



FINANCE INTERNAL CONTROLS ACTION PLAN

2021 – 2026 CHARTER TERM



CREATED 2020
ENCORE EDUCATION CORPORATION
16955 Lemon Street, Hesperia, CA 92345

FINANCE INTERNAL CONTROLS ACTION PLAN

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Introduction

In January of 2018, Encore Education Corporation adopted an Action Plan to improve fiscal controls and improve overall fiscal solvency within the organization. As a replacement of the 2018 Action Plan, Encore is proposing the following Finance Internal Controls Action Plan for 2020. This Action Plan will continue to follow the actions implemented in the 2018 Action Plan and then add actions based on the needs for 2020.

The Original 2018 Action Plan

This action plan was created and adopted by Encore's Board of Directors in January 2018. Prior to the adoption of this 2018 Action Plan, there were multiple iterations that were discussed with, provided to, and revised with the liaisons from both Hesperia Unified School District (HUSD) and Riverside Unified School District (RUSD). The following document is the actual action plan that was adopted in January 2018. The text provided here is from February 2018, one month after the Encore Board of Director's approval to give an update. The original report is in italics here:

Encore Education Corporation 2018 Action Plan

Encore is submitting for Encore Board of Directors' approval, an action plan based on an internal investigation as a result of anonymous complaints submitted to a variety of District, County, and State agencies. The executive team recommends approval of this Action Plan.

Background:

As a result of the reorganization of multiple positions within the organization and the removal of the entire Executive Director department (about 38 positions in total were discontinued), Encore had a string of complaints submitted to a variety of agencies with requests for investigations. These complaints included complaints to both Hesperia Unified School District and Riverside Unified School District.

Encore's internal investigation was conducted by the executive team spanning from October through January. There were several hundred documents reviewed and given to agencies at their request. Encore has fully responded to and actively helped agencies complete their investigations while conducting their own internal investigation.

Findings:

At the conclusion of the investigation, there were no findings of intentional misconduct. There were extensive mistakes that were found that will require an action plan to improve Encore as an overall program and organization. There are several policies and procedures that need to be updated and implemented to make sure that Encore can improve transparency to agencies that might receive requests and complaints.

The Action Plan:

1. **STAFFING & HUMAN RESOURCES -**
 - a. **Department of Justice Livescan Background Checks – To close the gap of exposure created by the computer glitch in the human resources department, Encore will:**

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- i. After investigating the computer glitch and at the recommendation of the DOJ, Encore will redo all Livescans for employees and volunteers as outlined so a printout can be made and stored in a separate secure file. (Prior training had advised not to make a printout of the Livescan results for confidentiality.)
COMPLETE
 - ii. Encore's on site human resources manager will create a separate secure file of all employees' and appropriate volunteer Livescan results. **COMPLETE**
 - iii. Encore has already completed the Livescan printout results for all employees and volunteers from July of 2017 to present. **COMPLETE**
 - iv. By February 20, 2018 – Encore will have all remaining employees during the time of the computer (June 2015 through June 2017) glitch resubmit for a DOJ Livescan at the expense of Encore Education Corporation. This process has already started. **COMPLETE**
 - v. By June 1, 2018 – All other Encore employees will resubmit for a DOJ Livescan at the expense of Encore Education Corporation. **COMPLETE**
 - vi. Encore will report to the Encore Board of Directors upon completion of each phase of this implementation. This report will be forwarded to both RUSD and HUSD. **COMPLETE**
- b. **Hiring process – Effective February 1, 2018** – Any candidate employee, regardless of position, that has a conflict of interest with any Chief Officer will interview with a Board member and have the Board approve hiring the candidate. This will not be necessary if the person is already employed by Encore prior to February 1, 2018 OR they become a conflict of interest after they are hired. All relationships will be disclosed as required by Board policy. Prior to the Board member interview, the candidate will have to undergo the same hiring processes as every other candidate employee and be chosen for a final interview. **COMPLETE**
- c. **STRS, PERS, and 403b payments and reporting** – Encore will add proof of contributions made to STRS, PERS, and 403b in the monthly financial reports given to RUSD, HUSD, and to the Encore Board of Directors. **COMPLETE**
- d. **Payroll** – Due to the State ruling from March 2017 (and as a result of recent mediation) that designated charter schools not a government employer, all non exempt employees have been switched to bimonthly payroll effective November 2017. Prior to the end of the current fiscal year, Encore will move all exempt employees to bimonthly payroll as well. **COMPLETE**
- e. **Human Resources Training** – Beginning June 1, 2018 – Encore Education Corporation will send the on site human resources manager to a minimum of 20 hours of professional human resources training each school year to make sure that Encore stays in compliance. Completion of this training will be shared with stakeholders as an information item in the Board of Director's meeting. **COMPLETE**
- f. **Staff Training** –
 - i. Encore will hold organization wide trainings on the complaint process with the updated forms prior to March 1, 2018. **COMPLETE**

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- ii. *Encore will re-establish the annual requirement for all staff members to attend at least one board meeting and one interest meeting each school year. Hourly employees will be paid to attend these meetings. **COMPLETE***
- iii. *Encore will hold an annual staff summit with the staff liaison giving staff members an opportunity to complete a satisfactions survey and be able to talk openly without administration or executives. The liaison will report the results to the Chief Officers. **COMPLETE***
- iv. *Encore will hold annual sexual harassment training based on the new statute for all staff members including California state based management training. **COMPLETE***
- g. **Staff Accountability** – *For any position that manages one or more staff members, the person in that position will be required to present to Encore’s Board of Directors once per year AND the Advisory Board for their campus once per year. Executive level managers will present at both Advisory Board meetings. **COMPLETE***
- i. **Facilities Manager**
 - ii. **Risk Manager**
 - iii. **Department Chairs**
 - iv. **Master Teachers**
 - v. **Executive Support**
 - vi. **Executive Assistant Managers**
 - vii. **Executive Managers**
 - viii. **Kitchen Leads**
 - ix. **Psychologist / SPED**
 - x. **Counseling**
 - xi. **College / Careers**
2. **Contracts & Agreements** – *Encore will submit all current contracts and agreements to Encore counsel for review and update to stay in compliance. Encore will also build a timeline for when counsel should periodically review all contracts and agreements. **COMPLETE***
3. **Administrators, Executives, and Officers Training** – *Encore will require a minimum of 30 hours of training annually for all administrators, executives, and officers to attend that is in regards to updates to legal policies and procedures, updates in curriculum / professional developments, human resources, SPED and/or fiscal accountability. **COMPLETE***
4. **Textbooks & Resources** – *Encore will add to the Board agenda annually prior to the eighth week of school, a report of full textbook and resources used on campus and availability thereof for Williams Act Compliance. **COMPLETE***
5. **Facilities** – *The Risk / Maintenance Manager already completes facilities reports. Beginning March 2018, this manager will submit a semester report of each campus and formally present updates and actions to the Board. **COMPLETE***
6. **On Site Cash Handling** –
- a. *Encore will schedule a full retrain of cash handling procedures for everyone that touches cash prior to March 1, 2018 by financial advisor and based on GAAP. **COMPLETE***

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- b. Encore will schedule an annual inservice for all people that handle cash regarding proper procedures in regards to GAAP. **COMPLETE**
 - c. Financial advisor will review current cash handling procedures and update according to GAAP. **COMPLETE**
 - d. Encore will establish a school credit card by December 2018 to minimize reimbursements. **IN PROCESS**
 - e. Effective February 1, 2018 – Executive chief officers will no longer submit reimbursements (CEO, COO, CMO) **COMPLETE**
 - i. Chief Officers will submit an expense report with supporting backup to the Board of Directors. This will be listed in consent items during the Board meeting
 - ii. The Board of Directors will approve all expense reports after review.
 - iii. After the Board of Directors have approved the expense report with supporting backup, Executive chief officers expenses will be approved for reimbursement.
7. **Parent / Student Resources –**
- a. Encore will include the updated complaint process that is in line with up to date complaint forms during the parent / student orientation. **COMPLETE**
 - b. Encore will include information on when the Board meetings happen and how attend a Board meeting during the parent / student orientation. **COMPLETE**
 - c. Encore will add an overview of how to navigate the encorehighschool.com web site and how to find the available resources available to them on the site to help their student succeed. **COMPLETE**
 - d. ASB Directors on both campuses will be tasked to build a parent team on both campuses that can work to be more involved and build a hardship fund for students. **COMPLETE**
 - e. Dean of Students will host monthly meetings for parents that want to meet to discuss topics regarding their campus. **COMPLETE**
 - f. The web site will be updated to reflect any and all prescriptive recommendations and update per Encore’s legal counsel, specifically including updated contracts, forms, agreements, and board policies. **COMPLETE**
8. **Encore Education Corporation’s Board of Directors Board Compliance – To make sure that Encore’s Board of Directors is in full compliance, Encore will:**
- a. Encore will submit all board policies, procedures, and forms to Encore’s legal counsel for a complete audit, overhaul, and update. **COMPLETE AND ONGOING**
 - b. Encore will report prescriptive advice made by legal counsel to both HUSD and RUSD and will take action based on prescriptive advice from counsel with complete timelines for completions. Completions will be made no later than June 15, 2018. **COMPLETE**
 - c. Beginning February 1, 2018 – Encore’s Dean of Students will advertise Board Meetings in the weekly All Call to parents and stakeholders. **COMPLETE**
 - i. Encore, working directly with Encore’s legal counsel, will set up a full board training including Brown Act Compliance prior to June of 2018 and then annually thereafter based on the Board Calendar. **COMPLETE**
 - ii. All Board members
 - iii. All chief officers

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- iv. *All Administrators*
- v. *All Executive Managers*
- vi. *Any other staff and or volunteers recommended by legal counsel to attend*
- d. *Encore will create an Advisory Committee for each separate campus that will meet quarterly with the help of Encore's legal counsel. **COMPLETE, and in progress for updates***
 - i. *This committee will have three to five members.*
 - ii. *At least one member of the committee will be an active parent from the respective campus.*
 - iii. *The Advisory committee will have interested parties from within the community as members, but may not include a staff member.*
 - iv. *The Advisory committee will review fiscal, operational, and procedural issues that are campus specific.*
 - v. *The Advisory committee will also approve campus specific budgets and expenses for their respective campus.*
- e. *BOARD CALENDAR – The Executive Board of Directors, under the advice of legal counsel, will create an annual Board calendar of when certain reports will be brought to the Board. **COMPLETE***
 - i. *By the March 2018 Board meeting, Encore will submit an Agenda template that will include anything that will be reported at every Board of Directors meeting. Examples of this include, but are not limited to:*
 - 1. *Consent Items (Define what a consent item is)*
 - 2. *Fiscal Reports*
 - 3. *Backoffice Human Resources reports including proof of payments of STRS, PERS, and 403b*
 - 4. *Legal Briefs*
 - 5. *Chief Officer Reports*
 - 6. *Dean of Student Reports*
 - 7. *Dean of Academics Reports*
- f. *By the May 2018 Board meeting, Encore will submit a board calendar that will include in which month each of the following actions will take place so all necessary annual actions are brought to the board accordingly. **COMPLETE***
 - 1. *700 forms (annual)*
 - 2. *1090 (annual)*
 - 3. *Brown Act Training (annual)*
 - 4. *Textbook Adoptions (annual)*
 - 5. *Williams Act Report (each campus annually)*
 - 6. *Budgets (three times annually)*
 - 7. *Salary Schedules*
 - 8. *Data Reporting / Disaggregation*
 - 9. *Sexual Harassment Training*
 - 10. *LCAP*

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11. *SARC*
12. *Audit*
13. *Credential Audit*
14. *Organization Chart*
15. *Attendance Reports (three times annually)*
16. *School Division Reports (twice annually)*
 - a. *Risk Manager*
 - b. *Facilities Manager*
 - c. *Transportation / Cafeteria Manager*
 - d. *Department Chairs*
 - e. *Master Teachers*
 - f. *Creative Director of Arts*
 - g. *Creative Director of Academics*
 - h. *School Psychologist*
 - i. *SPED Department*
 - j. *Counseling*
 - k. *Kitchen Manager*
 - l. *Health Technician*

Encore Education Corporation will report completion of each item on this action plan to the Board of Directors during a Board meeting.

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Update and Responses to Original Action Plan from January 2018.

Department of Justice Livescan Background Checks

Since the implementation of the original action plan, Encore does not allow any person to start employment paperwork without first receiving clearance from their DOJ Livescan. As part of the monthly Board meeting, DOJ reports are submitted by human resources outlining the results of the DOJ report. In 2020, human resources altered how the report was administered to include a listing of documents recorded for the month, rather than just a report that all documents came back cleared or not cleared. In January of 2021, with the implementation of the new Board on Track format for the Board meetings, the DOJ report was moved out of the consent items and is now placed as a report within the “Operations” section of the monthly Board meeting.

- Encore now has a separate, secure file of all Livescan results.
- Encore continues to maintain completed Livescan printouts.
- Before June of 2018, Encore had all current employees complete a new DOJ Livescan to diminish any questions that were brought up as a result of the computer glitch

Hiring Process

Since the implementation of the Action plan in January of 2018, no family member related to any Chief Officer has been hired by Encore. In the Charter Renewal Petition process, HUSD has negotiated that no additional “Griffins” or “Barkdulls” can be hired.

STRS, PERS, and 403b payments and reporting

Since the implementation of the Action plan in January of 2018, regular reporting of the completed STRS, PERS, and 403b payments have been entered and adopted as consent items in regular board meeting.

Payroll

All Encore employees are now paid twice monthly, on the 10th and 25th, eliminating any exposure to liability based on the change to charter school law for the purposes of payroll.

Human Resources Training

Since 2018, Encore has implemented annual human resources training for a minimum of 20 hours per school year. This professional development has included trainings from SELPA, RUSD, Fred Pryor Seminars, CSDC, CCSA, and CDE components. Internally, human resources also takes part in legal training, CALPADs training for the purpose of CBEDS, and Aeries training.

Staff Training

- Encore forms training – Every year during start of year inservice, staff members go through training on completing appropriate internal forms.

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- Encore's staff members are required to attend at least one board meeting per school year. Until COVID-19 changed the execution of enrollment interest meetings, staff was also required to attend one interest meeting per school year.
- Encore's staff meets with their elected staff liaison at least once per semester. The liaison reports monthly to the Encore Board of Directors.
- Sexual harassment training happens annually during the start of year inservice.

Staff Accountability

Encore's staff reports regularly to the Encore Board of Directors within the regular Board meetings. On average, three informational reports are given to the Board during the Academic Excellence portion of the Board meeting every month.

Contracts & Agreements

At the implementation of the action plan in 2018, all contracts & agreements were reviewed by Encore's legal counsel. Since 2018, Encore has changed their legal counsel. When the legal counsel changed, the general executive manager worked with current legal counsel to review the active contracts & agreements at that time. Employment agreements are reviewed annually with legal counsel and contracts & agreements are being reviewed in conjunction with the charter renewal petition.

Administrators, Executives, and Officers Training

Each school year beginning in the 17/18 school year, all management positions attend a minimum of 30 hours annually specific to updates of legal policies and procedures, updates in curriculum/professional development, human resources, SPED, and fiscal accountability. There are two major conferences that the legal team attends each year, the CSDC and the CCSA that covers most of these items each year. In addition to this training, the management team has attended a variety of training through SELPA, legal counsel, District trainings, County trainings, and EDD training. Since the action plan in 2018, two members of the management team have been in their administrative credentialing program.

Textbooks & Resources

Encore has fully implemented the adoption and Williams Act reporting annually at the beginning of the school year for the Encore Board of Directors.

Facilities

Encore has fully implemented the Board reporting of the facilities twice a year. Part of this reporting happens as part of the Williams Act Reporting.

On Site Cash Handling

There were five specific areas outlined in the action plan of 2018 to be executed by Encore's team. Overall, the implementation and the new policies and procedures proved difficult for Encore's bookkeeper in 2018. As a result, Encore replaced the bookkeeper at the beginning of 2019. The current bookkeeper would have completed her first full year of training in June of 2020. The training that was scheduled for end of year was delayed due to COVID-19 until November 2020. As a result, incomplete

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end of year reports were given to the auditor in July 2020. The administrative team worked with the bookkeeper to help provide the complete end of year reports to the auditor in November 2020.

- There was a full retrain of cash handling based on GAAP.
- Encore hosts an inservice at the beginning of every school year that goes over cash handling and proper financial procedures based on GAAP to all staff that deal with on campus cash handling.
- Encore worked with the financial advisor (DMS) to create current cash handling and updates to the student services debit account.
- Encore has not yet been able to establish a credit card. This action is still in process.
- All chief officer reimbursements must go through a regular board meeting for approval as a consent item prior to any reimbursement being approved or paid. The reimbursements are presented as an expense report and must have all accompanying backup prior to board approval.

Parent / Student Resources

There were several items in the 2018 action plan that were implemented to help improve parent communication.

- Encore updated the Uniform Complaint Policy and posted it on the website first in February of 2018. The policy is reviewed and updated annually.
- Encore has the annual Board meeting calendar on the encorehighschool.com website available through a link to the Board on Track website. Parents and students are taught how to attend Board meetings at orientation.
- To make the website more “user friendly” Encore added a search button where anyone can type in what they are looking for to search. There is also a contact form in the bottom margin of the website where anyone can ask anything. Contact forms are reviewed five days a week.
- The Dean of Students worked to build a stronger Parent Advisory Committee. There has been struggle getting parents involved in this volunteer committee. During the 19/20 school year, there were six active parents on the committee.
- During non-COVID times, the Dean of Students offers “coffee with the Dean” monthly for parents to come and ask questions. Attendance to these meetings has been minimal (less than six parents) each time.
- Encore continues to update websites regularly based on ongoing recommendations.

Encore’s Board of Directors

There were several items outlined in the 2018 Action Plan to help improve the Board efficiency. Beginning in December of 2020, Encore’s Board implemented Board on Track to help keep tabs on Board efficiency.

- Policies, procedures, forms – Encore’s legal counsel reviewed, overhauled, and updates all of the Board documents in 2018. In conjunction with the current charter renewal and with implementation of “Board on Track”, Encore’s current counsel is reviewing Board policies and

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documents prior to new documents being uploaded to Encore's Board Sit through Board on Track.

- Encore took the prescriptive advice made by legal counsel to overhaul bylaws and adopted new documents in 2018. In conjunction with the implementation of Board on Track and the charter renewal process, Encore's legal team is doing a review of all current Board documents for updates and revisions.
- Board meetings are advertised in a variety of ways including all call, email, social media, and blog posts.
- Encore's administration and Board members go through Brown Act Compliance training each year, usually in July. Currently, Encore is working with legal counsel to have all agendas approved by legal counsel prior to posting. Encore's legal counsel is also attending every board meeting through June of 2021 to work through training of how to operate a Board meeting.
- Encore developed an Advisory Committee, but is still working on make sure that this committee meets quarterly.
- The Board Calendar was approved in March of 2018 and has been followed, reviewed, and updated annually.

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2021 Internal Controls Action Plan

Updates to approval processes based on auditor's report

Since the initial complaint letters in 2017, Encore has undergone multiple reviews, audits, and investigations. These actions were completed by auditors, lawyers, District staff, and by Encore's staff. As a result of these reviews, audits, and investigations; investigative sources have defined that while they have not found fraud or misuse of funds, the bookkeeping methods for the student services debit account are still lacking the appropriate levels of control through the entire process.

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Encore has taken extensive measures to improve the process for this specific account:

- Conducted an internal review of the documents from the 2018/2019 school year.
- Terminated the bookkeeper in 2019.
- Hired a new bookkeeper for the 2019/2020 school year. (This bookkeeper was hired on the same qualifications as defined by HUSD's Bookkeeper job description.)
 - The new bookkeeper attended training through HUSD in 2019.
 - All income is recorded through a point of sale software NCR.
 - Monthly reports were given to the Encore School Board and the Student Council for review.
 - Account activity is reconciled through bank statements.
 - The first complete annual report would happen in July 2020.
 - Training happened throughout the school year until COVID-19 closures.
 - COVID-19 closures delayed the end of year reporting training until November 2020.
- Encore updated some processes on the student services debit account in January 2020 after conference with Nigro & Nigro.
 - Checks written on site are now done electronically.
 - Checks written on site require two signatures.
 - Expense approvals must indicate how the expense is approved prior to the expense being generated.
 - Expense approvals must have a minimum of two approvals after the expense is made.
 - Bank reconciliation is to happen within a month of the bank statement arriving.
 - Encore has a monthly accounting committee meeting with staff to reconcile all expenses according to the bank statement.
 - Monthly activity is kept in an individual binder and is uploaded electronically.
 - The monthly activity binders are reviewed by the CEO, a member of the School Board, and an ASB officer. Once reviewed each reviewer signs "approved" on the front page and the entire book is placed into public session as a consent item for the Encore School Board (20/21 school year start).
 - Quickbooks has been implemented for expenses.
 - In the 20/21 school year, Quickbooks version will be updated so the software platform can reconcile NCR versus bank statements and give an up to date reporting of team account balances.

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- After receipt of the HUSD internal review report from Nigro & Nigro in November 2020, Encore updated receiving and reimbursement protocols for items.
 - Prior to receipt of the Nigro & Nigro report, receiving was done only for items that would be capitalized or marked for asset controls.
 - Now, the front desk receptionist is responsible for checking in all packages that arrive in the mail and the delivery of the packages to the respective parties. On her receiving document, she notates what day the staff member picks up the item for use in their area of work. This started in November of 2020.
 - When a staff member makes a purchase for reimbursement based on preapproval from their manager, they must take the item to the front desk receptionist so she can log it as being on campus on the receiving document before a reimbursement can be approved.
 - Capital assets and any asset that will be tracked with a bar code are still received through the IT department where an extensive inventory is taken.
 - Textbooks and novels are tracked through a separate inventory platform.
 - The four debit cards are kept in a safe and checked out to the carriers only when needed.
- Work is still being completed to minimize the use of debit/credit cards in an age where buying online saves a tremendous amount of money.
 - A credit card is still trying to be established.
 - Within the Amazon business account, Encore has been able to establish an ACH transfer process. This was first used in December 2020 in response to purchase of teacher computers through Amazon for LMFF.

Implementation of H&R Block Bookkeeping Service

At the recommendation from HUSD, Encore sought out a third party bookkeeping service specifically for the student services debit account. During COVID-19, the response from professional bookkeepers has been delayed slightly. After phone interviews with multiple firms, Encore chose H&R Block's bookkeeping service to reconcile and create monthly reports for this account. This reconciliation will be presented to Encore's School Board and to HUSD. HUSD will have access to this bookkeeper upon request at any time during the school year to maintain transparency.

This action was Board approved in December 2020 and will start implementation in January of 2021.

Controller hired on site

There has been some confusion on the hiring and implementation of a Chief Business Officer for Encore based on the size of the organization. In drafts of the Action Plan of 2018, this position was included. After several conferences with liaisons from both districts and legal counsel from RUSD, it was decided that the alternate measures and the increased oversight from DMS would work in lieu of hiring an on site CBO. The final version of the Action Plan that was adopted in January 2018 did not include this position. The backoffice company, DMS (Delta Managed Solutions LLC) acts as Encore's CBO currently.

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Encore believes that the inclusion of an active charter backoffice company is critical to staying in line with rapidly changing charter laws and regulations in the state of California (127 bills and laws were passed in 2020 that changed the fabric of charters in the state.) The initial decision to remove the CBO position and update DMS controls and communication was decided because the amount of training that an individual CBO would have to attend on an annual basis for Encore would be cost prohibitive when DMS already attends all of the critical annual trainings within the state. DMS currently represents over 80 charter schools in the state. This change to the action plan was discussed with both Districts prior to the removal of this action.

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Since the adoption of the action plan in 2018, Encore has changed the communication between Encore and DMS and several changes (including frequency of formal meetings) have been implemented. The implementation of these changes have helped Encore improve overall cash position immensely over the past few years. While Encore is still working toward the appropriate reserve amount (projected for the end of the 20/21 school year), the improvement of cash position and fiscal solvency is largely from the changes made after the adoption of the Action Plan in 2018 and the advice given by RUSD and HUSD liaisons regarding the use of DMS the company as Encore's CBO functionality.

Regardless of the tremendous improvement overall, the questions are still active and ongoing regarding the student services debit account. In the interest of transparency and resolution, Encore plans on closing the current bookkeeper position to replace the bookkeeper with a controller. (The balance of the controller's salary will come with Encore's plan to realign transportation costs in 21/22 school year.) This controller will work directly with DMS and Encore's administrative staff to tighten on campus financial activities. With a proposed implementation (as soon as reasonable after approval of the renewal charter petition) the controller will be responsible for the reconciliation and reporting of the student services debit account, reporting to DMS for all on site AP invoices and like, asset tracking, and staff training for reimbursement and preapproval activity. The Controller will work with both H&R Block and DMS to complete the overall oversight of Encore's fiscal activity.

Auditor spring visit for review

At the meeting held in December 2020 with HUSD Assistant Superintendents, it was a recommendation made by HUSD to include an annual auditor spring visit for an informal "check up" and review. Encore plans on implementing this practice starting in 2021. The purpose of this pre-visit from the auditor is to be able to "flag" anything that may need to be addressed prior to the actual audit so Encore has time to fix mistakes and practices before the formal audit commences.

Conclusion

It has been a very short window for improvements to be made to the overall cash handling and financial internal controls. While some progress was made in the 18/19 school year, Encore has made tremendous progress on financial internal controls during the 19/20 school year. Even more improvements were made in the first quarter of the 20/21 school year. With the addition of the H&R Bookkeeper and the Internal Controller, Encore will have multiple outlets for transparency of all funding.