adobe Reader:

220826-RFA-Budget-Workbook-FY23 BUDGET B.xlsx

Notice

The following file is attached to this PDF. You will need to open this packet in an application that supports attachments to pdf files, e.g. Adobe Reader:

220826-RFA-Budget-Workbook-FY23-BUDGET A.xlsx

"Educating The Whole Child"
TEACH
PUBLIC SCHOOLS
LAS VEGAS

Teach Las Vegas

Minutes

Special TEACH LV Board Meeting

Date and Time
Monday February 27, 2023 at 5:00 PM

Location
Beth Bulgeron is inviting you to a scheduled Zoom meeting.
Topic: TEACH LV Special Meeting
Time: Feb 27, 2023 05:00 PM Pacific Time (US and Canada)
Join Zoom Meeting
https://teachpublicschools-org.zoom.us/j/83083283414
Meeting ID: 830 8328 3414
One tap mobile
+12532050468,,83083283414# US
+12532158782,,83083283414# US (Tacoma)
Dial by your location
+1 253 205 0468 US
+1 253 215 8782 US (Tacoma)
+1 669 900 6833 US (San Jose)
+1 719 359 4580 US
+1 346 248 7799 US (Houston)
+1 669 444 9171 US
+1 305 224 1968 US
+1 309 205 3325 US
+1 312 626 6799 US (Chicago)
+1 360 209 5623 US
+1 386 347 5053 US
+1 507 473 4847 US
+1 564 217 2000 US
+1 646 931 3860 US
+1 689 278 1000 US
+1 929 205 6099 US (New York)
+1 301 715 8592 US (Washington DC)
Meeting ID: 830 8328 3414
Find your local number: https://teachpublicschools-org.zoom.us/u/kdXVZxrcp

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Directors Present
D. Horn (remote), J. Carver (remote), Q. Branch (remote), T. Allison (remote)

Directors Absent
C. Igeleke, N. Sarisahin

Guests Present
B. Bulgeron (remote), M. Brown (remote), R. McNeel (remote)

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 Monday Feb 27, 2023 at 5:02 PM.

B. Record Attendance

C. Public Comment

There was no public comment.

II. CONSENT ITEMS

A. Approval of Board Agenda

T. Allison made a motion to Approve the Board Agenda.
J. Carver seconded the motion.
The board **VOTED** to approve the motion.

Roll Call

T. Allison	Aye
J. Carver	Aye
N. Sarisahin	Absent
C. Igeleke	Absent
Q. Branch	Aye
D. Horn	Aye

B. Approval of the Minutes of the January 24, 2023 Meeting

T. Allison made a motion to approve the minutes from the January 24, 2023 meeting TEACH LV Regular Board Meeting on 01-24-23.
J. Carver seconded the motion.
The board **VOTED** to approve the motion.

Roll Call

N. Sarisahin	Absent
D. Horn	Aye
C. Igeleke	Absent
Q. Branch	Aye
T. Allison	Aye
J. Carver	Aye

III. ITEMS SCHEDULED FOR INFORMATION & POTENTIAL ACTION

A.

CAM Factoring Agreement

Matt Brown presented the CAM Factoring Agreement agenda item and explained that it was not needed at this time, therefore no vote was taken.

B. Enrollment and Transportation Amendment to the TEACH LV Charter

T. Allison made a motion to Approve the Enrollment and Transportation Amendment to the TEACH LV Charter.
Q. Branch seconded the motion.
Matt Brown presented the proposed amendment to the charter and explained how the amendment essentially reflected a one year delay in enrollment targets. He reviewed the conservative budget forecast- assuming a slight increase in per pupil and flat COLA. He also explained the obstacles that prevented implementation of a transportation plan in the first years and how TEACH LV was anticipating offering transportation in year three. Board member Horn asked about current student need for transportation, how the lack of transportation impacted enrollment and whether or not students have left TEACH LV due to lack of transportation. Mr. Brown explained that there were students who have moved away from the immediate vicinity of the school and might have stayed if transportation was provided.
The board **VOTED** to approve the motion.

Roll Call

J. Carver	Aye
T. Allison	Aye
C. Igeleke	Absent
Q. Branch	Aye
N. Sarisahin	Absent
D. Horn	Aye

IV. Closing Items

A. Upcoming Meeting Date

The next Regular Board Meeting will be held on March 21st at 5 pm.

B. Public Comment

There was no public comment.

C. Board Member Comments

There were no additional Board Comments.

D. Adjourn Meeting

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 5:16 PM.

Respectfully Submitted,
T. Allison

Coversheet

Tentative 2023-2024 TEACH Las Vegas Budget

Section: III. ITEMS SCHEDULED FOR INFORMATION & POTENTIAL ACTION
Item: E. Tentative 2023-2024 TEACH Las Vegas Budget
Purpose: Vote
Submitted by:
Related Material: TEACH_Las Vegas FY23-24- Tentative Budget - 04.06.23.pptx

CHARTER IMPACT

TEACH Las Vegas

FY2024 Tentative Budget Presentation – April 2023

TEACH Las Vegas FY2024 Budget Assumptions April 2023

FY23	FY24
Enrollment & Demographics	
-	-
50	50
40	50
40	50
26	50
34	50
31	50
50	50
38	50
17	25
-	-
-	-
-	-
-	-
326	**425**

	Staff	
	FY22-23	FY23-24
Teachers	21.50	19.00
Special Education	1.00	2.00
Instructional Support	6.50	3.00
Admin	1.00	1.00
Operational Support	5.00	3.40
Total FTE	**35.00**	**28.40**

			Notes
State Rate Per Pupil	7,293.00	8,647.00	Per State Payment Workbook Projection
Weigthed EL Total	$49,081.00	$ 193,403.00	Per State Payment Workbook Projection
At-Risk Weighted Total	$17,127.00	$ 46,417.00	Per State Payment Workbook Projection

Teach Las Vegas - NV

CHARTER IMPACT

FY24 Board Summary

Revised 4/4/23

Annual/Full Year		
FY2024 Tentative Budget	Prior Year Forecast as of 1/31/23	Fav/(Unfav)
$ 3,914,795	$ 2,443,721	$ 1,471,074
27,862	845,603	(817,741)
516,440	465,516	50,924
-	578	(578)
$ 4,459,097	**$ 3,755,418**	**$ 703,679**
$ 1,489,431	$ 1,802,400	$ 312,970
764,473	679,160	(85,313)
419,312	474,648	55,336
826,690	851,409	24,718
115,681	94,885	(20,796)
486,681	839,492	352,810
-	-	-
51,050	57,203	6,153
58,722	43,452	(15,270)
$ 4,212,040	**$ 4,842,649**	**$ 630,609**
$ 247,057	**$ (1,087,231)**	**$ 1,334,288**
247,057	**(1,087,231)**	
(859,096)	228,135	
$ (612,039)	**$ (859,096)**	
-14.5%	*-17.7%*	

Teach Las Vegas - NV

CHARTER IMPACT

Multi-Year Projection

Revised 4/4/23

	FY23	FY24	FY25	FY26	FY27	FY28
Key Assumptions						
Attendance	326	425	525	650	750	825
DSA Funding Rate	7,293	8,647	8,820	8,996	9,176	9,360
Revenue Growth Rate	*3.00%*	*3.00%*	*3.00%*	*3.00%*	*3.00%*	*3.00%*
Payrol COLA	*2.00%*	*2.00%*	*2.00%*	*2.00%*	*2.00%*	*2.00%*
OPEX COLA	*3.00%*	*3.00%*	*3.00%*	*3.00%*	*3.00%*	*3.00%*
Revenues						
Total Revenue	**3,755,418**	**4,459,097**	**5,923,553**	**7,503,931**	**8,978,962**	**10,103,766**
Expenses						
Total Expenses	**4,842,649**	**4,212,040**	**5,373,993**	**6,400,071**	**7,110,293**	**7,398,779**
Surplus (Deficit)	**$ (1,087,231)**	**$ 247,058**	**$ 549,560**	**$ 1,103,859**	**$ 1,868,669**	**$ 2,704,988**
Fund Balance, Beginning of Year	228,135	(859,096)	(612,038)	(62,478)	1,041,381	2,910,050
Add Back Deferred Rent	-	-	-	-	-	-
Fund Balance, End of Year	**$ (859,096)**	**$ (612,038)**	**$ (62,478)**	**$ 1,041,381**	**$ 2,910,050**	**$ 5,615,037**
	-17.7%	*-14.5%*	*-1.2%*	*16.3%*	*40.9%*	*75.9%*
Cash Flow Adjustments						
Cash, End of Month	(855,678)	(680,790)	(1,008,085)	198,188	2,167,234	3,039,374
Days Cash On Hand	(64)	(59)	(68)	11	111	150

Coversheet

Approve the Amended Charter Impact Contract

Section:	III. ITEMS SCHEDULED FOR INFORMATION & POTENTIAL ACTION
Item:	F. Approve the Amended Charter Impact Contract
Purpose:	Vote
Submitted by:	
Related Material:	Proposed Management and Accounting Agreement Update_V3.pptx CI Contract FY20-21 - TEACH LV-signed.pdf CI Contract FY22-23 - TEACH LV_Proposed Update.doc

CHARTER IMPACT

Proposed Management and Accounting Agreement Update

Proposed Agreement Update- Reasons

- TEACH Las Vegas is currently in a tight cash position and has reached out to vendors with longstanding relationships for solutions
- In recognition of the longstanding relationship, Charter Impact has considered and made the following recommended changes to the existing agreement as detailed on the following slide
- Deferring payments by restructuring the agreement allows for a healthier bottom line in the current year

Proposed Agreement Update- Details

- Extend the term of the agreement (as outlined in Section 2.01) from one year ending June 30th, 2022 (with automatic one-year renewals unless 60-day notice is provided) to end June 30, 2026, with automatic one-year renewals (unless 60-day notice is provided)
- Note that this is currently the 2nd year of the existing agreement, the proposed change will add a minimum of 3 years
- Fees in section 3.01 will be adjusted from 2.00% of revenue as calculated based on each reporting unit (i.e.-Charter school, department, location, central office and any other additional reporting units which may be added at the discretion of the Client) to 0.50% of revenue from July 1, 2022-June 30, 2023, and 2.25% of revenue from July 1, 2023, forward
- Section 3.03 changes the language to begin billing from July 1st , 2021 to July 1st , 2022 to align to the new proposed rate schedule to make it retroactive to the beginning of the current fiscal year

Projected Financial Impact

As of February 2023	FY22-23
Revenue Projected	$ 3,783,406.00
2.00 % of Revenue	$ 75,668.12
0.50 % of Revenue	$ 18,917.03
Difference	$ (56,751.09)

As of February 2023 Close	FY23-24	FY24-25	FY25-26
Revenue Projected	$ 4,969,353.00	$ 6,133,738.00	$ 7,670,692.00
2.00 % of Revenue	$ 99,387.06	$ 122,674.76	$ 153,413.84
Proposed 2.25 % of Revenue	$ 111,810.44	$ 138,009.11	$ 172,590.57
Proposed Difference	$ 12,423.38	$ 15,334.34	$ 19,176.73
Cumulative Proposed Difference	$ 12,423.38	$ 27,757.73	$ 46,934.46

CHARTER IMPACT

CHARTER IMPACT, INC.

MANAGEMENT AND ACCOUNTING SERVICES AGREEMENT

This agreement (the "Agreement") is entered into as of July 1, 2021 (the "Effective Date") by and between Charter Impact, Inc. ("CI"), and TEACH Las Vegas ("Client").

ARTICLE 1. DUTIES AND RESPONSIBILITIES

Section 1.01. CI, a provider of business management and accounting services, will provide accounting, budgeting, compliance, strategic planning, documentation, deliverables, and other related services necessary to fulfill Client's business management and accounting requirements, as more particularly described in Exhibit A, B and C attached hereto and incorporated herein by this reference (the "Services").

Section 1.02. Client will provide CI with the compensation and business expense reimbursement specified in Article 3 of this Agreement.

ARTICLE 2. TERM OF AGREEMENT

Section 2.01. Client will retain CI to work as a consultant for Client in the field of business management, accounting and consulting, beginning July 1, 2021, and ending June 30, 2022. CI accepts this engagement. CI will use CI's best efforts to accomplish the technical and commercial goals identified by Client during the term of this Agreement. Client acknowledges that CI may have other confidentiality commitments. Client will not require CI to perform tasks which might reasonably result in CI's breach of any confidentiality commitment.

Section 2.02. This Agreement will be renewed automatically for succeeding terms of one year each, unless either party gives notice to the other at least 60 days before the expiration of any term of his or her or its intention not to renew.

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ARTICLE 3. COMPENSATION AND EXPENSES

Section 3.01. Fees.

Business Management Services: For services in Exhibit A, the Client will pay CI a fee equal to 2.00% of revenue as calculated based on each reporting unit (i.e. charter school, department, location, central office and any other additional reporting units which may be added at the discretion of the Client). Fees for services in Exhibit A are subject to a minimum of $48,000 per year.

Payroll Processing: For services in Exhibit B, the Client will pay CI fees as follows:

- Payroll processing - $100 base plus $2.75 per employee per pay period
- Garnishment reporting - $2.50 per occurrence
- New employee reporting - $3.50 per occurrence
- Payroll delivery via FedEx - $35.00 per occurrence, per 50 employees
- Quarterly/Annual Reporting - $20.00 per occurrence
- Form W-2 or 1099 (for contractors paid via payroll) - $5.75 each
- AATRIX late processing fees – based on a reimbursement of fees charged by AATRIX for priority processing of tax payments.

Rush Check Processing (optional): Upon special request of Client, emergency checks can be processed on a same-day basis in addition to the regular weekly cycle described in Exhibit A, Section 2C. For these rare occasions, an expedited processing fee of $75 per check will be charged in addition to the reimbursement for shipping charges noted in Section 3.02 below.

Other Services: For other services requested by Client outside of the items included in Exhibit A or B, the Client will pay CI a fee based on CI's standard hourly rates as listed in Exhibit C.

Section 3.02. Expenses. In addition to the compensation specified in Section 3.01, CI will be paid for actual reasonable out-of-pocket expenses incurred in providing the Services, including mileage reimbursement for Client-requested meeting attendance. Reimbursement of aggregate monthly expenses will not exceed $500, without written approved by Client before being incurred, unless Client elects to reimburse CI after the fact.

Section 3.03. Invoicing. CI will invoice Client on a monthly basis for Business Management, starting July 1st, 2021 and will CI will automatically update the amount based on 1/12th of the Client's projected annual revenue pursuant to the percentage based fee in Section 3.01. Student Data, Other Services and expenses pursuant to sections 3.01 and 3.02 above will be billed monthly based on the actual time and expenses incurred during the preceding month. Payroll processing fees will be invoiced upon processing of the payroll. CI will automatically prepare a check from Client on the invoice date for payment from Client. Payment for all services and expenses is due upon presentation of invoices.

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Section 3.04. Right to Suspend Performance. In the event of default or delay in payment greater than 30 days from the date of the invoice, CI reserves the right to suspend part or all of its performance of duties under this contract until all amounts for Services and Expenses are paid in full. In the event Client disputes all or any portion of an invoice, Client shall notify CI within 15 days of receipt of the invoice; and initiate the dispute resolution process under Section 15 hereof, but shall pay the invoice in full, pending the outcome of such process.

Section 3.05. Late Payments. Payments made after the payment terms are subject to a late payment penalty equal to an annual rate of twelve percent (12%).

Section 3.06. Price Changes. The prices and related charges for the Services are subject to increase upon renewal of this Agreement. CI reserves the right to immediately pass through increases in costs incurred from third parties, e.g., vendors, subcontractors and licensors, to the extent such services and supplies are identified in Exhibit A, B and C. In addition, CI will give Client not less than 30 days prior written notice of any price increases for Services.

ARTICLE 4. REPRESENTATIONS AND WARRANTIES

Section 4.01. Organization of Client. Client is a non-profit public benefit corporation, duly organized, validly existing, and in good standing and has all requisite power and authority to own, lease and operate its properties and to carry on its educational operations as it is now being conducted.

Section 4.02. No Breach. Each party hereto warrants and represents that neither the execution and delivery of this Agreement, nor the consummation of the transactions contemplated hereby, will (i) violate any, statute, regulation, rule, injunction, judgment, order, decree, ruling, charge, or other restriction of any government, governmental agency, or court to which it is subject, or any provision of its Articles of Incorporation, Bylaws or Charter, nor (ii) conflict with, result in a breach of, constitute a default under, result in the acceleration of, create in any party the right to accelerate, terminate, modify, or cancel, or require any notice under any agreement, contract, lease, license, instrument or other arrangement to which it is a party or by which it is bound or to which any of its assets is subject.

Section 4.03. CI represents and warrants that it has the requisite personnel, equipment, expertise, experience and skill to perform its obligations hereunder and provide the Services to Client in a timely and professional manner.

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ARTICLE 5. DISCLAIMER OF WARRANTIES

Section 5.01. THERE ARE NO WARRANTIES THAT EXTEND BEYOND THOSE THAT ARE EXPRESSLY CONTAINED HEREIN. CI DISCLAIMS ALL OTHER REPRESENTATIONS AND WARRANTIES, EXPRESS OR IMPLIED, REGARDING THE SERVICES, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF MERCHANTABILITY; FITNESS FOR A PARTICULAR PURPOSE; THIRD PARTY SOFTWARE OR HARDWARE; OR, RESPONSIBILITY FOR CLIENT DATA.

Section 5.02. Limited Remedy. Client's exclusive remedy for defective Services is re-performance of the Services by CI at CI's expense, subject to CI's confirmation of the existence of such defect after receiving notice of a claimed defect from Client.

ARTICLE 6. LIMITATION OF LIABILITY

Section 6.01. EVEN IF CI CANNOT OR DOES NOT RE-PERFORM ANY DEFECTIVE SERVICES, AND CLIENT'EXCLUSIVE REMEDY FAILS OF ITS ESSENTIAL PURPOSE, CI'S ENTIRE LIABILITY SHALL IN NO EVENT EXCEED $50,000. CI HAS NO LIABILITY FOR GENERAL, CONSEQUENTIAL, INCIDENTAL OR SPECIAL DAMAGES ARISING FROM A DEFECT IN ANY SERVICES.

Section 6.02. EXCEPT FOR DAMAGES FLOWING FROM GROSS NEGLIGENCE OR INTENTIONALLY TORTIOUS CONDUCT, IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR ANY LOSS OR INJURIES TO EARNINGS, PROFITS OR GOODWILL, OR FOR ANY INCIDENTAL, SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGES OF ANY PERSON OR ENTITY WHETHER ARISING IN CONTRACT, TORT OR OTHERWISE, EVEN IF EITHER PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THE LIMITATIONS SET FORTH IN THIS SECTION SHALL APPLY EVEN IF ANY REMEDIES FAIL IN THEIR ESSENTIAL PURPOSE. Client acknowledges that the pricing of the Services and the other terms of this Agreement have been set based on the foregoing sections of this Agreement providing for an agreed allocation of the risk for any defective Services between the parties. Client further acknowledges that the pricing and terms would have been different if there had been a different allocation of the risk.

ARTICLE 7. CONFIDENTIAL BUSINESS INFORMATION

Section 7.01. CI agrees that all of the business information related specifically to Client developed by or communicated by or to CI in the performance of the services described in this Agreement is of a highly confidential nature, and that, unless the CI has the prior written approval of Client, no use or oral or written disclosure of that information by CI will be made either during or after the term of this Agreement, except that CI may disclose that information to persons or companies who may be designated by Client to work with the CI in connection with CI's performance of the Services. Nothing herein

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shall be construed as restricting CI in performing the Services, which require routine disclosure of such information to auditors, regulatory agencies, insurance carriers, and providers, and the Client as its agent. With the Client's consent, CI will provide financial references upon request by certification organizations, financial institutions, and potential grantors.

Section 7.02. For purposes of this Agreement, "Confidential Information" means any and all technical and non-technical information including copyright, trade secret, and proprietary information, inventions, know-how, processes and algorithms, software programs, software source documents. Confidential Information includes, without limitation, financial information, procurement requirements, purchasing information, and plans and personnel information of the parties and students as protected under FERPA, HIPPA, and other privacy protection laws. The restriction of Section 7.01 does not apply to information which CI can demonstrate was at the time of the execution of this Agreement:

(a) In the public domain or is otherwise considered public information; or

(b) Part of CI's prior knowledge; or

(c) Learned from a third party without the breach of a confidential relationship with Client.

ARTICLE 8. OBLIGATIONS OF CLIENT

Section 8.01. Authorized Personnel. The Client must identify to CI, in writing, the authorized staff member(s) to work with CI with respect to: general information about the Client, accounts payable, personnel and payroll, attendance records as well as funding compliance and reporting.

Section 8.02. Principal Contact. The Client must also identify, in writing to CI, its key or principal contact who is authorized to receive and disclose Confidential Information, receive payroll checks and discuss personnel issues.

Section 8.03. Financial Records and Audit.

(i) The Client will maintain customary and reasonably correct, complete and accurate books and records of account as required by the United States government, the State of Nevada (and any other funding authority). The Client will deliver all supporting documentation in accordance with the monthly close timeline developed by CI. Unless otherwise stated, this deadline will be 5 calendar days following the end of the month.

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(ii) The Client will obtain a timely annual audit of its books and records from an independent certified public accounting firm (reasonably acceptable to CI) and immediately provide CI with a copy of any annual audit and related reports, notes or statements. Client authorizes and instructs its independent accountants to speak and work directly with CI on any matter or issue pertinent to the Services.

(iii) Client covenants that it will respond promptly and professionally to any and all questions or investigations from any investigating or funding authority or Client's accountants, including exceptions noted in any independent accountant's report.

Section 8.04. Coordination and Cooperation. Client, its authorized staff members and principal contact will work closely and cooperatively with CI to facilitate the effective performance and delivery of the Services. Client will comply with and respond promptly to all reasonable requests of CI for information or documents from the Client. Client covenants to assist CI in reconciling outstanding invoices, and to provide CI with copies or originals of vendor invoices and correspondence, as well as other statements and receipts in accordance with the monthly close deadline established by CI. In the case where CI is required to incur additional time researching, obtaining or documenting transactions, re-processing payments or re-classifying expenses outside of the standard processes and procedures and established by CI, CI may charge additional fees based on the standard hourly rates for actual time spent as noted in Section 3.01 above.

Section 8.05. Payroll. Client will provide all necessary and proper data to CI for payroll processing.

(i) All original documents as it relates to personnel files or payroll logs will be maintained at the Client site.

(ii) Client will use, and purchase if necessary to use, commercially reasonable time clocks for hourly personnel if CI systems are not used.

Section 8.06. Attendance Records and Reports. Client must take all necessary and proper steps to provide regular, accurate and timely responses to daily attendance tracking reports.

Section 8.07. Grant and Funding Requirements. Client covenants to use its best efforts to comply with all grant and funding requirements, including record keeping, reporting, management and financial controls and policies and procedures. Client also recognizes that it is Client's sole responsibility to know and be aware of all restrictions and requirements of its grants and funding sources including both governmental and non-governmental sources.

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Section 8.08. Client Policies and Procedures. Client covenants to develop, apply and follow not less than customary and reasonable policies and procedures applicable to: Human Resources, Payroll Administration, Internal Financial Controls, Accounts Payable and other disbursements and competitive bid procedures for vendors.

Section 8.09. Notice and Information. Client covenants that it will provide CI with prompt, complete and accurate notice of and information concerning any material errors in Client data and Client' books and records, as well as with respect to investigations or inquiries into the Client, its activities, operations and reports by any governmental authority. Client will provide CI promptly with copies of every report, including any schedules or exhibits, provided to any governmental agency.

Section 8.10. Client acknowledges that CI's employees, consultants and any other personnel have been thoroughly trained and employed at great expense, are of great value and provide CI with a substantial competitive advantage in its business. Client agrees not induce or attempt to induce any employees, consultants or other personnel of CI to breach their agreements with CI. Should Client hire or employ any current employee, consultant or any other personnel of CI within one year of their termination from CI, Client agrees to pay CI a fee equal to 100% of the annual starting salary, payment of which is due upon the offer of employment.

Section 8.11. Chartering Agency Requirements. Client covenants to use its best efforts to comply with all material requirements, including policies and procedures, of the Chartering Agency. Client also recognizes that it is Client's sole responsibility to know and be aware of all restrictions and requirements of its Chartering Agency.

ARTICLE 9. AGENCY

Section 9.01. It is understood and agreed that the CI is an independent contractor in respect to CI's relationship to Client, and that CI is not and should not be considered an agent or employee of the Client for any purpose. CI agrees not to represent itself as an agent or employee of the Client at any time.

Section 9.02. Nothing in this Agreement will be construed or implied to create a relationship of partners, agency, joint venture partners, or of employer and employee between CI and Client.

ARTICLE 10. INDEPENDENT CONTRACTOR STATUS

Section 10.01. CI and Client are independent contractors. No representations or assertions shall be made nor actions taken by either party that would create any agency, joint venture, partnership, employment or trust relationship between the parties with respect to the subject matter of this Agreement. Neither party shall have any right to bind the other party, to make any representations or warranties, or to perform any act or thing on behalf of the other party, except as expressly authorized under this Agreement or in writing by the other party in its sole discretion. CI will have full control and discretion as to the ways and means of performing any and all services to be provided under this

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Agreement. It is understood that in the performance of this Agreement CI is not in any way acting as an employee of Client, and CI will be responsible for all taxes, social security payments, and other similar payments or contributions due as a result of any payments made to CI pursuant to the terms of this Agreement.

Section 10.02. As an independent contractor, CI agrees that Client has no obligation to CI under the state or federal laws regarding employee liability, and that Client's total commitment and liability under this arrangement is the performance of its obligations and the payment of CI's compensation and expenses as described herein. Each party will exercise day-to-day control over and supervision of their respective employees, and all instruction and direction of Client employees shall be the exclusive province of the Client. Each party is responsible for obtaining and maintaining worker's compensation coverage and unemployment insurance on its employees. Except as expressly stated in this Agreement, CI and Client are responsible for any and all taxes on their respective net incomes, and for payment and withholding of all applicable taxes on the income of their respective employees.

Section 10.03. CI reserves the right to subcontract with other individuals and businesses for the Services. CI will be responsible for all payments to, as well as the direction and control of the work to be performed by, its subcontractors, if any.

ARTICLE 11. INDEMNIFICATION

Section 11.01. Indemnification. Client and CI warrant to indemnify each other and hold each other, and each other's officers, directors, employees, agents harmless, from and against any and all direct claims, costs, losses, liabilities and expenses for personal injury and property damage, including reasonable attorneys' fees, attributable to their actions and omissions under this Agreement, but excluding claims that would not be made but for the gross negligence or willful misconduct of the party seeking indemnification.

ARTICLE 12. INSURANCE

Section 12.01. CI carries customary and reasonable comprehensive insurance coverage for errors and omissions.

Section 12.02. Client will obtain and maintain customary and reasonable insurance for its facilities and operations, naming CI as additional insured under all policies.

ARTICLE 13. ETHICAL CONDUCT; RECORDKEEPING

Article 13.01. Client's policy requires ethical conduct in all business activities and practices, including proper recording and reporting of all transactions and compliance with applicable laws. The adequacy and accuracy of CI's billings, supporting documentation, and other information rendered to Client become the basis for Client's further recording and reporting, both internally and externally. CI is not expected or authorized to take any action on Client's behalf that would result in inadequate or

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inaccurate recording or reporting of assets, liabilities, or any other transaction or that would violate any applicable laws, rules, or regulations.

Section 13.02. Integrity and Financial Responsibility. Client will act with integrity and alert the management of CI to any fraudulent or unethical activity related to Client operations as soon as the Client becomes aware, to the extent permitted by law. Client acknowledges that CI's ability to provide Services is premised upon the Client acting in a financially prudent manner, including but not limited to timely approval of balanced budgets, maintaining a positive variance to budget throughout the year to the extent feasible and proper submission of supporting documentation for incoming and outgoing payments of any kind. Notwithstanding Section 14 hereof, CI may immediately terminate this contract in the event it determines, in its sole discretion, that Client personnel are or have acted in a fraudulent or unethical manner or in the case that CI cannot provide the Services in a professional manner consistent with laws and regulations governing the Client, Client approved policies and procedures or business management best practices, based upon the actions or inaction of the Client.

ARTICLE 14. TERMINATION

Section 14.01. If either party defaults in the performance of this Agreement or materially breaches any of its provisions, the non-breaching party may terminate this Agreement by giving written notification to the breaching party. Termination will take effect if either Party breaches any of its material obligations under this Agreement in any respect, which breach is not remedied within ninety (90) days following written notice to such breaching Party. For the purposes of this paragraph, material breach of this Agreement includes, but is not limited to, the following:

(a) Client's failure to pay CI any undisputed compensation due within 30 days after written demand for payment or invoicing.

(b) CI's failure to complete the services specified in Article 1.

(c) Client's material breach of any representation or agreement contained in this Agreement.

Section 14.02. In the event that Client is unable to pay its debts when they become due, declares bankruptcy or insolvency, or makes an assignment for the benefit of its creditors, CI may terminate this Agreement upon written notice to Client.

Section 14.03. Effect of Termination; Survival. Expiration or termination of this Agreement will not relieve either party from its obligations arising hereunder prior to such expiration or termination. Rights and obligations which by their nature continue or should survive will remain in effect after termination or expiration of this Agreement.

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Section 14.04. All Services, including preparation of financial statements and compliance reporting related to a period within the term, will cease upon termination or expiration of this Agreement. If Client has compliance needs that stretch beyond the term of this Agreement into the next fiscal year, it is common for a closing agreement to be created upon termination or expiration to clearly define a term and scope of services falling outside this Agreement. The fee for such services is determined at that time based upon the scope of work to be completed past the Agreement term.

Section 14.05. In the event of early termination, the Business Management fee deemed to be earned by and due to CI will be equal to the fee in Section 3.01 and the forecasted revenue from the most recently prepared financial report, prorated from the commencement date of this agreement to the termination date, regardless of fee actually invoiced as of the termination date.

ARTICLE 15. DISPUTE RESOLUTION

Section 15.01. Any controversy or claim, whether based on contract, tort, strict liability, fraud, misrepresentation, or any other legal theory, arising out of either party's performance of this Agreement ("Dispute") shall be resolved solely in accordance with the terms of this Section.

a. Resolution Sequence. If the Dispute cannot be settled by good faith negotiation between the Chief Executive Officers of the parties – which must take place within thirty days of receipt by one party of a claim of a Dispute – CI and Client will submit the Dispute to non-binding mediation in Los Angeles County. If complete agreement cannot be reached within thirty days of submission to mediation, any remaining issues will be resolved by binding arbitration in accordance with Sections (c) and (d) below. Arbitration will comply with and be governed by the provisions of the California Arbitration Act

b. Arbitrator. A single Arbitrator who is a retired judge and knowledgeable in commercial matters will conduct the arbitration. The Arbitrator's decision and award will be final, must be made in writing with findings of fact and conclusions of law, will be binding and may be entered in any court with jurisdiction. The Arbitrator will not have authority to make errors of law or legal reasoning, nor to modify or expand any of the provisions of this Agreement. The Arbitrator will not have the authority to award damages not permitted by this Agreement.

c. Rules and Expenses. Any mediation or arbitration commenced pursuant to this Agreement will be conducted under the then current rules of the alternate dispute resolution ("ADR") firm in the site selected by the parties. If the parties are unable to agree on an ADR firm, the parties will conduct the mediation and, if necessary, the arbitration, under the then current rules and supervision of the American Arbitration Association. CI and Client will

CHARTER IMPACT

each bear its own attorneys' fees associated with the mediation and, if necessary, the arbitration. CI and Client will pay all other costs and expenses of the mediation/arbitration as the rules of the selected ADR firm provide.

d. Limitation on Actions. Any dispute Client may have against CI with respect to this Agreement must be brought within two years after the cause of action arises.

ARTICLE 16. GENERAL PROVISIONS

Section 16.01. Any notices to be given under the Agreement by either party to the other will be in writing and may be transmitted by personal delivery or by e-mail, mail, registered or certified, postage prepaid with return receipt requested. Mailed notices will be addressed to the parties at their known place of business, but each party may change that address by written notice in accordance with this section. Notices delivered personally will be deemed communicated as of the date of actual receipt; mailed notices will be deemed communicated as of two days after the date of mailing.

Section 16.02. This instrument contains the entire Agreement of the parties with respect to the subject matter hereof and there are no other promised representations or warranties affecting it. This Agreement supersedes any and all other agreements, either oral or in writing, between CI and Client with respect to the engagement of CI by Client and contains all of the covenants and agreements between the parties with respect to that engagement in any manner whatsoever. Each party to this Agreement acknowledges that no representation, inducements, promises, or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party that are not embodied in the Agreement, and that no other agreement, statement, or promise not contained in this Agreement will be valid or binding on either party.

Section 16.03. Any modification of this Agreement will be effective only if it is in writing and signed by the party to be charged.

Section 16.04. The failure of either party to insist on strict compliance with any of the terms, covenants, or conditions of this Agreement by the other party will not be deemed a waiver of that term, covenant, or condition, nor will any waiver or relinquishment of any right or power at any one time or times be deemed a waiver or relinquishment of that right or power for all or any other times.

Section 16.05. If any provision in this Agreement is held by a court or arbitrator of competent jurisdiction to be unreasonable, invalid, void, or unenforceable, then this Agreement will be deemed amended to provide for the modification of the unreasonable, invalid, void, or unenforceable provision to the extent that the court or arbitrator finds reasonable, and the remaining provisions of this Agreement will continue in full force without being impaired or invalidated in any way.

CHARTER IMPACT

Section 16.06. Governing Law. This Agreement will be governed by and construed in accordance with the laws of the State of California, without giving effect to its conflict of law provisions or to constructive presumptions favoring either party.

Section 16.07. Force Majeure. Neither Party shall be in breach of this Agreement to the extent that any delay or default in performance is due to causes beyond the reasonable control of the delayed or defaulting Party; provided, that the delayed or defaulting Party shall immediately notify the other Party of the event, an estimate of the duration of the event, and the delaying or defaulting Party's plan to mitigate the effects of the delay or default.

Section 16.08. Successors and Assigns. Neither this Agreement nor any of its rights or privileges shall be sold, assigned, transferred, shared, or encumbered, by operation of law or otherwise, without the prior written consent of the affected (non-assigning) party. Subject to the foregoing, this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

Section 16.09. Publicity. Client agrees to act as a reference for CI with respect to the Services upon CI's reasonable request. CI may issue press releases or identify Client in marketing materials, including the start and termination of the Agreement, provided that all references to Client are fair, accurate and not misleading.

Section 16.10. Corporate Power and Authorization. The parties hereto have full corporate power and authority to execute and deliver this Agreement and to perform their obligations hereunder. The execution, delivery and performance of this Agreement by each party has been duly authorized by all necessary corporate action. This Agreement has been duly executed and delivered by each party and constitutes the valid and legally binding obligation of Client and CI enforceable in accordance with its terms and conditions.

[signature page to follow]

CHARTER IMPACT

Accepted and Agreed, as of the Effective Date first written above:

TEACH LAS VEGAS

Signed: ____________________

Name: Trishawn Allison

Title: President

CHARTER IMPACT, INC.

By ____________________
Spencer Styles, President & CEO

CHARTER IMPACT

EXHIBIT A
SCOPE OF WORK: BUSINESS MANAGEMENT SERVICES

1. **IMPLEMENTATION AND TRAINING**
    a. Create a customized accounting database based specifically on the school's reporting needs (both internal and external)
    b. Import historical data to the extent possible (typically monthly balances as far back as data is available) to allow for maximum comparability of financial information
    c. Review existing contracts for terms, requirements and school responsibilities
    d. Create, refine or replace existing processes and procedures to increase efficiency and improve the strength of internal controls
    e. Provide training in specific processes and procedures including to school site staff including: accounts payable, accounts receivable/deposits, petty cash accounts, student stores, payroll, etc.
    f. Provide training to new and/or existing board members on:
        i. Charter school funding - including drivers, calculations, restrictions and cash flow timing,
        ii. Reading and interpreting financial reports, and
        iii. Internal controls and the board's responsibility for oversight and maintenance

2. **ACCOUNTS PAYABLE PROCESSING**
    a. Review all invoices sent to Charter Impact for proper approval and coding
        i. Any discrepancies will be reported to the Client within three business days of CI becoming aware of the discrepancy. CI is not responsible for communicating any information to Client vendors. The fees described in Section 3.01 are based upon Client cooperation and compliance with CI processes and procedures. Time incurred to process payments outside of the pre-established timeline is subject to additional fees as described in Section 8.04 above.
    b. Enter invoices for each reporting entity, process check payments, and send checks directly to vendors to reduce turn-around time
    c. Provide weekly check registers, accounts payable aging reports, vendor payment history or other ad hoc reports on a recurring or as needed basis
    d. On an emergency basis, same day payments can be processed in addition to the weekly cycle (*additional processing fees apply).
    e. Complete 1099s for all independent contractors.
        i. It is the Client's sole responsibility to obtain and submit to CI the IRS Form W-9 for all vendors. Client acknowledges that CI is not responsible for processing of Form 1099 for any vendor for which CI has not received a Form W-9 or for any vendor that has not been paid through CI's vendor payment process.

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3. **ACCOUNTS RECEIVABLE PROCESSING**
    a. Monitor the receipt of State approved funding amounts and verify balances paid are correct
    b. Work directly with governmental agencies to resolve any issues or discrepancies identified
    c. Review all donor letters and grant agreements for proper coding and revenue recognition in accordance with GAAP
    d. Maintain independent records, as necessary, for both public and private sources to ensure accurate reporting and compliance

4. **BANK RECONCILIATION AND GENERAL LEDGER MAINTENANCE**
    a. Reconcile all bank accounts on a weekly basis for a heightened level of security and monitoring
    b. Maintain general ledger in accordance with GAAP on an ongoing basis, ensuring all revenues and expenses are recorded and reported accurately
    c. Maintain an inventory of fixed assets over the school-designated capitalization threshold and calculate depreciation on a monthly basis

5. **CASH MANAGEMENT**
    a. On a weekly basis, use reconciled bank balance to project daily cash balances for 30 days (for analysis of cash for any period of time over 30 days, the monthly forecast will be utilized)
    b. On a weekly basis, provide schools with amount of cash available for accounts payable or other discretionary spending while ensuring sufficient funds for regularly recurring transactions such as payroll, taxes, rent, insurance, etc.
    c. Plan and manage payment of outstanding debt as needed
    d. Prepare all financial reporting necessary for renewal of loans or lines of credit
    e. Present line of credit status to board and obtain board resolutions as needed
    f. Monitor compliance with all debt covenants as a part of the ongoing budgeting and forecasting process
    g. Analyze future cash flow and determine whether schools need to make adjustments to spending or seek other funding options.

6. **MONTHLY FINANCIAL REPORTING**
    a. Provide a monthly reporting package by the 20th day of the following month, assuming all necessary data is received from the school site on a timely basis, to ensure management has the necessary information to make sound business decisions
    b. Create financial reporting package based on customized business segments. This includes budgets and forecasts as well.
    c. Offer a menu of report options for the monthly financial reports including, but not limited to:
        i. Monthly summary by financial section with bulleted highlights for presentation purposes
        ii. Monthly Cash Flow Forecast and comparison to approved budget
        iii. Budget vs. Actual Report (both current month and year-to-date)

CHARTER IMPACT

iv. Schedule of Revenue and Expenses by Period
v. Comparative Statement of Financial Position
vi. Combining/Consolidating Statements of Activities and Financial Position
vii. Statement of Cash Flows (both current month and year-to-date)
viii. Accounts Payable/Receivable Aging
ix. Check Register(s)
x. General Ledger Detail
xi. Other customized reports as requested by the school, executive team or board

d. On a monthly basis, review and present the financial package with the school staff and/or board members to assess the current fiscal condition of the school
e. Provide access to the accounting database via a VPN connection allowing school staff to run reports and see real-time data as it exists in the system
f. On an as needed basis, provide or present financial information or training to lenders, board members, community members, parents or other external parties as requested by the school.

7. **COMPLIANCE AND GRANT REPORTING**
   a. Assist the school with grant applications including the development of grant-specific budgets as well as school long-term projections
   b. In the event that new funding programs become available, funding program elements and pricing will be revised if the Client wishes CI to pursue such funding. These applications will be subject to the timelines and conditions of the funding programs and will be the primary responsibility of the Client.
   c. Track all restricted revenues (both public and private) to ensure compliance with governmental and donor-required restrictions
   d. Provide financial information and reporting to governmental entities, donors, and other supporting organizations for grant compliance

8. **CHARTER AUTHORIZER SUPPORT**
   a. Support the school with all financial and business communications with the charter authorizer. This includes, but is not limited to: Prepare regular financial reporting (budget and interim financial reports)
   b. Provide ad hoc financial documents and reports as requested
   c. Partner with school leaders to meet with authorizer staff to discuss fiscal health and outlook of the school
   d. Assist in the renewal process by preparing and/or reviewing fiscal narratives, preparing the required forecasts and cash flow projections.

9. **ANNUAL BUDGET CREATION AND REVISIONS**
   a. Work with school staff on an annual basis to create a 5-year budget and cash flow projection on an annual basis to ensure proper future planning
   b. Provide a monthly budget and cash flow report to monitor the cash balance and protect against the gap caused by revenue and expenditure seasonality

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c. Revise the annual forecasts on an as-needed basis (but at least monthly) to provide school staff and board members with accurate year-end projections and the information necessary in a constantly changing environment

10. **AUDIT PREPARATION AND OVERSIGHT WITH AUTHORIZERS**
    a. Maintain electronic records of all transaction support
    b. Work directly with the independent auditors to provide information, thereby reducing client time commitment and audit fees
    c. Participate in, and support all oversight reviews from charter authorizers and governmental agencies to improve outcomes

11. **TAX PREPARATION AND SUPPORT**
    a. Prepare and electronically submit Form 1096 (summary of all 1099 forms) to the IRS for all required vendors and service providers
    b. Prepare and report sales and use tax returns
    c. Provide any and all information necessary for the preparation and submission of Form 990. *Payroll tax reporting is included in the payroll processing Exhibit B below.*

12. **STRATEGIC PLANNING**
    a. Work with school management and the Board of Directors to develop long-term strategies to ensure the school's prosperity
    b. Provide second opinions and act as sounding board for school management and the Board on business and financial matters

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EXHIBIT B
SCOPE OF WORK: PAYROLL SERVICES

1. **PAYROLL PROCESSING**
    a. Maintain employee static pay information in a payroll database
    b. Process status updates, new hires, terminations, and/or informational changes in payroll system
    c. Assist in the development of a regular payroll schedule that is compliant with State labor laws and consistent with employee contracts
    d. Process supplemental payroll runs such as the following:
        i. Involuntary termination - the check will be prepared ahead of time and provided to the school on the termination date
        ii. Voluntary termination without notice - the check will be prepared and delivered to the employee within the time frame required by the State
        iii. Scheduled bonuses/stipends
        iv. Additional unscheduled/emergency payroll runs
    e. Process and pay all federal and state payroll tax payments according to required guidelines
    f. Prepare the state payroll tax filing report annually, and quarterly for federal and state agencies
    g. Prepare, review, and distribute W-2s to all employees

2. **RETIREMENT REPORTING**
    a. Process and submit retirement reports
    b. Submit payment via ACH or cashier's check within the requisite timeframe for the pension contributions
    c. Process 403(b) retirement plan deductions, if applicable, and in compliance with State and Federal laws submit payments to the third-party administrator

3. **WEB-BASED EMPLOYEE TIMEKEEPING SYSTEM**
    a. All employees can be given online access to a streamlined, secure electronic timekeeping system which is fully integrated into our accounting system and eliminates the need for paper timesheets.
    b. In addition to entering time, employees can also electronically:
        i. request time off
        ii. make changes to their addresses and W2s
        iii. access their historical paystubs

4. **GENERAL SUPPORT**
    a. Provide support and assistance with creation of internal processes and procedures, forms and tracking systems

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EXHIBIT C
HOURLY RATES

Level	Rate
Clerk	$100.00
Staff	$150.00
Senior	$175.00
Director	$200.00
Executive	$250.00

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CHARTER IMPACT, LLC.

MANAGEMENT AND ACCOUNTING SERVICES AGREEMENT

This agreement (the "Agreement") is entered into as of March XX, 2023 (the "Effective Date") by and between Charter Impact, LLC. ("CI"), and TEACH Las Vegas ("Client").

ARTICLE 1. DUTIES AND RESPONSIBILITIES

Section 1.01. CI, a provider of business management and accounting services, will provide accounting, budgeting, compliance, strategic planning, documentation, deliverables, and other related services necessary to fulfill Client's business management and accounting requirements, as more particularly described in Exhibit A, B and C attached hereto and incorporated herein by this reference (the "Services").

Section 1.02. Client will provide CI with the compensation and business expense reimbursement specified in Article 3 of this Agreement.

ARTICLE 2. TERM OF AGREEMENT

Section 2.01. Client retains CI to work as a consultant for Client in the field of business management, accounting and consulting, beginning July 1, 2022, and ending June 30, 2026. CI accepts this engagement. CI will use CI's best efforts to accomplish the technical and commercial goals identified by Client during the term of this Agreement. Client acknowledges that CI may have other confidentiality commitments. Client will not require CI to perform tasks which might reasonably result in CI's breach of any confidentiality commitment.

Section 2.02. This Agreement will be renewed automatically for succeeding terms of one year each, unless either party gives notice to the other at least 60 days before the expiration of any term of his or her or its intention not to renew.

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ARTICLE 3. COMPENSATION AND EXPENSES

Section 3.01. Fees.

<u>Business Management Services</u>: For services in Exhibit A, the Client will pay CI a fee equal to .50% of revenue from July 1, 2022 – June 30, 2023 and 2.25% of revenue from July 1, 2023 forward, as calculated based on each reporting unit (i.e. charter school, department, location, central office and any other additional reporting units which may be added at the discretion of the Client). Fees for services in Exhibit A are subject to a minimum of $48,000 per year.

<u>Payroll Processing</u>: For services in Exhibit B, the Client will pay CI fees as follows:

- Payroll processing - $100 base plus $2.75 per employee per pay period
- Garnishment reporting - $2.50 per occurrence
- New employee reporting - $3.50 per occurrence
- Payroll delivery via FedEx - $35.00 per occurrence, per 50 employees
- Quarterly/Annual Reporting - $20.00 per occurrence
- Form W-2 or 1099 (for contractors paid via payroll) - $5.75 each
- AATRIX late processing fees – based on a reimbursement of fees charged by AATRIX for priority processing of tax payments.

<u>Rush Check Processing (optional)</u>: Upon special request of Client, emergency checks can be processed on a same-day basis in addition to the regular weekly cycle described in Exhibit A, Section 2C. For these rare occasions, an expedited processing fee of $75 per check will be charged in addition to the reimbursement for shipping charges noted in Section 3.02 below.

<u>Other Services</u>: For other services requested by Client outside of the items included in Exhibit A or B, the Client will pay CI a fee based on CI's standard hourly rates as listed in Exhibit C.

Section 3.02. Expenses. In addition to the compensation specified in Section 3.01, CI will be paid for actual reasonable out-of-pocket expenses incurred in providing the Services, including mileage reimbursement for Client-requested meeting attendance. Reimbursement of aggregate monthly expenses will not exceed $500, without written approved by Client before being incurred, unless Client elects to reimburse CI after the fact.

Section 3.03. Invoicing. CI will invoice Client on a monthly basis for Business Management, starting July 1st, 2022 and will CI will automatically update the amount based on 1/12th of the Client's projected annual revenue pursuant to the percentage based fee in Section 3.01. Student Data, Other Services and expenses pursuant to sections 3.01 and 3.02 above will be billed monthly based on the actual time and expenses incurred during the preceding month. Payroll processing fees will be invoiced upon processing of the payroll. CI will automatically prepare a check from Client on the invoice date for

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payment from Client. Payment for all services and expenses is due upon presentation of invoices.
Section 3.04. Right to Suspend Performance. In the event of default or delay in payment greater than 30 days from the date of the invoice, CI reserves the right to suspend part or all of its performance of duties under this contract until all amounts for Services and Expenses are paid in full. In the event Client disputes all or any portion of an invoice, Client shall notify CI within 15 days of receipt of the invoice; and initiate the dispute resolution process under Section 15 hereof, but shall pay the invoice in full, pending the outcome of such process.

Section 3.05. Late Payments. Payments made after the payment terms are subject to a late payment penalty equal to an annual rate of twelve percent (12%).

Section 3.06. Price Changes. The prices and related charges for the Services are subject to increase upon renewal of this Agreement. CI reserves the right to immediately pass through increases in costs incurred from third parties, e.g., vendors, subcontractors and licensors, to the extent such services and supplies are identified in Exhibit A, B and C. In addition, CI will give Client not less than 30 days prior written notice of any price increases for Services.

ARTICLE 4. REPRESENTATIONS AND WARRANTIES

Section 4.01. Organization of Client. Client is a non-profit public benefit corporation, duly organized, validly existing, and in good standing and has all requisite power and authority to own, lease and operate its properties and to carry on its educational operations as it is now being conducted.

Section 4.02. No Breach. Each party hereto warrants and represents that neither the execution and delivery of this Agreement, nor the consummation of the transactions contemplated hereby, will (i) violate any, statute, regulation, rule, injunction, judgment, order, decree, ruling, charge, or other restriction of any government, governmental agency, or court to which it is subject, or any provision of its Articles of Incorporation, Bylaws or Charter, nor (ii) conflict with, result in a breach of, constitute a default under, result in the acceleration of, create in any party the right to accelerate, terminate, modify, or cancel, or require any notice under any agreement, contract, lease, license, instrument or other arrangement to which it is a party or by which it is bound or to which any of its assets is subject.

Section 4.03. CI represents and warrants that it has the requisite personnel, equipment, expertise, experience and skill to perform its obligations hereunder and provide the Services to Client in a timely and professional manner.

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ARTICLE 5. DISCLAIMER OF WARRANTIES

Section 5.01. THERE ARE NO WARRANTIES THAT EXTEND BEYOND THOSE THAT ARE EXPRESSLY CONTAINED HEREIN. CI DISCLAIMS ALL OTHER REPRESENTATIONS AND WARRANTIES, EXPRESS OR IMPLIED, REGARDING THE SERVICES, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF MERCHANTABILITY; FITNESS FOR A PARTICULAR PURPOSE; THIRD PARTY SOFTWARE OR HARDWARE; OR, RESPONSIBILITY FOR CLIENT DATA.

Section 5.02. Limited Remedy. Client's exclusive remedy for defective Services is re-performance of the Services by CI at CI's expense, subject to CI's confirmation of the existence of such defect after receiving notice of a claimed defect from Client.

ARTICLE 6. LIMITATION OF LIABILITY

Section 6.01. EVEN IF CI CANNOT OR DOES NOT RE-PERFORM ANY DEFECTIVE SERVICES, AND CLIENT'EXCLUSIVE REMEDY FAILS OF ITS ESSENTIAL PURPOSE, CI'S ENTIRE LIABILITY SHALL IN NO EVENT EXCEED $50,000. CI HAS NO LIABILITY FOR GENERAL, CONSEQUENTIAL, INCIDENTAL OR SPECIAL DAMAGES ARISING FROM A DEFECT IN ANY SERVICES.

Section 6.02. EXCEPT FOR DAMAGES FLOWING FROM GROSS NEGLIGENCE OR INTENTIONALLY TORTIOUS CONDUCT, IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR ANY LOSS OR INJURIES TO EARNINGS, PROFITS OR GOODWILL, OR FOR ANY INCIDENTAL, SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGES OF ANY PERSON OR ENTITY WHETHER ARISING IN CONTRACT, TORT OR OTHERWISE, EVEN IF EITHER PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THE LIMITATIONS SET FORTH IN THIS SECTION SHALL APPLY EVEN IF ANY REMEDIES FAIL IN THEIR ESSENTIAL PURPOSE. Client acknowledges that the pricing of the Services and the other terms of this Agreement have been set based on the foregoing sections of this Agreement providing for an agreed allocation of the risk for any defective Services between the parties. Client further acknowledges that the pricing and terms would have been different if there had been a different allocation of the risk.

ARTICLE 7. CONFIDENTIAL BUSINESS INFORMATION

Section 7.01. CI agrees that all of the business information related specifically to Client developed by or communicated by or to CI in the performance of the services described in this Agreement is of a highly confidential nature, and that, unless the CI has the prior written approval of Client, no use or oral or written disclosure of that information by CI will be made either during or after the term of this Agreement, except that CI may

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disclose that information to persons or companies who may be designated by Client to work with the CI in connection with CI's performance of the Services. Nothing herein shall be construed as restricting CI in performing the Services, which require routine disclosure of such information to auditors, regulatory agencies, insurance carriers, and providers, and the Client as its agent. With the Client's consent, CI will provide financial references upon request by certification organizations, financial institutions, and potential grantors.

Section 7.02. For purposes of this Agreement, "Confidential Information" means any and all technical and non-technical information including copyright, trade secret, and proprietary information, inventions, know-how, processes and algorithms, software programs, software source documents. Confidential Information includes, without limitation, financial information, procurement requirements, purchasing information, and plans and personnel information of the parties and students as protected under FERPA, HIPPA, and other privacy protection laws. The restriction of Section 7.01 does not apply to information which CI can demonstrate was at the time of the execution of this Agreement:

(a) In the public domain or is otherwise considered public information; or

(b) Part of CI's prior knowledge; or

(c) Learned from a third party without the breach of a confidential relationship with Client.

ARTICLE 8. OBLIGATIONS OF CLIENT

Section 8.01. Authorized Personnel. The Client must identify to CI, in writing, the authorized staff member(s) to work with CI with respect to: general information about the Client, accounts payable, personnel and payroll, attendance records as well as funding compliance and reporting.

Section 8.02. Principal Contact. The Client must also identify, in writing to CI, its key or principal contact who is authorized to receive and disclose Confidential Information, receive payroll checks and discuss personnel issues.

Section 8.03. Financial Records and Audit.

(i) The Client will maintain customary and reasonably correct, complete and accurate books and records of account as required by the United States government, the State of Nevada (and any other funding authority). The Client will deliver all supporting documentation in accordance with the monthly close timeline developed by CI. Unless otherwise stated, this deadline will be 5 calendar days following the end of the month.

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(ii) The Client will obtain a timely annual audit of its books and records from an independent certified public accounting firm (reasonably acceptable to CI) and immediately provide CI with a copy of any annual audit and related reports, notes or statements. Client authorizes and instructs its independent accountants to speak and work directly with CI on any matter or issue pertinent to the Services.

(iii) Client covenants that it will respond promptly and professionally to any and all questions or investigations from any investigating or funding authority or Client's accountants, including exceptions noted in any independent accountant's report.

Section 8.04. Coordination and Cooperation. Client, its authorized staff members and principal contact will work closely and cooperatively with CI to facilitate the effective performance and delivery of the Services. Client will comply with and respond promptly to all reasonable requests of CI for information or documents from the Client. Client covenants to assist CI in reconciling outstanding invoices, and to provide CI with copies or originals of vendor invoices and correspondence, as well as other statements and receipts in accordance with the monthly close deadline established by CI. In the case where CI is required to incur additional time researching, obtaining or documenting transactions, re-processing payments or re-classifying expenses outside of the standard processes and procedures and established by CI, CI may charge additional fees based on the standard hourly rates for actual time spent as noted in Section 3.01 above.

Section 8.05. Payroll. Client will provide all necessary and proper data to CI for payroll processing.

(i) All original documents as it relates to personnel files or payroll logs will be maintained at the Client site.

(ii) Client will use, and purchase if necessary to use, commercially reasonable time clocks for hourly personnel if CI systems are not used.

Section 8.06. Attendance Records and Reports. Client must take all necessary and proper steps to provide regular, accurate and timely responses to daily attendance tracking reports.

Section 8.07. Grant and Funding Requirements. Client covenants to use its best efforts to comply with all grant and funding requirements, including record keeping, reporting, management and financial controls and policies and procedures. Client also recognizes that it is Client's sole responsibility to know and be aware of all restrictions and requirements of its grants and funding sources including both governmental and non-governmental sources.

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Section 8.08. Client Policies and Procedures. Client covenants to develop, apply and follow not less than customary and reasonable policies and procedures applicable to: Human Resources, Payroll Administration, Internal Financial Controls, Accounts Payable and other disbursements and competitive bid procedures for vendors.

Section 8.09. Notice and Information. Client covenants that it will provide CI with prompt, complete and accurate notice of and information concerning any material errors in Client data and Client' books and records, as well as with respect to investigations or inquiries into the Client, its activities, operations and reports by any governmental authority. Client will provide CI promptly with copies of every report, including any schedules or exhibits, provided to any governmental agency.

Section 8.10. Client acknowledges that CI's employees, consultants and any other personnel have been thoroughly trained and employed at great expense, are of great value and provide CI with a substantial competitive advantage in its business. Client agrees not induce or attempt to induce any employees, consultants or other personnel of CI to breach their agreements with CI. Should Client hire or employ any current employee, consultant or any other personnel of CI within one year of their termination from CI, Client agrees to pay CI a fee equal to 100% of the annual starting salary, payment of which is due upon the offer of employment.

Section 8.11. Chartering Agency Requirements. Client covenants to use its best efforts to comply with all material requirements, including policies and procedures, of the Chartering Agency. Client also recognizes that it is Client's sole responsibility to know and be aware of all restrictions and requirements of its Chartering Agency.

ARTICLE 9. AGENCY

Section 9.01. It is understood and agreed that the CI is an independent contractor in respect to CI's relationship to Client, and that CI is not and should not be considered an agent or employee of the Client for any purpose. CI agrees not to represent itself as an agent or employee of the Client at any time.

Section 9.02. Nothing in this Agreement will be construed or implied to create a relationship of partners, agency, joint venture partners, or of employer and employee between CI and Client.

ARTICLE 10. INDEPENDENT CONTRACTOR STATUS

Section 10.01. CI and Client are independent contractors. No representations or assertions shall be made nor actions taken by either party that would create any agency, joint venture, partnership, employment or trust relationship between the parties with respect to the subject matter of this Agreement. Neither party shall have any right to bind the other party, to make any representations or warranties, or to perform any act or thing on behalf of the other party, except as expressly authorized under this Agreement or in

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writing by the other party in its sole discretion. CI will have full control and discretion as to the ways and means of performing any and all services to be provided under this Agreement. It is understood that in the performance of this Agreement CI is not in any way acting as an employee of Client, and CI will be responsible for all taxes, social security payments, and other similar payments or contributions due as a result of any payments made to CI pursuant to the terms of this Agreement.

Section 10.02. As an independent contractor, CI agrees that Client has no obligation to CI under the state or federal laws regarding employee liability, and that Client's total commitment and liability under this arrangement is the performance of its obligations and the payment of CI's compensation and expenses as described herein. Each party will exercise day-to-day control over and supervision of their respective employees, and all instruction and direction of Client employees shall be the exclusive province of the Client. Each party is responsible for obtaining and maintaining worker's compensation coverage and unemployment insurance on its employees. Except as expressly stated in this Agreement, CI and Client are responsible for any and all taxes on their respective net incomes, and for payment and withholding of all applicable taxes on the income of their respective employees.

Section 10.03. CI reserves the right to subcontract with other individuals and businesses for the Services. CI will be responsible for all payments to, as well as the direction and control of the work to be performed by, its subcontractors, if any.

ARTICLE 11. INDEMNIFICATION

Section 11.01. Indemnification. Client and CI warrant to indemnify each other and hold each other, and each other's officers, directors, employees, agents harmless, from and against any and all direct claims, costs, losses, liabilities and expenses for personal injury and property damage, including reasonable attorneys' fees, attributable to their actions and omissions under this Agreement, but excluding claims that would not be made but for the gross negligence or willful misconduct of the party seeking indemnification.

ARTICLE 12. INSURANCE

Section 12.01. CI carries customary and reasonable comprehensive insurance coverage for errors and omissions.

Section 12.02. Client will obtain and maintain customary and reasonable insurance for its facilities and operations, naming CI as additional insured under all policies.

ARTICLE 13. ETHICAL CONDUCT; RECORDKEEPING

Article 13.01. Client's policy requires ethical conduct in all business activities and practices, including proper recording and reporting of all transactions and compliance with applicable laws. The adequacy and accuracy of CI's billings, supporting documentation, and other information rendered to Client become the basis for Client's

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further recording and reporting, both internally and externally. CI is not expected or authorized to take any action on Client's behalf that would result in inadequate or inaccurate recording or reporting of assets, liabilities, or any other transaction or that would violate any applicable laws, rules, or regulations.

Section 13.02. Integrity and Financial Responsibility. Client will act with integrity and alert the management of CI to any fraudulent or unethical activity related to Client operations as soon as the Client becomes aware, to the extent permitted by law. Client acknowledges that CI's ability to provide Services is premised upon the Client acting in a financially prudent manner, including but not limited to timely approval of balanced budgets, maintaining a positive variance to budget throughout the year to the extent feasible and proper submission of supporting documentation for incoming and outgoing payments of any kind. Notwithstanding Section 14 hereof, CI may immediately terminate this contract in the event it determines, in its sole discretion, that Client personnel are or have acted in a fraudulent or unethical manner or in the case that CI cannot provide the Services in a professional manner consistent with laws and regulations governing the Client, Client approved policies and procedures or business management best practices, based upon the actions or inaction of the Client.

ARTICLE 14. TERMINATION

Section 14.01. If either party defaults in the performance of this Agreement or materially breaches any of its provisions, the non-breaching party may terminate this Agreement by giving written notification to the breaching party. Termination will take effect if either Party breaches any of its material obligations under this Agreement in any respect, which breach is not remedied within ninety (90) days following written notice to such breaching Party. For the purposes of this paragraph, material breach of this Agreement includes, but is not limited to, the following:

(a) Client's failure to pay CI any undisputed compensation due within 30 days after written demand for payment or invoicing.

(b) CI's failure to complete the services specified in Article 1.

(c) Client's material breach of any representation or agreement contained in this Agreement.

Section 14.02. In the event that Client is unable to pay its debts when they become due, declares bankruptcy or insolvency, or makes an assignment for the benefit of its creditors, CI may terminate this Agreement upon written notice to Client.

Section 14.03. Effect of Termination; Survival. Expiration or termination of this Agreement will not relieve either party from its obligations arising hereunder prior to such expiration or termination. Rights and obligations which by their nature continue or should survive will remain in effect after termination or expiration of this Agreement.

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Section 14.04. All Services, including preparation of financial statements and compliance reporting related to a period within the term, will cease upon termination or expiration of this Agreement. If Client has compliance needs that stretch beyond the term of this Agreement into the next fiscal year, it is common for a closing agreement to be created upon termination or expiration to clearly define a term and scope of services falling outside this Agreement. The fee for such services is determined at that time based upon the scope of work to be completed past the Agreement term.

Section 14.05. In the event of early termination, the Business Management fee deemed to be earned by and due to CI will be equal to the fee in Section 3.01 and the forecasted revenue from the most recently prepared financial report, prorated from the commencement date of this agreement to the termination date, regardless of fee actually invoiced as of the termination date.

ARTICLE 15. DISPUTE RESOLUTION

Section 15.01. Any controversy or claim, whether based on contract, tort, strict liability, fraud, misrepresentation, or any other legal theory, arising out of either party's performance of this Agreement ("Dispute") shall be resolved solely in accordance with the terms of this Section.

a. <u>Resolution Sequence</u>. If the Dispute cannot be settled by good faith negotiation between the Chief Executive Officers of the parties – which must take place within thirty days of receipt by one party of a claim of a Dispute – CI and Client will submit the Dispute to non-binding mediation in Los Angeles County. If complete agreement cannot be reached within thirty days of submission to mediation, any remaining issues will be resolved by binding arbitration in accordance with Sections (c) and (d) below. Arbitration will comply with and be governed by the provisions of the California Arbitration Act

b. <u>Arbitrator</u>. A single Arbitrator who is a retired judge and knowledgeable in commercial matters will conduct the arbitration. The Arbitrator's decision and award will be final, must be made in writing with findings of fact and conclusions of law, will be binding and may be entered in any court with jurisdiction. The Arbitrator will not have authority to make errors of law or legal reasoning, nor to modify or expand any of the provisions of this Agreement. The Arbitrator will not have the authority to award damages not permitted by this Agreement.

c. <u>Rules and Expenses</u>. Any mediation or arbitration commenced pursuant to this Agreement will be conducted under the then current rules of the alternate dispute resolution ("ADR") firm in the site selected by the parties. If the parties are unable to agree on an ADR firm, the parties will conduct

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the mediation and, if necessary, the arbitration, under the then current rules and supervision of the American Arbitration Association. CI and Client will each bear its own attorneys' fees associated with the mediation and, if necessary, the arbitration. CI and Client will pay all other costs and expenses of the mediation/arbitration as the rules of the selected ADR firm provide.

d. Limitation on Actions. Any dispute Client may have against CI with respect to this Agreement must be brought within two years after the cause of action arises.

ARTICLE 16. GENERAL PROVISIONS

Section 16.01. Any notices to be given under the Agreement by either party to the other will be in writing and may be transmitted by personal delivery or by e-mail, mail, registered or certified, postage prepaid with return receipt requested. Mailed notices will be addressed to the parties at their known place of business, but each party may change that address by written notice in accordance with this section. Notices delivered personally will be deemed communicated as of the date of actual receipt; mailed notices will be deemed communicated as of two days after the date of mailing.

Section 16.02. This instrument contains the entire Agreement of the parties with respect to the subject matter hereof and there are no other promised representations or warranties affecting it. This Agreement supersedes any and all other agreements, either oral or in writing, between CI and Client with respect to the engagement of CI by Client and contains all of the covenants and agreements between the parties with respect to that engagement in any manner whatsoever. Each party to this Agreement acknowledges that no representation, inducements, promises, or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party that are not embodied in the Agreement, and that no other agreement, statement, or promise not contained in this Agreement will be valid or binding on either party.

Section 16.03. Any modification of this Agreement will be effective only if it is in writing and signed by the party to be charged.

Section 16.04. The failure of either party to insist on strict compliance with any of the terms, covenants, or conditions of this Agreement by the other party will not be deemed a waiver of that term, covenant, or condition, nor will any waiver or relinquishment of any right or power at any one time or times be deemed a waiver or relinquishment of that right or power for all or any other times.

Section 16.05. If any provision in this Agreement is held by a court or arbitrator of competent jurisdiction to be unreasonable, invalid, void, or unenforceable, then this Agreement will be deemed amended to provide for the modification of the unreasonable, invalid, void, or unenforceable provision to the extent that the court or arbitrator finds

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reasonable, and the remaining provisions of this Agreement will continue in full force without being impaired or invalidated in any way.

Section 16.06. Governing Law. This Agreement will be governed by and construed in accordance with the laws of the State of California, without giving effect to its conflict of law provisions or to constructive presumptions favoring either party.

Section 16.07. Force Majeure. Neither Party shall be in breach of this Agreement to the extent that any delay or default in performance is due to causes beyond the reasonable control of the delayed or defaulting Party; provided, that the delayed or defaulting Party shall immediately notify the other Party of the event, an estimate of the duration of the event, and the delaying or defaulting Party's plan to mitigate the effects of the delay or default.

Section 16.08. Successors and Assigns. Neither this Agreement nor any of its rights or privileges shall be sold, assigned, transferred, shared, or encumbered, by operation of law or otherwise, without the prior written consent of the affected (non-assigning) party. Subject to the foregoing, this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

Section 16.09. Publicity. Client agrees to act as a reference for CI with respect to the Services upon CI's reasonable request. CI may issue press releases or identify Client in marketing materials, including the start and termination of the Agreement, provided that all references to Client are fair, accurate and not misleading.

Section 16.10. Corporate Power and Authorization. The parties hereto have full corporate power and authority to execute and deliver this Agreement and to perform their obligations hereunder. The execution, delivery and performance of this Agreement by each party has been duly authorized by all necessary corporate action. This Agreement has been duly executed and delivered by each party and constitutes the valid and legally binding obligation of Client and CI enforceable in accordance with its terms and conditions.

[signature page to follow]

CHARTER IMPACT

Accepted and Agreed, as of the Effective Date first written above:

TEACH LAS VEGAS

Signed: ___________________________

Name: ____________________________

Title: _____________________________

CHARTER IMPACT, LLC.

By __________________________
Spencer Styles, President

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EXHIBIT A
SCOPE OF WORK: BUSINESS MANAGEMENT SERVICES

1. **IMPLEMENTATION AND TRAINING**
    a. Create a customized accounting database based specifically on the school's reporting needs (both internal and external)
    b. Import historical data to the extent possible (typically monthly balances as far back as data is available) to allow for maximum comparability of financial information
    c. Review existing contracts for terms, requirements and school responsibilities
    d. Create, refine or replace existing processes and procedures to increase efficiency and improve the strength of internal controls
    e. Provide training in specific processes and procedures including to school site staff including: accounts payable, accounts receivable/deposits, petty cash accounts, student stores, payroll, etc.
    f. Provide training to new and/or existing board members on:
        i. Charter school funding - including drivers, calculations, restrictions and cash flow timing,
        ii. Reading and interpreting financial reports, and
        iii. Internal controls and the board's responsibility for oversight and maintenance

2. **ACCOUNTS PAYABLE PROCESSING**
    a. Review all invoices sent to Charter Impact for proper approval and coding
        i. Any discrepancies will be reported to the Client within three business days of CI becoming aware of the discrepancy. CI is not responsible for communicating any information to Client vendors. The fees described in Section 3.01 are based upon Client cooperation and compliance with CI processes and procedures. Time incurred to process payments outside of the pre-established timeline is subject to additional fees as described in Section 8.04 above.
    b. Enter invoices for each reporting entity, process check payments, and send checks directly to vendors to reduce turn-around time
    c. Provide weekly check registers, accounts payable aging reports, vendor payment history or other ad hoc reports on a recurring or as needed basis
    d. On an emergency basis, same day payments can be processed in addition to the weekly cycle (*additional processing fees apply).
    e. Complete 1099s for all independent contractors.
        i. It is the Client's sole responsibility to obtain and submit to CI the IRS Form W-9 for all vendors. Client acknowledges that CI is not responsible for processing of Form 1099 for any vendor for which CI has not received a Form W-9 or for any vendor that has not been paid through CI's vendor payment process.

CHARTER IMPACT

3. **ACCOUNTS RECEIVABLE PROCESSING**
    a. Monitor the receipt of State approved funding amounts and verify balances paid are correct
    b. Work directly with governmental agencies to resolve any issues or discrepancies identified
    c. Review all donor letters and grant agreements for proper coding and revenue recognition in accordance with GAAP
    d. Maintain independent records, as necessary, for both public and private sources to ensure accurate reporting and compliance

4. **BANK RECONCILIATION AND GENERAL LEDGER MAINTENANCE**
    a. Reconcile all bank accounts on a weekly basis for a heightened level of security and monitoring
    b. Maintain general ledger in accordance with GAAP on an ongoing basis, ensuring all revenues and expenses are recorded and reported accurately
    c. Maintain an inventory of fixed assets over the school-designated capitalization threshold and calculate depreciation on a monthly basis

5. **CASH MANAGEMENT**
    a. On a weekly basis, use reconciled bank balance to project daily cash balances for 30 days (for analysis of cash for any period of time over 30 days, the monthly forecast will be utilized)
    b. On a weekly basis, provide schools with amount of cash available for accounts payable or other discretionary spending while ensuring sufficient funds for regularly recurring transactions such as payroll, taxes, rent, insurance, etc.
    c. Plan and manage payment of outstanding debt as needed
    d. Prepare all financial reporting necessary for renewal of loans or lines of credit
    e. Present line of credit status to board and obtain board resolutions as needed
    f. Monitor compliance with all debt covenants as a part of the ongoing budgeting and forecasting process
    g. Analyze future cash flow and determine whether schools need to make adjustments to spending or seek other funding options.

6. **MONTHLY FINANCIAL REPORTING**
    a. Provide a monthly reporting package by the 20th day of the following month, assuming all necessary data is received from the school site on a timely basis, to ensure management has the necessary information to make sound business decisions
    b. Create financial reporting package based on customized business segments. This includes budgets and forecasts as well.
    c. Offer a menu of report options for the monthly financial reports including, but not limited to:
        i. Monthly summary by financial section with bulleted highlights for presentation purposes
        ii. Monthly Cash Flow Forecast and comparison to approved budget
        iii. Budget vs. Actual Report (both current month and year-to-date)

CHARTER IMPACT

iv. Schedule of Revenue and Expenses by Period
v. Comparative Statement of Financial Position
vi. Combining/Consolidating Statements of Activities and Financial Position
vii. Statement of Cash Flows (both current month and year-to-date)
viii. Accounts Payable/Receivable Aging
ix. Check Register(s)
x. General Ledger Detail
xi. Other customized reports as requested by the school, executive team or board

d. On a monthly basis, review and present the financial package with the school staff and/or board members to assess the current fiscal condition of the school
e. Provide access to the accounting database via a VPN connection allowing school staff to run reports and see real-time data as it exists in the system
f. On an as needed basis, provide or present financial information or training to lenders, board members, community members, parents or other external parties as requested by the school.

7. **COMPLIANCE AND GRANT REPORTING**
   a. Assist the school with grant applications including the development of grant-specific budgets as well as school long-term projections
   b. In the event that new funding programs become available, funding program elements and pricing will be revised if the Client wishes CI to pursue such funding. These applications will be subject to the timelines and conditions of the funding programs and will be the primary responsibility of the Client.
   c. Track all restricted revenues (both public and private) to ensure compliance with governmental and donor-required restrictions
   d. Provide financial information and reporting to governmental entities, donors, and other supporting organizations for grant compliance

8. **CHARTER AUTHORIZER SUPPORT**
   a. Support the school with all financial and business communications with the charter authorizer. This includes, but is not limited to: Prepare regular financial reporting (budget and interim financial reports)
   b. Provide ad hoc financial documents and reports as requested
   c. Partner with school leaders to meet with authorizer staff to discuss fiscal health and outlook of the school
   d. Assist in the renewal process by preparing and/or reviewing fiscal narratives, preparing the required forecasts and cash flow projections.

9. **ANNUAL BUDGET CREATION AND REVISIONS**
   a. Work with school staff on an annual basis to create a 5-year budget and cash flow projection on an annual basis to ensure proper future planning
   b. Provide a monthly budget and cash flow report to monitor the cash balance and protect against the gap caused by revenue and expenditure seasonality

CHARTER IMPACT

c. Revise the annual forecasts on an as-needed basis (but at least monthly) to provide school staff and board members with accurate year-end projections and the information necessary in a constantly changing environment

10. **AUDIT PREPARATION AND OVERSIGHT WITH AUTHORIZERS**
    a. Maintain electronic records of all transaction support
    b. Work directly with the independent auditors to provide information, thereby reducing client time commitment and audit fees
    c. Participate in, and support all oversight reviews from charter authorizers and governmental agencies to improve outcomes

11. **TAX PREPARATION AND SUPPORT**
    a. Prepare and electronically submit Form 1096 (summary of all 1099 forms) to the IRS for all required vendors and service providers
    b. Prepare and report sales and use tax returns
    c. Provide any and all information necessary for the preparation and submission of Form 990. *Payroll tax reporting is included in the payroll processing Exhibit B below.*

12. **STRATEGIC PLANNING**
    a. Work with school management and the Board of Directors to develop long-term strategies to ensure the school's prosperity
    b. Provide second opinions and act as sounding board for school management and the Board on business and financial matters

CHARTER IMPACT

EXHIBIT B
SCOPE OF WORK: PAYROLL SERVICES

1. **PAYROLL PROCESSING**
    a. Maintain employee static pay information in a payroll database
    b. Process status updates, new hires, terminations, and/or informational changes in payroll system
    c. Assist in the development of a regular payroll schedule that is compliant with State labor laws and consistent with employee contracts
    d. Process supplemental payroll runs such as the following:
        i. Involuntary termination - the check will be prepared ahead of time and provided to the school on the termination date
        ii. Voluntary termination without notice - the check will be prepared and delivered to the employee within the time frame required by the State
        iii. Scheduled bonuses/stipends
        iv. Additional unscheduled/emergency payroll runs
    e. Process and pay all federal and state payroll tax payments according to required guidelines
    f. Prepare the state payroll tax filing report annually, and quarterly for federal and state agencies
    g. Prepare, review, and distribute W-2s to all employees

2. **RETIREMENT REPORTING**
    a. Process and submit retirement reports
    b. Submit payment via ACH or cashier's check within the requisite timeframe for the pension contributions
    c. Process 403(b) retirement plan deductions, if applicable, and in compliance with State and Federal laws submit payments to the third-party administrator

3. **WEB-BASED EMPLOYEE TIMEKEEPING SYSTEM**
    a. All employees can be given online access to a streamlined, secure electronic timekeeping system which is fully integrated into our accounting system and eliminates the need for paper timesheets.
    b. In addition to entering time, employees can also electronically:
        i. request time off
        ii. make changes to their addresses and W2s
        iii. access their historical paystubs

4. **GENERAL SUPPORT**
    a. Provide support and assistance with creation of internal processes and procedures, forms and tracking systems

CHARTER IMPACT

EXHIBIT C
HOURLY RATES

Level	Rate
Clerk	**$100.00**
Staff	**$150.00**
Senior	**$175.00**
Director	**$200.00**
Executive	**$250.00**

Coversheet

Discuss Board Terms and Continuity Plan

Section:	III. ITEMS SCHEDULED FOR INFORMATION & POTENTIAL ACTION
Item:	G. Discuss Board Terms and Continuity Plan
Purpose:	Discuss
Submitted by:	
Related Material:	Recommendation for Board Membership Continuity.docx

Recommendation for Board Membership Continuity

The TEACH LV Bylaws[1] require that we have a board consisting of 3-9 members that adheres to NRS 388A.320[2], which details the background and experience that must be on the board.

Each term is for two years and until a successor is designated and qualified. The initial board may decide to stagger terms.

Recommendation:
Before August, two of the original members (in green below) should seek to be elected to serve an addition term and at least one member to extend service for an addition year pursuant to the board's discretion to stagger terms. Accounting for worst case attrition, this would allow for at least two original members ending in 2025, three end dates in 2024 and one possible departure in 2023.

Ideally, everyone commits to serve for an addition year.

Position	Name	Background /Expertise	Term Start	Term End
Chair	Trish Allison	Parent of pupil enrolled in school (NRS 388A.320(1)(b)(c)	8/1/21	8/1/23
Secretary	Daniel Horn	Educator NRS 388A.320(1)(b)(2)	8/1/21	8/1/23
Treasurer	Crislove Igeleke	Law (NRS 388A.320(1)(d)(3) (1 of 2 req.	8/1/21	8/1/23
Member 1	Nick Sarisahin	Finance (NRS 388A.320(1)(d)(2) (2 of 2 required)	8/1/21	8/1/23

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[1] https://acrobat.adobe.com/link/review?uri=urn:aaid:scds:US:110941fe-1159-3d31-aba7-571b83ff65c8

[2] **NRS 388A.320 Membership and qualifications; waiver; disclosure of conflicts of interest; powers; duty to hold public meeting on quarterly basis; authorization to set salary for attendance at meetings.**

1. Unless a waiver is granted pursuant to subsection 2 of NRS 388A.243, the governing body of a charter school must consist of:

(a) One member who is a teacher or other person licensed pursuant to chapter 391 of NRS or who previously held such a license and is retired, as long as his or her license was held in good standing.

(b) One member who:

(1) Satisfies the qualifications of paragraph (a); or

(2) Is a school administrator with a license issued by another state or who previously held such a license and is retired, as long as his or her license was held in good standing.

(c) One parent or legal guardian of a pupil enrolled in the charter school who is not a teacher or an administrator at the charter school.

(d) Two members who possess knowledge and experience in one or more of the following areas:

(1) Accounting;

(2) Financial services;

(3) Law; or

(4) Human resources.

Member 2	Julie Carver	Educator (NRS 388A.320(1)(a)	9/20/22	9/20/24
Member 3	Quincy Branch	Accounting and Human Resources (NRS 388A.320(1)(d)(3) (3 of 2 req.)	9/20/22	9/20/24
Member 4	Open			

Coversheet

Approve the Board Meeting Calendar for 2023-2024

Section:	III. ITEMS SCHEDULED FOR INFORMATION & POTENTIAL ACTION
Item:	H. Approve the Board Meeting Calendar for 2023-2024
Purpose:	Vote
Submitted by:	
Related Material:	TEACH Las Vegas Board Meeting Dates 23-24.pdf

Proposed Dates for TEACH Las Vegas Board Meetings 2023-2024

Tuesdays at 5 pm

July 25, 2023

August 22, 2023

September 19, 2023

October 17, 2023

December 5, 2023

January 23, 2024

February 20, 2024

March 19, 2024

April 23, 2024

May 14, 2024

Coversheet

Enrollment Update

Section: III. ITEMS SCHEDULED FOR INFORMATION & POTENTIAL ACTION
Item: I. Enrollment Update
Purpose:
Submitted by:
Related Material: 23-24 enrollment (UPDATD 4_6_23.pdf

BACKGROUND:

This document was updated at 4:21 on Thursday April 6th

TEACH Las Vegas

2023-2024 Enrollment

Number of classrooms	Grade	Current Numbers	Goal
3	Kindergarten	35	50
2	1st	54 (4 waitlisted)	50
2	2nd	42	50
2	3rd	41	50
2	4th	33	50
2	5th	36	50
2 cohorts of 25	6th	36	50
2 cohorts of 25	7th	54 (4 waitlisted)	50
1 cohort of 25	8th	40	25
TOTAL:		371	425

Interest list:

kindergarten	38
1st	8
2nd	9
3rd	8
4th	15

5th	11
6th	15
7th	11
8th	8
Total:	123

Coversheet

Consider and Vote on the Academic Calendar for 2023-2024

Section:	III. ITEMS SCHEDULED FOR INFORMATION & POTENTIAL ACTION
Item:	J. Consider and Vote on the Academic Calendar for 2023-2024
Purpose:	Vote
Submitted by:	
Related Material:	TEACH Calendars - 2023-2024 School Calendar.pdf

2023-24 TEACH Las Vegas Calendar

Month	Su	Mo	Tu	We	Th	Fr	Sa	Total Days	Wk	Days	Federal holidays / notes
July	23	24	25	26	27	28	29				
July	30	31	1	2	3	4	5	0			July 31 - Aug. 4 - Teacher Work Days (no students)
	6	7	8	9	10	11	12	5	1	5	Aug. 7 - First Day of School
	13	14	15	16	17	18	19	10	2	5	
Aug 2023	20	21	22	23	24	25	26	15	3	5	
	27	28	29	30	31	1	2	20	4	5	
	3	4	5	6	7	8	9	24	5	4	Sept. 4 - Labor Day: No School/students
	10	11	12	13	14	15	16	29	6	5	Sept. 11 - Professional Development - No students
	17	18	19	20	21	22	23	34	7	5	
Sep	24	25	26	27	28	29	30	39	8	5	
	1	2	3	4	5	6	7	44	9	5	
	8	9	10	11	12	13	14	49	10	5	Oct. 9 - Professional Development - No students; Oct. 10 - Parent/Teacher Conferences - No School for students
	15	16	17	18	19	20	21	54	11	5	
	22	23	24	25	26	27	28	58	12	4	October 27: Nevada Day: No School/students
Oct	29	30	31	1	2	3	4	63	13	5	
	5	6	7	8	9	10	11	67	14	4	Nov. 10: Veterans Day (observed): No School; Nov. 11 Veterans Day
	12	13	14	15	16	17	18	72	15	5	
	19	20	21	22	23	24	25				Nov. 20-Nov. 24: Thanksgiving Break
Nov	26	27	28	29	30	1	2	77	16	5	
	3	4	5	6	7	8	9	82	17	5	
	10	11	12	13	14	15	16	87	18	5	
	17	18	19	20	21	22	23	89	19	2	Dec. 19: End of Semester 1; Dec. 20: Winter Break Begins; Dec. 20 - Jan. 3: Winter Break
	24	25	26	27	28	29	30				
Dec	31	1	2	3	4	5	6	90	20	1	Jan. 4: First Contingency Day (no school); Jan. 5: Professional Development - No Students
	7	8	9	10	11	12	13	95	21	5	Jan. 8: Classes Resume
	14	15	16	17	18	19	20	99	22	4	Jan. 15 - Martin Luther King Jr. Day - No school/students
Jan 2024	21	22	23	24	25	26	27	104	23	5	
	28	29	30	31	1	2	3	109	24	5	
	4	5	6	7	8	9	10	114	25	5	
	11	12	13	14	15	16	17	119	26	5	
	18	19	20	21	22	23	24	123	27	4	Feb. 19 - President's Day - No School/students
Feb	25	26	27	28	29	1	2	128	28	5	
	3	4	5	6	7	8	9	133	29	5	
	10	11	12	13	14	15	16				March 11 - 15: Spring Break (no school)
	17	18	19	20	21	22	23	138	30	5	
	24	25	26	27	28	29	30	142	31	4	March 29: No School/students
Mar	31	1	2	3	4	5	6	147	32	5	April 1: Professional Development Day - No students
	7	8	9	10	11	12	13	152	33	5	
	14	15	16	17	18	19	20	157	34	5	
	21	22	23	24	25	26	27	161	35	4	April 26: Second Contingency Day - No School/students
Apr	28	29	30	1	2	3	4	166	36	5	
	5	6	7	8	9	10	11	171	37	5	
	12	13	14	15	16	17	18	176	38	5	
	19	20	21	22	23	24	25	180	39	4	May 23: Last Day of School
May	26	27	28	29	30	31	1				Memorial Day