**AIMS K-12 COLLEGE PREP**

2021-2022 1stInterim Executive Summary

AIMS K-12 College Prep, formerly known as, American Indian Model Schools, is a Charter District comprised of 3 schools. AIMS College Prep Middle School was initially established in 1996. The AIMS K-12 College Prep Charter District was formed in 2006 with the expansion of schools, adding AIMS College Prep High School and American Indian Public Charter II, (K-8). The Charter is located in the city of Oakland in Alameda County.

AIMS K-12 College Prep currently enrolls 1317 students in 3 schools; One K-8, One Middle School (6-8) and One High School. AIMS K-12 currently employs 1 part-time and 124 full-time staff to serve our students.

**Governance**

The Charters are governed by a volunteer Board of Directors. There are five members of the board, each volunteering their term. The school board meets once a month on the third Tuesday of each month. The Board of Directors are supported by a several other committees such as the Governance, Finance, Facility and LCAP Advisory Committees’ that also meet monthly. Charter operations are led by Superintendent Maya Woods-Cadiz.

**Enrollment**

In accordance to the Charter Agreement with Oakland Unified School District, AIMS K12 has nearly reached its full enrollment capacity. AIMS College Prep Middle School is capped at 250 students, American Indian Public Charter II (AIPCS II) 675, and AIMS College Prep High School at 450. The report below reflects enrollment numbers, the Average Daily Attendance (ADA) number and the Average Daily Attendance (ADA) percentages used in projecting the budgets.

The return to in-person learning has had a dramatic impact across the country. The transition for parents and students during a pandemic has impacted the attendance numbers seen in our Middle and K-8 populations. With many families relocating due to job loss or to other pandemic related factors, the 1st Interim reflects a loss of students. These numbers have had an impact on the LCFF General Fund allocations however other State and Federal supports have been fundamental in maintaining AIMS K 12 standards. AIMS continues to recruit and enroll students from the waitlist and other recruitment efforts.

  

**2021-22 State Budget**

Political Landscape

•      As a result of unexpected surges in state revenues and robust federal stimulus funding, the 21-22 Budget contained bold investments.

•      The budget for K-14 education includes a mix of ongoing and one-time investments that focus on equity. The budget lays out a “California for All Kids Plan” which seeks to close readiness and opportunity gaps for underserved students.

  Principal Apportionment Deferrals

·         The Budget reduces the deferrals included in the 2020-21 enacted budget by eliminating February – May 2022 deferrals – leaving only June 2022’s cash deferral.

  Other Proposals / Considerations

•      The Budget recognizes the statutory COLA for 2021-22 of 1.7% and adds an additional 1% bringing the COLA to 2.70%, compounded with 20-21’s statutory COLA of 2.31%, results in an LCFF COLA of 5.07% for 2021-22.

•      A COLA of 1.7% for categorical programs outside of the LCFF, including the SB740 Charter School Facility Grant Program.

•      Increase the concentration grant funding from 50% to 65%.

•      One time Increase in federal funding to IDEA from the American Rescue Plan.

•      Investment in educator workforce by providing $3.3 billion in support initiatives and training.

•      Provide universal access to TK to all four-year-old’s in CA by 2024-25.

•      Ongoing funding to subsidize school meals for all students.

  School Operations Changes in 2021-22

Charter School Renewal Relief: To recognize the significant data-gap caused by lack of testing and dashboard metrics during the pandemic, all charter schools whose term expires on or before June 30, 2025 shall have their term extended by two years.

Return to On-Site Instruction: The budget requires return to full-time, in person instruction consistent with operational rules for years prior to the pandemic. The proposal does not offer any “hold harmless” funding for charter school ADA losses in 2021-22 and reverts to per-COVID law on funding calculations.

No Growth Caps: All charter schools will be funded for actual 2021-22 ADA. The devastating caps that were imposed on may charter schools for 2020-21 expire on June 30, and no continuation of any caps is proposed.

Independent Study Reform: Recognizing that many students may still prefer an independent study (distance learning) option, the legislation created a series of permanent changes to independent study laws.

Next Steps

The Legislative Analyst’s Office (LAO) published its annual [Fiscal Outlook](https://nam12.safelinks.protection.outlook.com/?url=https%3A%2F%2Flao.ca.gov%2FPublications%2FReport%2F4472&data=04%7C01%7Ckpeters%40csmci.com%7C744bbd5b36fa4cce15e508d9ae152f83%7C6cf8144068c246f698534746f2419f24%7C0%7C0%7C637732228312479445%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C3000&sdata=sAGycmDJxduCT9vA0ry9cBZVKmmFXvoayzU3taURn%2Bw%3D&reserved=0) report on November 17, 2021, predicting that the state would enjoy a historic surplus in 2022-23, and continued, but more modest, prosperity over its four-year forecast period. In keeping with the overall trend of the state’s economic outlook, the LAO anticipates that funding for K-12 and community colleges under Proposition 98 will also spike in the immediate term and continue increasing through fiscal year 2025-26.

The LAO’s revised 2022-23 COLA is estimated to be 5.35%. In July 2021, the Department of Finance estimated that the COLA for 2022-23 would be 2.48%.

Provided by Susan Lefkowitz, CSMC

**Budget**

AIMS K-12 College Prep fiscal year is from July 1 to June 30, as prescribed for all governmental agencies in the state. AIMS K-12 2021-2022 Adoption budget was projected as a $18,496,692 budget, for the 1st Interim the projected budget has increased by $85,077 to total $19,542,843.



*\*LCFF: Local Control Funding Formula*

The General Fund *(LCFF + Other State Revenue)* is used to record the day-to-day operations of the charter. There are nine special purpose funds to capture the remaining budget.

* GENERAL PURPOSE: State Apportionments include the LCFF calculations based on Average Daily Attendance enrollment and percentages (ADA) and Other State Revenue: State Food Revenue, State Lottery and State Mandated Block Grant

**Special State Funds**

* ASES: Afterschool Program
* LOCAL FUNDS (Measure G1, Donations & Grants)

**Federal**

American Indian Model Schools receives direct funding\* of federal funds for at risk students:

*\*Direct Funding: Federal allocation is directly provided to Charter. The funds do not “pass-through” the Authorizing District (Oakland Unified School District). These funds are issued at a reimbursement rate, funds must be expended and applied for reimbursement quarterly.*

* Title I, Part A Low Income at Risk
* Professional Development (Title II)
* English Learners (Title III)
* Title VI,
* NSLP/SSO: Funding to provide meals to those students qualifying for free or reduced lunches.
* Facilities Grant
* COVID response - CARES Act: ESSER Funding (1st and 2nd Round)
* COVID response- New ESSER III (3 Year grant 21-22 thru 23-24)
* COVID response- Expanded Learn Opportunity Plan
* COVID response- Expanded Learning Opportunity Plan -Paraprofessional
* COVID response- In-Person Learning Grant

**Budget Benchmarks – Process timeline**

* AIMS K-12 2021-2022 Budget Adoption: June 15,2021
* State’s 2021-2022 June Budget Adoption: June 30,2021
* 45 Day Budget Revision (not required): Mid-August
* Unaudited Actuals (2020-21 Closing): September 01,2020
* **First Interim (Realignment based on July – Oct 31 Activity): December 1, 2021**
* January Governors Release (Projections for 2021-2022): January 2022
* Second Interim (Realignment based on Nov 1, 2021– Jan 31, 2022)- March 1,2022
* Governors May Revise (Revision to Jan. Gov. Release): May 2022
* 2022-23 Budget Adoption – June 15, 2022

**1st Interim**

An interim statement is a financial report covering a period of less than a year. The reports are used to convey the performance of AIMS K-12 before the end of the annual reporting cycle. California Public Schools are required to submit Interim reports two time a year. Unlike annual statements, interim reports are not required to be audited. The 1st Interim report for AIMS K-12 captures activity from July 1, 2021 through October 31, 2021. This report is presented to the Board at the end of November and submitted to our authorizer, OUSD, in early December.

**Revenues**

AIMS K12 is primarily funded by State and Federal revenues, 1% of revenues are based on grants and/or local revenues. The FCMAT 1st Interim calculator was used to for the reporting of the 1st Interim. Below highlight the changes in summary and per school:



**LCFF SOURCES:** Realignment of program

**FEDERAL REVENUES:** 2020-2021 carryover and ESSER III funds reflected

 **OTHER STATE REVENUES: 2020-2021** In-Person and ELO Grant carryover and Lottery Allocation adjustments reflected.

**LOCAL REVENUES:** Adjusted revenue projections for Interest and School Site Fundraising.



**LCFF SOURCES:** Reflects the loss in projected enrollment

**FEDERAL REVENUES:** ESSER I and II carryover funds totaling $55,810 from 20-21 reflected; (NEW) Year 1 ESSER III funds reflect remaining increase.

**OTHER STATE REVENUES:** In-Person and ELO Grant carryover funds reflected.

**LOCAL REVENUES:** Reduced revenue projection for Interest and School Site Fundraising.

 

**LCFF SOURCES:** Reflects the loss in projected enrollment

**FEDERAL REVENUES:** (NEW) Year 1 ESSER III funds reflected.

**OTHER STATE REVENUES:** State lottery allocation increased by $45K; In-Person and ELO Grant carryover funds totaling $150,507 from 20-21 reflected.

**LOCAL REVENUES:** Increased revenue projection for interest; reduced revenue projection for School Site Fundraising.



**LCFF SOURCES:** Reflects an increase in projected enrollment

**FEDERAL REVENUES:** (NEW) Year 1 ESSER III reflected.

**OTHER STATE REVENUES:**

**LOCAL REVENUES:** Increased revenue projection for Interest

**COVID RESPONSE FUNDING:**

**SSO Grant:**

On September 17, 2020 AIMS K12 was approved to participate in the SSO Food program and will continue through the 2021-2022 fiscal year. This program was designed to ensure that students and families were provided with meals during the pandemic. The State funded program, reimburses full cost of meals AIMS K12 distributes to its students and surrounding community. The program differs from the NSLP program as it does not require the same level of record maintenance for reimbursement as this program tracks the meals distributed not the child it is distributed to. The language also allows AIMS to provide meals for any community member under the age of 18. The program allows for full reimbursement of cost.

**Elementary & Secondary School Relief Emergency Fund (ESSER)**

**ESSER I:** ESSER funding was initially outlined in the 2020-21 Governor’s budget. The funds were provided to California through the Federal Coronavirus Aid Relief and Economic Security Act (CARES) and allocated in the Governor’s ESSER budget for schools. ESSER funds are available for expensing until 9/30/2022.These funds are meant to assist schools in preparing for distance or hybrid learning. AIMS approved the application for the ESSER funds during the August 18, 2020 Board Meeting. The total State budget is 1.65B of which AIMS K12 received $304,843 in 2020-2021 These funds will be completely expended in the 2021-2022 school year.

**ESSER II:** California Department of Education has released the new allocations for the second round of ESSER funds in which AIMS K12 has received an additional $1,260,266. The funds are available for use beginning 2020-2021 through the 2021-2022 school year. AIMS began to expense in the 2020-2021 fiscal year and the remaining funds are allocated in the current fiscal year. These funds will be fully expended by June 30, 2022.

**ESSER III:** California Department of Education has released the new allocations for the third round of ESSER funds in which AIMS K12 has received an additional $2,856,649. The funds are available for use beginning 2021-2022 through the 2023-2024 school year. AIMS has allocated these funds for the duration of the program, allocating 20% in 2021-22 and the remaining balance split between the 22-23 and the 23-24 fiscal years.

**In-Person Instruction**

The In-Person Instruction grant provides funding to county offices of education (COE), school districts, charter schools and state special schools to assist with offering in-person instruction to the greatest extent possible during the 2020-21 school year; and to expand in-person instructional time and provide academic interventions and pupil supports to address barriers to learning, and accelerate progress to close learning gaps. The In-Person Instruction grant is allowable for use in the 2021-22 and will be fully expended by year end.

**Extended Learning Opportunity Grant (ELO)**

The Extended Learning Opportunity grant provides funding charter schools to assist with implementing a recovery program, that at a minimum provides supplemental instruction and emotional well-being. ELO Grants shall be expended only for any of the following purposes: extending instructional learning time, accelerating progress to close learning gaps, integrated pupil supports, community learning hubs, supports for credit deficient pupils, additional academic services, and training for school staff. An additional requirement of the use of funds, is to allocate 10% of the LCFF portion of the grant to hire/rehire paraprofessionals to provide supplemental education. AIMS K-12 ELO Grant Plans were presented and approved by the Board of Trustees in May 2021 and submitted to the State and OUSD prior to the June 1,2021 deadline. The ELO grant is allowable for use in the 2021-22 and will be fully expended by year end.

**Roberto Family Trust Donation**

In 2012 American Indian Public Charter and American Indian Public High School were named in the Roberto Family Trust each school was granted $125,000. AIMS K-12 Board of trustee recognized these funds during 2020-2021 1st Interim. As of 2021-2022 1st Interim, the final paperwork for the release of funds have been submitted and anticipate receipt by the 2nd Interim.

**Expenses**

AIMS K-12 College Prep 2021-22 1st Interim budget reflects a 49% investment in Personnel expenses and 51% allocated to the operations of the organization. This reflects a 1% drop from personnel support into operation expenses from Adoption to 1st Interim. The return to in person learning was the driving force behind this change. Increase cost for utilities, substitute services, increasing insurance rates as well as other maintenance and cleaning factors play a significant role. AIMS expenses increased by 5% from adoption due to the alignment of operating services throughout all three schools and the adjusted program at the High school due to student growth. The total expenses for the 2021-2022 school year are projected at $18,790,279.



****Expense Allocation for each school is reflected below. Any changes to budget allocation are outlined as well.

55%









|  |
| --- |
| Realignment of program can include: |
| Update Positions (Actual salaries, FTE % etc.) |
| Cover under projected expenses (such as substitutes and other increases to budget) |

**Salaries & Benefits**

Salary compensation represents 49% of expenses across all AIMS K-12 College Prep Schools. AIMS offers a competitive compensation package for both certificated and classified staff. Employee Benefit expense at AIMS averages 21% across all schools. This can vary greatly due to two primary factors: health and welfare benefits and PERS. Health and welfare benefits (medical/dental/vision insurance premiums), if requested by the employee, can vary due a number of factors, including an employee’s age and number of dependents. AIMS tracks and reports health and welfare benefits as precisely as possible, reflects as a variance in the percentage of benefits for employees at AIMS.

**AIMS MIDDLE**

Compensation for staff at AIMS College Prep Middle School, formerly known as American Indian Public Charter (AIPCS), is split between AIPCS and the middle school component of American Indian Public Charter School II (6-8). The expenses reflected are split by assignment and student Average Daily Attendance (ADA). All staff, with the exception of 5 teachers are split funded between AIMS Middle and AIPCS II.

**AIPCS II**

American Indian Public Charter II (AIPCS II) is a K – 8. The staff for the K – 5 components are fully funded at AIPCS II and the middle school component reflects the following Full Time Equivalent (FTE) split:

AIPCS 51%

AIPCS II 49%

 100%

**Books and Supplies**

Records expenditures for books and supplies, including any associated sales tax or use tax and freight and handling charges.

The category of Book and Supplies captures more than classroom textbooks and materials, it itemizes Non- Capitalized student equipment such as tables, chairs, computers and software.

**Services and Other Operating Expenses**

Record expenditures for services, rentals, leases, maintenance contracts, dues, travel, insurance, utilities, and legal and other operating expenditures. Expenditures may be authorized by contracts, agreements, purchase orders, and so forth.

**Capital Outlay**

Capital Outlay records expenditures for land, buildings, books, and equipment, including leases with option to purchase. In accordance with the State guidelines for school finance, to capitalize an expense in the individual item must cost $5000 or more.

**Other Outgo**

Other Outgo captures interest, debt service and transfers (payments) to other LEAs (Authorizer)

AIMS partners with Oakland Unified School District to provide the Special Education services for their students. AIMS does not receive revenue for the Special Education program, instead encroaches on the General Fund to pay OUSD to provide the needed services. For 2021-2022 1st Interim the projection assumed $1,600 per ADA. OUSD notifies AIMS K-12 of final rate before the 2nd interim.

**Summary**

As of 2021-2022 1st Interim, AIMS K-12 has projected $19,542,843 in revenue and $18,970,279 in expenses. This provides a $572,564 surplus and represents a 4% contribution to be added to the Ending Fund Balance. Bringing the total Ending Fund Balance $5,767,760, providing approximately 65 days of operation. The composition of those funds are as follows:







**Cash Flow Statement**

As of October 31, 2021, AIMS K-12 College Prep has $6,207,675 in cash



**Multi Year Reports**



* **2022-2023 (-$416,273):** **Revenue Reductions:** ELO Grant (expired), In-Person Grant (expired), ELO- Para professional Grant (expired), ESSER II Grant (expired)



* **2022-2023 (-1,424,284):** **Revenue Reductions:** ELO Grant (expired), In-Person Grant (expired), ELO- Para professional Grant (expired), ESSER II Grant (expired) , ESSER I Carryover (expired)
* **2022-2023 (-$177,342): Revenue loss:** ASES Afterschool grant expires for the 2019-20 through 2021-22 grant cycle. AIMS K-12 is preparing for next round application.



* **2022-2023 (-735,003):** **Revenue Reductions:** ELO Grant (expired), In-Person Grant (expired), ELO- Para professional Grant (expired), ESSER II Grant (expired) , ESSER I Carryover (expired)