



Academy of Arts & Sciences

Compass Charter Schools

Finance Committee Meeting

Date and Time

Tuesday October 18, 2016 at 2:00 PM PDT

Board of Directors Finance Committee Regular Meeting Notice

Tuesday, October 18, 2016

2:00 PM PST

Go to Meeting

<https://global.gotomeeting.com/join/188967613>

Locations:

AAS Central Office: 850 Hampshire Road, Suite P, Thousand Oaks, CA 91361

3305 Buckman Springs Road, Pine Valley, CA 91962

3625 Thousand Oaks Blvd., Suite 245 Westlake Village, CA 91362

Finance Committee Meeting

Tuesday, October 18, 2016 2:00 PM - 3:00 PM Pacific Daylight Time

Please join my meeting from your computer, tablet or smartphone.

<https://global.gotomeeting.com/join/188967613>

You can also dial in using your phone.

United States: (312) 757-3121

Access Code: 188-967-613

Addressing the Committee – Committee meetings are meetings of the Board of Directors and will be held in a civil, orderly and respectful manner. All public comments or questions should be addressed to the Committee through the Chair of the Committee. To ensure an orderly meeting and an equal opportunity for each speaker, persons wishing to address the Committee must send a Speaker Request Message through the form of a text message or chat box message to Miguel Aguilar, Executive Assistant to the CEO (805-807-8199). Messaging is available through the conference service provider, GoToMeeting. Messages must contain speaker name, contact number or email, and subject matter and sent to the Executive Assistant to the CEO prior to the

beginning of the Public Comment section of the meeting. Members of the public may address the Committee on any matter within the Committee's jurisdiction and have **three (3) minutes each** to do so. The total time of each subject will be fifteen (15) minutes, unless additional time is requested by a Committee Member and approved by the Committee.

The Committee may not deliberate or take action on items that are not on the agenda. However, the Committee may give direction to staff following a presentation. The Chair is in charge of the meeting and will maintain order, set the time limits for the speakers and the subject matter, and will have the prerogative to remove any person who is disruptive of the Committee meeting. The Finance Committee may place limitations on the total time to be devoted to each topic if it finds that the numbers of speakers would impede the Committee's ability to conduct its business in a timely manner. The Finance Committee may also allow for additional public comment and questions after reports and presentations if it deems necessary.

For questions or requests regarding accessibility, please call Miguel Aguilar at (805) 807-8199.

Agenda

I. Opening Items

Opening Items

- A.** Record Attendance and Guests
- B.** Call the Meeting to Order

II. CONSENT ITEMS

- A.** Approval of October 18, 2016 Regular Meeting Agenda
- B.** Approval of the September 13, 2016 Regular Meeting Minutes

III. PUBLIC COMMENT

Finance

- A.** Public Comment

IV. REPORTS

- A.** Staff Report

V. UNFINISHED BUSINESS

VI. NEW BUSINESS

- A. Review and Discussion of August Financials
- B. Review and Discussion of September Financials

VII. Closing Items

- A. Adjourn Meeting

Coversheet

Approval of the September 13, 2016 Regular Meeting Minutes

Section: II. CONSENT ITEMS
Item: B. Approval of the September 13, 2016 Regular Meeting Minutes
Purpose: Approve Minutes
Submitted by:
Related Material: Minutes for Finance Committee Meeting on September 13, 2016

APPROVED



Academy of Arts & Sciences

Compass Charter Schools

Minutes

Finance Committee Meeting

Date and Time

Tuesday September 13, 2016 at 2:00 PM

Board of Directors Finance Committee Regular Meeting Notice

Tuesday, September 13, 2016

2:00 PM PST

Go to Meeting

<https://global.gotomeeting.com/join/265744141>

Locations:

AAS Central Office: 850 Hampshire Road, Suite P, Thousand Oaks, CA 91361

3305 Buckman Springs Road, Pine Valley, CA 91962

3625 Thousand Oaks Blvd., Suite 245 Westlake Village, CA 91362

Finance Committee Meeting

Tuesday, September 13, 2016 2:00 PM - 3:00 PM Pacific Daylight Time

Please join my meeting from your computer, tablet or smartphone.

<https://global.gotomeeting.com/join/265744141>

You can also dial in using your phone.

United States : (312) 757-3121

Access Code: 265-744-141

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For questions or requests regarding accessibility, please call Miguel Aguilar at (805) 807-8199.

Committee Members Present

J. Cummings (remote), J. Lewis, K. Granger (remote), L. Fishman, M. Aguilar

Committee Members Absent

None

I. Opening Items

A. Record Attendance and Guests

B. Call the Meeting to Order

K. Granger called a meeting of the Finance Committee of Compass Charter Schools to order on Tuesday Sep 13, 2016 at 2:01 PM.

II. CONSENT ITEMS

A. Approval of September 13, 2016 Regular Meeting Agenda

L. Fishman made a motion to approve the consent items.

J. Cummings seconded the motion.

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

Roll Call

J. Cummings Aye

K. Granger Aye

L. Fishman Aye

III. REPORTS

A. Staff Report

Lewis mentioned that Christy White Associates were on-site on Thursday, August 4th to complete portions of their audit review for the 2015-16 year. The audit is due to the state by December 15th; our goal is to submit early. We will appeal our funding position to the California Department of Education, Advisory Commission on Charter Schools and State Board of Education this winter after our audit.

Cummings asked as of when the funding would be effective. Lewis confirmed it would be as of July 1st, 2016.

IV. NEW BUSINESS

A. Review and Discussion of Committee Charge

Lewis reviewed the Finance Committee charge, which was approved at the May 10, 2016 Special Board Meeting, with the committee.

B. Review and Approval of 2015-16 Unaudited Actuals

J. Cummings made a motion to approve the 2015-16 Unaudited Actuals.

L. Fishman seconded the motion.

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

Roll Call

K. Granger Aye

J. Cummings Aye

L. Fishman Aye

Discussion led by Josh Eng, Director of Accounting with EdHive.

C. Review and Approval of July Financials

Discussion item as opposed to an action-item was consensus. No action taken.

Discussion led by Scott Warner, School Business Manager with CSMC.

D. Review and Approve 2016-17 Amended Operating Budget

J. Cummings made a motion to approve the 2016-17 Amended Operating Budget.

L. Fishman seconded the motion.

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

Roll Call

J. Cummings Aye

K. Granger Aye

L. Fishman Aye

V. Closing Items

A. Adjourn Meeting

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 3:21 PM.

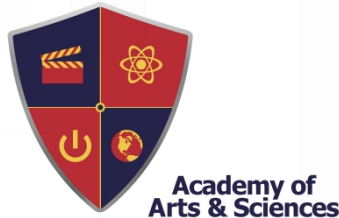
Respectfully Submitted,

M. Aguilar

Coversheet

Staff Report

| | |
|--------------------------|----------------------------|
| Section: | IV. REPORTS |
| Item: | A. Staff Report |
| Purpose: | FYI |
| Submitted by: | J.J. Lewis |
| Related Material: | Staff Report - October.doc |



Staff Report October 18, 2016

This report is meant to provide updates to the Board of Directors Finance Committee:

2015-16 Audit

Christy White Associates were on-site on Wednesday and Thursday, September 28th and 29th, to complete their review of our financials. The audit is due to the state by December 15th; we anticipate presenting the audit to the Finance Committee in November.

2016-17 Funding Update

We are seeking guidance from the California Department of Education on the preferred process to submit our request for a review of our SB740 Funding Determination, using our 2015-16 financials.

California Use Tax Worksheet

Staff submitted the Board of Equalization's California Use Tax Worksheet in September. We owe the following:

- Year 2013 total: \$5,611.00
- Year 2014 total: \$21,483.00
- Year 2015 total: \$13,855.00
- TOTAL DUE: \$40,949.00

Chase Bank (checking account)

The primary account for AAS is a checking account at Chase Bank. Balances are as of the end of the reported month:

- September: \$11,820,580.55

Finance Policy

We are reviewing and revising the Finance Policy, to strengthen accountability and safeguards for staff and AAS. We anticipate presenting the draft for review and approval at the November Finance Committee meeting and sharing with the fully Board of Directors for adoption at their November 28th regular meeting.

JP Morgan Chase (CD account)

AAS has a ladder CD account through JP Morgan Chase. Balances are as of the end of the reported month:

- September: \$5,028,219.00

San Diego Learning Center

We have signed an amendment to our lease of 4560 Alvarado Canyon Road, Suites D-H, to surrender Suites G & H for the duration of our lease. This reduces our remaining lease obligation from \$87,045 to \$48,468, a savings of \$38,577 to the organization.

If there are any questions on this report, please feel free to contact:

Lisa Fishman | Director of Operations
(818) 732-4692 - direct
lisa.fishman@aascalifornia.org

J.J. Lewis | President & CEO
(818) 824-6233 - direct
jj.lewis@aascalifornia.org

Coversheet

Review and Discussion of August Financials

Section: VI. NEW BUSINESS
Item: A. Review and Discussion of August Financials
Purpose: Discuss
Submitted by: J.J. Lewis
Related Material: AAS - BS - Aug 16.xlsx
AAS - BS - Aug 16.pdf
AAS - PL - Aug 16.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](#):

AAS - BS - Aug 16.xlsx

Academy of Arts and Science Consolidated

August 2016

| Group Description | Account | Account Description | |
|--|----------|------------------------------|--------------|
| Liquidity Ratio | | | 2.7 |
| Assets | | | |
| Current Assets | | | |
| Cash | 9120-010 | Cash in Bank(s) | \$12,452,326 |
| Cash | 9125-010 | Cash in County Treasury | \$136,605 |
| Cash | 9125-020 | Cash in County Treasury | \$284,683 |
| Cash | 9125-030 | Cash in County Treasury | \$5 |
| Cash | 9125-050 | Cash in County Treasury | \$2,878,535 |
| Investments | 9150-010 | Investments | \$5,000,000 |
| Accounts Receivables | 9290-010 | Due from Grantor Governments | \$73,304 |
| Accounts Receivables | 9290-020 | Due from Grantor Governments | \$22,245 |
| Accounts Receivables | 9290-030 | Due from Grantor Governments | \$73,805 |
| Accounts Receivables | 9290-040 | Due from Grantor Governments | \$27,683 |
| Accounts Receivables | 9290-050 | Due from Grantor Governments | \$185,910 |
| Accounts Receivables | 9290-060 | Due from Grantor Governments | \$195,587 |
| Total Current Assets | | | \$21,330,689 |
| Fixed Assets | | | |
| Total Fixed Assets | | | - |
| Other Assets | | | |
| Total Other Assets | | | - |
| Total Assets | | | \$21,330,689 |
| Liabilities And Net Assets | | | |
| Current Liabilities | | | |
| Accounts Payable | 9500-010 | Accounts Payable-System | \$158,855 |
| Accounts Payable | 9505-010 | Accounts Payable-Accrual | \$29,946 |
| Accounts Payable | 9506-010 | Credit Card Payable | (\$46,441) |
| Accounts Payable | 9590-010 | Due to Grantor Governments | \$4,845,323 |
| Accounts Payable | 9590-020 | Due to Grantor Governments | \$129,363 |
| Accounts Payable | 9590-040 | Due to Grantor Governments | \$1,256,747 |
| Accrued Salaries, Payroll Taxes, Postemployment Benefits | 9501-010 | Accrued Salaries | \$227,933 |
| Accrued Salaries, Payroll Taxes, Postemployment Benefits | 9503-010 | Accrued STRS | \$12,643 |
| Deposits held on behalf of other employees | 9660-010 | Voluntary Deductions | \$6,597 |
| Deferred Revenue | 9650-010 | Deferred Revenue | \$543,768 |
| Deferred Revenue | 9650-020 | Deferred Revenue | \$124,997 |
| Deferred Revenue | 9650-030 | Deferred Revenue | \$93,800 |
| Deferred Revenue | 9650-040 | Deferred Revenue | \$205,328 |
| Deferred Revenue | 9650-050 | Deferred Revenue | \$38,876 |
| Deferred Revenue | 9650-060 | Deferred Revenue | \$284,492 |
| Total Current Liabilities | | | \$7,912,226 |

| | | | |
|---|----------|---------------------------|--------------|
| Long Term Liabilities | | | |
| Total Long Term Liabilities | | | - |
| | | | |
| Total Liabilities | | | \$7,912,226 |
| | | | |
| Net Assets | | | |
| Unrestricted Net Assets | 9790-010 | Undesignated Fund Balance | \$8,919,717 |
| Unrestricted Net Assets | 9790-020 | Undesignated Fund Balance | \$1,485,436 |
| Unrestricted Net Assets | 9790-030 | Undesignated Fund Balance | \$399,234 |
| Unrestricted Net Assets | 9790-040 | Undesignated Fund Balance | \$2,014,644 |
| Unrestricted Net Assets | 9790-050 | Undesignated Fund Balance | \$97,706 |
| Unrestricted Net Assets | 9790-060 | Undesignated Fund Balance | \$1,249,122 |
| Profit/Loss YTD | | | (\$747,396) |
| Total Net Assets | | | \$13,418,463 |
| | | | |
| Total Liabilities And Net Assets | | | \$21,330,689 |

Academy of Arts and Science Consolidated

August 2016 - August 2016

| | | August | | July - August Summary | | | | 2016-2017 | |
|---------------------------------|---|-------------|-----------|-----------------------|-----------|-------------|------------|--------------|------------------|
| Account Code | Description | Actual | Budget | Actual | Budget | Variance \$ | Variance % | Total Budget | Remaining Budget |
| 8011 | LCFF Revenue | | | - | - | - | 0.0% | - | (\$42,694) |
| 8096 | Charter Schools Funding In-Lieu of Property Taxes | \$44,874 | - | \$256,325 | - | \$256,325 | 0.0% | - | (\$346,073) |
| Revenue Limit | | \$44,874 | - | \$256,325 | - | \$256,325 | 0.0% | - | (\$388,767) |
| 8299 | Prior Year Federal Income | \$46,250 | - | \$46,250 | - | \$46,250 | 0.0% | - | (\$46,250) |
| Federal Revenue | | \$46,250 | - | \$46,250 | - | \$46,250 | 0.0% | - | (\$46,250) |
| 8550 | Mandated Block Grant | | | - | - | - | 0.0% | \$38,359 | \$38,359 |
| 8599 | Prior Year State Income | \$100 | - | \$150,039 | - | \$150,039 | 0.0% | - | (\$150,064) |
| Other State Revenue | | \$100 | - | \$150,039 | - | \$150,039 | 0.0% | \$38,359 | (\$111,706) |
| 8650 | Rental Income | \$29,836 | - | \$59,134 | - | \$59,134 | 0.0% | \$356,000 | \$228,645 |
| 8660 | Interest Income | \$227 | - | \$227 | - | \$227 | 0.0% | - | (\$961) |
| 8699 | All Other Local Revenue | (\$180,792) | - | \$1,426 | - | \$1,426 | 0.0% | - | (\$18,693) |
| 8792 | SPED State/Other Transfers of Apportionments from County | | | - | - | - | 0.0% | \$719,771 | \$719,771 |
| Local Revenue | | (\$150,728) | - | \$60,787 | - | \$60,787 | 0.0% | \$1,075,771 | \$928,761 |
| Total Revenue | | (\$59,504) | - | \$513,402 | - | \$513,402 | 0.0% | \$1,114,130 | \$382,039 |
| 1100 | Teachers' Salaries | \$256,124 | \$131,614 | \$269,357 | \$131,614 | (\$137,744) | -104.7% | \$2,632,272 | \$2,111,286 |
| 1200 | Certificated Pupil Support Salaries | \$28,920 | \$40,031 | \$52,000 | \$40,031 | (\$11,969) | -29.9% | \$800,616 | \$719,696 |
| 1300 | Certificated Pupil Support Salaries | \$27,281 | \$42,503 | \$75,574 | \$85,006 | \$9,431 | 11.1% | \$512,083 | \$417,071 |
| 1900 | Other Certificated Salaries | \$8,960 | - | \$20,160 | - | (\$20,160) | 0.0% | - | (\$29,120) |
| Certificated Salaries | | \$321,285 | \$214,147 | \$417,092 | \$256,650 | (\$160,441) | -62.5% | \$3,944,971 | \$3,218,934 |
| 2200 | Classified Support Salaries (Maintenance, Food) | \$66,377 | \$41,334 | \$91,577 | \$41,334 | (\$50,243) | -121.6% | \$826,680 | \$668,295 |
| 2300 | Classified Supervisor and Administrator Salaries | - | \$41,904 | \$42,272 | \$83,807 | \$41,535 | 49.6% | \$504,864 | \$462,592 |
| 2400 | Clerical, Technical, and Office Staff Salaries | \$67,214 | \$28,681 | \$86,835 | \$57,363 | (\$29,472) | -51.4% | \$345,560 | \$193,466 |
| 2900 | Other Classified Salaries (Noon and Yard Sup, etc.) | \$14,260 | - | \$21,620 | - | (\$21,620) | 0.0% | - | (\$35,880) |
| Classified Salaries | | \$147,851 | \$111,919 | \$242,304 | \$182,504 | (\$59,800) | -32.8% | \$1,677,104 | \$1,288,473 |
| 3101 | State Teachers' Retirement System, certificated positions | \$45,198 | \$24,814 | \$45,198 | \$24,814 | (\$20,385) | -82.1% | \$496,277 | \$411,522 |
| 3313 | OASDI | \$9,596 | \$2,080 | \$15,924 | \$4,159 | (\$11,765) | -282.9% | \$103,980 | \$80,145 |
| 3323 | Medicare | \$6,589 | \$1,630 | \$9,264 | \$3,261 | (\$6,003) | -184.1% | \$81,520 | \$65,768 |
| 3403 | Health & Welfare Benefits | \$48,977 | \$9,081 | \$82,777 | \$18,161 | (\$64,616) | -355.8% | \$454,030 | \$297,537 |
| 3503 | State Unemployment Insurance | \$4,857 | \$466 | \$6,789 | \$931 | (\$5,858) | -629.0% | \$23,280 | \$13,185 |
| 3603 | Worker Compensation Insurance | - | \$1,799 | - | \$3,598 | \$3,598 | 100.0% | \$89,953 | \$89,953 |
| 3703 | Other Post Employment Benefits | | | - | - | - | 0.0% | - | (\$950) |
| 3903 | Other Employee Benefits | \$4,052 | - | \$10,836 | - | (\$10,836) | 0.0% | - | (\$12,673) |
| Employee Benefits | | \$119,269 | \$39,869 | \$170,789 | \$54,924 | (\$115,865) | -211.0% | \$1,249,041 | \$944,487 |
| Total Personnel Expenses | | \$588,405 | \$365,936 | \$830,185 | \$494,079 | (\$336,106) | -68.0% | \$6,871,116 | \$5,451,894 |

| | | | | | | | | | |
|--|--|--------------------|----------------------|--------------------|----------------------|--------------------|---------------|---------------------|-----------------------|
| 4100 | Approved Textbooks and Materials | \$1,604 | \$772,932 | \$5,087 | \$772,932 | \$767,845 | 99.3% | \$3,864,660 | \$3,849,124 |
| 4200 | Books and Other Reference Materials | \$41 | \$68,282 | \$41 | \$68,282 | \$68,242 | 99.9% | \$682,821 | \$682,781 |
| 4300 | Materials and Supplies | \$934 | \$2,872 | \$4,721 | \$2,872 | (\$1,849) | -64.4% | \$28,720 | \$17,547 |
| 4315 | Classroom Materials and Supplies | | | \$2,444 | - | (\$2,444) | 0.0% | - | (\$4,129) |
| 4400 | Noncapitalized Equipment | - | \$111 | - | \$111 | \$111 | 100.0% | \$1,107 | \$453 |
| 4430 | Noncapitalized Student Equipment | - | \$13,404 | - | \$13,404 | \$13,404 | 100.0% | \$134,044 | \$134,044 |
| Books and Supplies | | \$2,579 | \$857,601 | \$12,292 | \$857,601 | \$845,309 | 98.6% | \$4,711,352 | \$4,679,821 |
| 5200 | Travel and Conferences | \$4,369 | - | \$8,901 | - | (\$8,901) | 0.0% | \$50,000 | \$37,040 |
| 5210 | Training and Development Expense | \$66,291 | - | \$71,222 | - | (\$71,222) | 0.0% | \$150,000 | \$78,298 |
| 5300 | Dues and Memberships | | | \$9,437 | - | (\$9,437) | 0.0% | \$10,000 | \$563 |
| 5400 | Insurance | - | \$3,088 | - | \$9,265 | \$9,265 | 100.0% | \$30,885 | \$30,885 |
| 5500 | Operation and Housekeeping Services | \$500 | \$360 | \$500 | \$720 | \$220 | 30.6% | \$7,200 | \$6,700 |
| 5501 | Utilities | \$712 | \$555 | \$1,416 | \$1,110 | (\$306) | -27.6% | \$11,104 | \$8,835 |
| 5505 | Student Transportation/Field Trips | - | \$3,750 | - | \$7,500 | \$7,500 | 100.0% | \$75,000 | \$75,000 |
| 5600 | Space Rental/Leases Expense | \$115,889 | \$64,592 | \$189,163 | \$129,183 | (\$59,980) | -46.4% | \$778,212 | \$527,449 |
| 5601 | Building Maintenance | \$400 | \$1,200 | \$400 | \$2,400 | \$2,000 | 83.3% | \$24,000 | \$23,600 |
| 5602 | Other Space Rental | - | \$250 | - | \$500 | \$500 | 100.0% | \$5,000 | \$5,000 |
| 5605 | Equipment Rental/Lease Expense | \$685 | \$682 | \$1,959 | \$1,365 | (\$595) | -43.6% | \$8,220 | \$5,575 |
| 5800 | Professional/Consulting Services and Operating Expenditures | \$5,803 | \$26,557 | \$21,570 | \$53,114 | \$31,545 | 59.4% | \$319,965 | \$298,396 |
| 5803 | Banking and Payroll Service Fees | \$421 | \$415 | \$614 | \$830 | \$216 | 26.0% | \$5,000 | \$3,964 |
| 5805 | Legal Services | \$2,928 | \$6,900 | \$3,738 | \$13,800 | \$10,062 | 72.9% | \$138,000 | \$132,812 |
| 5806 | Audit Services | | | \$18,215 | - | (\$18,215) | 0.0% | - | (\$18,215) |
| 5809 | Employee Tuition Reimbursement | | | \$4,581 | - | (\$4,581) | 0.0% | - | (\$4,581) |
| 5810 | Educational Consultants | \$2,890 | \$11,450 | \$2,890 | \$22,900 | \$20,010 | 87.4% | \$229,000 | \$225,985 |
| 5811 | Student Transportation | \$6,405 | - | \$11,000 | - | (\$11,000) | 0.0% | - | (\$11,325) |
| 5815 | Advertising/Recruiting | \$156 | \$5,000 | \$3,306 | \$10,000 | \$6,694 | 66.9% | \$100,000 | \$96,586 |
| 5873 | Financial Services | \$29,733 | - | \$51,133 | - | (\$51,133) | 0.0% | - | (\$80,867) |
| 5874 | Personnel Services | \$160 | - | \$640 | - | (\$640) | 0.0% | - | (\$640) |
| 5877 | IT Services | \$10,177 | - | \$11,950 | - | (\$11,950) | 0.0% | - | (\$12,579) |
| 5890 | Interest Expense/Fees | \$317 | - | \$1,798 | - | (\$1,798) | 0.0% | - | (\$1,018) |
| 5899 | CMO Management Fee Expense | | | - | - | - | 0.0% | - | - |
| 5900 | Communications (Tele., Internet, Copies, Postage, Messenger) | \$784 | \$3,320 | \$3,887 | \$6,640 | \$2,753 | 41.5% | \$40,000 | \$34,016 |
| Services & Other Operating Expenses | | \$248,620 | \$128,120 | \$418,320 | \$259,328 | (\$158,993) | -61.3% | \$1,981,586 | \$1,461,478 |
| 5875 | District Oversight Fee | (\$4,646) | - | - | - | - | 0.0% | - | (\$90,235) |
| Other Outgo | | (\$4,646) | - | - | - | - | 0.0% | - | (\$90,235) |
| Total Operational Expenses | | \$246,553 | \$985,721 | \$430,613 | \$1,116,929 | \$686,316 | 61.4% | \$6,692,938 | \$6,051,064 |
| Total Expenses | | \$834,958 | \$1,351,656 | \$1,260,798 | \$1,611,008 | \$350,210 | 21.7% | \$13,564,054 | \$11,502,958 |
| Net Income | | (\$894,462) | (\$1,351,656) | (\$747,396) | (\$1,611,008) | \$863,612 | 53.6% | ##### | (\$11,120,919) |

Coversheet

Review and Discussion of September Financials

Section: VI. NEW BUSINESS
Item: B. Review and Discussion of September Financials
Purpose: Discuss
Submitted by: J.J. Lewis
Related Material: AAS - BS - Sept 16.pdf
AAS - BS - Sept 16.xlsx
AAS - PL - Sept 16.pdf

Academy of Arts and Science Consolidated

September 2016

| Group Description | Account | Account Description | |
|--|----------|------------------------------|---------------------|
| Liquidity Ratio | | | 2.6 |
| Assets | | | |
| Current Assets | | | |
| Cash | 9120-010 | Cash in Bank(s) | \$11,699,061 |
| Cash | 9125-010 | Cash in County Treasury | \$136,605 |
| Cash | 9125-020 | Cash in County Treasury | \$369,196 |
| Cash | 9125-030 | Cash in County Treasury | \$48 |
| Cash | 9125-050 | Cash in County Treasury | \$2,878,528 |
| Investments | 9150-010 | Investments | \$5,000,000 |
| Accounts Receivables | 9290-010 | Due from Grantor Governments | \$73,304 |
| Accounts Receivables | 9290-020 | Due from Grantor Governments | \$22,245 |
| Accounts Receivables | 9290-030 | Due from Grantor Governments | \$73,805 |
| Accounts Receivables | 9290-040 | Due from Grantor Governments | \$27,683 |
| Accounts Receivables | 9290-050 | Due from Grantor Governments | \$185,910 |
| Accounts Receivables | 9290-060 | Due from Grantor Governments | \$195,587 |
| Prepaid Expenses | 9330-010 | Prepaid Expenses | \$104,223 |
| Total Current Assets | | | \$20,766,196 |
| Fixed Assets | | | |
| Total Fixed Assets | | | - |
| Other Assets | | | |
| Total Other Assets | | | - |
| Total Assets | | | \$20,766,196 |
| Liabilities And Net Assets | | | |
| Current Liabilities | | | |
| Accounts Payable | 9500-010 | Accounts Payable-System | \$78,437 |
| Accounts Payable | 9505-010 | Accounts Payable-Accrual | \$29,946 |
| Accounts Payable | 9590-010 | Due to Grantor Governments | \$4,845,323 |
| Accounts Payable | 9590-020 | Due to Grantor Governments | \$129,363 |
| Accounts Payable | 9590-040 | Due to Grantor Governments | \$1,256,747 |
| Accrued Salaries, Payroll Taxes, Postemployment Benefits | 9501-010 | Accrued Salaries | \$206,028 |
| Deposits held on behalf of other employees | 9660-010 | Voluntary Deductions | \$9,070 |
| Deferred Revenue | 9650-010 | Deferred Revenue | \$543,768 |
| Deferred Revenue | 9650-020 | Deferred Revenue | \$124,997 |
| Deferred Revenue | 9650-030 | Deferred Revenue | \$93,800 |
| Deferred Revenue | 9650-040 | Deferred Revenue | \$205,328 |
| Deferred Revenue | 9650-050 | Deferred Revenue | \$38,876 |
| Deferred Revenue | 9650-060 | Deferred Revenue | \$284,492 |
| Total Current Liabilities | | | \$7,846,174 |
| Long Term Liabilities | | | |

| | | | |
|---|----------|----------------------------------|---------------------|
| Loans Payable | 9620-010 | Security Deposit Payable - ILead | \$15,000 |
| Total Long Term Liabilities | | | \$15,000 |
| | | | |
| Total Liabilities | | | \$7,861,174 |
| | | | |
| Net Assets | | | |
| Unrestricted Net Assets | 9790-010 | Undesignated Fund Balance | \$8,919,717 |
| Unrestricted Net Assets | 9790-020 | Undesignated Fund Balance | \$1,485,436 |
| Unrestricted Net Assets | 9790-030 | Undesignated Fund Balance | \$399,234 |
| Unrestricted Net Assets | 9790-040 | Undesignated Fund Balance | \$2,014,644 |
| Unrestricted Net Assets | 9790-050 | Undesignated Fund Balance | \$97,706 |
| Unrestricted Net Assets | 9790-060 | Undesignated Fund Balance | \$1,249,122 |
| Profit/Loss YTD | | | (\$1,260,837) |
| Total Net Assets | | | \$12,905,022 |
| | | | |
| Total Liabilities And Net Assets | | | \$20,766,196 |

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](#):

AAS - BS - Sept 16.xlsx

Academy of Arts and Science Consolidated

September 2016 - September 2016

| | | September | | July - September Summary | | | | 2016-2017 | |
|---------------------------------|---|-----------|-----------|--------------------------|-------------|-------------|------------|--------------|------------------|
| Account Code | Description | Actual | Budget | Actual | Budget | Variance \$ | Variance % | Total Budget | Remaining Budget |
| 8011 | LCFF Revenue | | | - | - | - | 0.0% | - | (\$42,694) |
| 8096 | Charter Schools Funding In-Lieu of Property Taxes | \$89,748 | - | \$346,073 | - | \$346,073 | 0.0% | - | (\$346,073) |
| Revenue Limit | | \$89,748 | - | \$346,073 | - | \$346,073 | 0.0% | - | (\$388,767) |
| 8299 | Prior Year Federal Income | | | \$46,250 | - | \$46,250 | 0.0% | - | (\$46,250) |
| Federal Revenue | | | | \$46,250 | - | \$46,250 | 0.0% | - | (\$46,250) |
| 8550 | Mandated Block Grant | | | - | - | - | 0.0% | \$38,359 | \$38,359 |
| 8599 | Prior Year State Income | | | \$150,039 | - | \$150,039 | 0.0% | - | (\$150,064) |
| Other State Revenue | | | | \$150,039 | - | \$150,039 | 0.0% | \$38,359 | (\$111,706) |
| 8650 | Rental Income | \$29,111 | \$35,600 | \$88,245 | \$35,600 | \$52,645 | 147.9% | \$356,000 | \$228,645 |
| 8660 | Interest Income | \$734 | - | \$961 | - | \$961 | 0.0% | - | (\$961) |
| 8699 | All Other Local Revenue | \$17,267 | - | \$18,693 | - | \$18,693 | 0.0% | - | (\$18,693) |
| 8792 | SPED State/Other Transfers of Apportionments from County | - | \$71,977 | - | \$71,977 | (\$71,977) | -100.0% | \$719,771 | \$719,771 |
| Local Revenue | | \$47,112 | \$107,577 | \$107,899 | \$107,577 | \$322 | 0.3% | \$1,075,771 | \$928,761 |
| Total Revenue | | \$136,860 | \$107,577 | \$650,262 | \$107,577 | \$542,685 | 504.5% | \$1,114,130 | \$382,039 |
| 1100 | Teachers' Salaries | \$251,628 | \$263,227 | \$520,986 | \$394,841 | (\$126,145) | -31.9% | \$2,632,272 | \$2,111,286 |
| 1200 | Certificated Pupil Support Salaries | \$28,920 | \$80,062 | \$80,920 | \$120,092 | \$39,172 | 32.6% | \$800,616 | \$719,696 |
| 1300 | Certificated Pupil Support Salaries | \$19,438 | \$42,503 | \$95,012 | \$127,509 | \$32,497 | 25.5% | \$512,083 | \$417,071 |
| 1900 | Other Certificated Salaries | \$8,960 | - | \$29,120 | - | (\$29,120) | 0.0% | - | (\$29,120) |
| Certificated Salaries | | \$308,946 | \$385,792 | \$726,038 | \$642,442 | (\$83,596) | -13.0% | \$3,944,971 | \$3,218,934 |
| 2200 | Classified Support Salaries (Maintenance, Food) | \$66,808 | \$82,668 | \$158,385 | \$124,002 | (\$34,383) | -27.7% | \$826,680 | \$668,295 |
| 2300 | Classified Supervisor and Administrator Salaries | - | \$41,904 | \$42,272 | \$125,711 | \$83,439 | 66.4% | \$504,864 | \$462,592 |
| 2400 | Clerical, Technical, and Office Staff Salaries | \$65,259 | \$28,681 | \$152,094 | \$86,044 | (\$66,050) | -76.8% | \$345,560 | \$193,466 |
| 2900 | Other Classified Salaries (Noon and Yard Sup, etc.) | \$14,260 | - | \$35,880 | - | (\$35,880) | 0.0% | - | (\$35,880) |
| Classified Salaries | | \$146,327 | \$153,253 | \$388,631 | \$335,758 | (\$52,873) | -15.7% | \$1,677,104 | \$1,288,473 |
| 3101 | State Teachers' Retirement System, certificated positions | \$39,557 | \$49,628 | \$84,756 | \$74,442 | (\$10,314) | -13.9% | \$496,277 | \$411,522 |
| 3313 | OASDI | \$7,911 | \$10,398 | \$23,835 | \$14,557 | (\$9,278) | -63.7% | \$103,980 | \$80,145 |
| 3323 | Medicare | \$6,488 | \$8,152 | \$15,752 | \$11,413 | (\$4,340) | -38.0% | \$81,520 | \$65,768 |
| 3403 | Health & Welfare Benefits | \$73,716 | \$45,403 | \$156,493 | \$63,564 | (\$92,929) | -146.2% | \$454,030 | \$297,537 |
| 3503 | State Unemployment Insurance | \$3,306 | \$2,328 | \$10,095 | \$3,259 | (\$6,836) | -209.7% | \$23,280 | \$13,185 |
| 3603 | Worker Compensation Insurance | - | \$8,995 | - | \$12,593 | \$12,593 | 100.0% | \$89,953 | \$89,953 |
| 3703 | Other Post Employment Benefits | \$950 | - | \$950 | - | (\$950) | 0.0% | - | (\$950) |
| 3903 | Other Employee Benefits | (\$27) | - | \$10,810 | - | (\$10,810) | 0.0% | - | (\$12,673) |
| Employee Benefits | | \$131,902 | \$124,904 | \$302,691 | \$179,829 | (\$122,863) | -68.3% | \$1,249,041 | \$944,487 |
| Total Personnel Expenses | | \$587,174 | \$663,949 | \$1,417,360 | \$1,158,028 | (\$259,332) | -22.4% | \$6,871,116 | \$5,451,894 |

| | | | | | | | | | |
|--|--|--------------------|----------------------|----------------------|----------------------|--------------------|--------------|---------------------|-----------------------|
| 4100 | Approved Textbooks and Core Curricula Materials | \$10,449 | \$1,545,864 | \$15,536 | \$2,318,796 | \$2,303,260 | 99.3% | \$3,864,660 | \$3,849,124 |
| 4200 | Books and Other Reference Materials | - | \$136,564 | \$41 | \$204,846 | \$204,806 | 100.0% | \$682,821 | \$682,781 |
| 4300 | Materials and Supplies | \$6,451 | \$2,872 | \$11,172 | \$5,744 | (\$5,428) | -94.5% | \$28,720 | \$17,547 |
| 4315 | Classroom Materials and Supplies | \$1,686 | - | \$4,129 | - | (\$4,129) | 0.0% | - | (\$4,129) |
| 4400 | Noncapitalized Equipment | \$654 | \$111 | \$654 | \$221 | (\$433) | -195.4% | \$1,107 | \$453 |
| 4430 | Noncapitalized Student Equipment | - | \$13,404 | - | \$26,809 | \$26,809 | 100.0% | \$134,044 | \$134,044 |
| Books and Supplies | | \$19,239 | \$1,698,815 | \$31,532 | \$2,556,417 | \$2,524,885 | 98.8% | \$4,711,352 | \$4,679,821 |
| 5200 | Travel and Conferences | \$4,059 | \$15,000 | \$12,960 | \$15,000 | \$2,040 | 13.6% | \$50,000 | \$37,040 |
| 5210 | Training and Development Expense | \$420 | \$45,000 | \$71,642 | \$45,000 | (\$26,642) | -59.2% | \$150,000 | \$78,298 |
| 5300 | Dues and Memberships | - | \$3,000 | \$9,437 | \$3,000 | (\$6,437) | -214.6% | \$10,000 | \$563 |
| 5400 | Insurance | - | \$3,088 | - | \$12,354 | \$12,354 | 100.0% | \$30,885 | \$30,885 |
| 5500 | Operation and Housekeeping Services | - | \$648 | \$500 | \$1,368 | \$868 | 63.5% | \$7,200 | \$6,700 |
| 5501 | Utilities | \$853 | \$999 | \$2,269 | \$2,110 | (\$159) | -7.5% | \$11,104 | \$8,835 |
| 5505 | Student Transportation/Field Trips | - | \$6,750 | - | \$14,250 | \$14,250 | 100.0% | \$75,000 | \$75,000 |
| 5600 | Space Rental/Leases Expense | - | \$64,592 | \$189,163 | \$193,775 | \$4,612 | 2.4% | \$778,212 | \$527,449 |
| 5601 | Building Maintenance | - | \$2,160 | \$400 | \$4,560 | \$4,160 | 91.2% | \$24,000 | \$23,600 |
| 5602 | Other Space Rental | - | \$450 | - | \$950 | \$950 | 100.0% | \$5,000 | \$5,000 |
| 5605 | Equipment Rental/Lease Expense | \$685 | \$682 | \$2,645 | \$2,047 | (\$598) | -29.2% | \$8,220 | \$5,575 |
| 5800 | Professional/Consulting Services and Operating Expenditures | - | \$26,557 | \$21,570 | \$79,671 | \$58,102 | 72.9% | \$319,965 | \$298,396 |
| 5803 | Banking and Payroll Service Fees | \$397 | \$415 | \$1,011 | \$1,245 | \$234 | 18.8% | \$5,000 | \$3,964 |
| 5805 | Legal Services | - | \$12,420 | \$3,738 | \$26,220 | \$22,482 | 85.7% | \$138,000 | \$132,812 |
| 5806 | Audit Services | - | - | \$18,215 | - | (\$18,215) | 0.0% | - | (\$18,215) |
| 5809 | Employee Tuition Reimbursement | - | - | \$4,581 | - | (\$4,581) | 0.0% | - | (\$4,581) |
| 5810 | Educational Consultants | \$125 | \$20,610 | \$3,015 | \$43,510 | \$40,495 | 93.1% | \$229,000 | \$225,985 |
| 5811 | Student Transportation | \$325 | - | \$11,325 | - | (\$11,325) | 0.0% | - | (\$11,325) |
| 5815 | Advertising/Recruiting | \$108 | \$9,000 | \$3,414 | \$19,000 | \$15,586 | 82.0% | \$100,000 | \$96,586 |
| 5873 | Financial Services | \$29,733 | - | \$80,867 | - | (\$80,867) | 0.0% | - | (\$80,867) |
| 5874 | Personnel Services | - | - | \$640 | - | (\$640) | 0.0% | - | (\$640) |
| 5877 | IT Services | \$630 | - | \$12,579 | - | (\$12,579) | 0.0% | - | (\$12,579) |
| 5890 | Interest Expense/Fees | (\$779) | - | \$1,018 | - | (\$1,018) | 0.0% | - | (\$1,018) |
| 5899 | CMO Management Fee Expense | - | - | - | - | - | 0.0% | - | - |
| 5900 | Communications (Tele., Internet, Copies, Postage, Messenger) | \$2,097 | \$3,320 | \$5,984 | \$9,960 | \$3,976 | 39.9% | \$40,000 | \$34,016 |
| Services & Other Operating Expenses | | \$38,652 | \$214,692 | \$456,973 | \$474,019 | \$17,047 | 3.6% | \$1,981,586 | \$1,461,478 |
| 5875 | District Oversight Fee | \$5,235 | - | \$5,235 | - | (\$5,235) | 0.0% | - | (\$90,235) |
| Other Outgo | | \$5,235 | - | \$5,235 | - | (\$5,235) | 0.0% | - | (\$90,235) |
| Total Operational Expenses | | \$63,127 | \$1,913,507 | \$493,739 | \$3,030,436 | \$2,536,697 | 83.7% | \$6,692,938 | \$6,051,064 |
| Total Expenses | | \$650,301 | \$2,577,456 | \$1,911,099 | \$4,188,464 | \$2,277,365 | 54.4% | \$13,564,054 | \$11,502,958 |
| Net Income | | (\$513,441) | (\$2,469,879) | (\$1,260,837) | (\$4,080,887) | \$2,820,050 | 69.1% | ##### | (\$11,120,919) |