

## Innovations Academy Board Meeting: April 26, 2016 @ 6:00 pm

**Meeting location(s)**

Innovations Academy 10380 Spring Canyon Road San Diego, CA 92131	5519 McMillan Street Oakland, CA 94618	Public call in number 605-562-3140* Access code 151642
--	---	---

\*Members of the public need not state their names when entering the conference call. Call-in number is provided as a convenience to the public.

**Board Attendance**

--	--	--	--	--	--	--

**Others in Attendance**

--	--	--	--	--	--	--

**Agenda**

Topic	Minutes
➤ Call to order / roll call	
➤ Approval of current agenda	Vote:
➤ Approval of prior month meeting minutes	Vote:
➤ Public comments (3 mins per person)	
➤ Reports	
○ Teacher briefing (Tony)	Discussion:
○ Financial update (Delano)	<u>One-Time Funds for Outstanding Mandate Claims 2015-16</u>
✓ Review and Approve One-Time Funds for Outstanding Mandate Claims 2015-16	Discussion:
✓ P-2 Attendance reports due to district	Vote:
○ Director update (Christine)	<u>Item –</u>
✓ Full time capacity/enrollment	Discussion:
✓ Part time capacity/enrollment	
✓ LCAP implementation	
✓ School relocation	
➤ Action items	
○ Prepare for SDUSD site visit	<u>Item</u>
○ Educator Effectiveness Expenditure Plan	Discussion:
➤ Discussion items	

Topic	Minutes
<ul style="list-style-type: none"> <li>○ IA Board recruitment (All)</li> <li>○ Schedule for Board meetings (All)</li> <li>○ Student privacy information (Stephen)</li> </ul>	<u>Item</u>
<ul style="list-style-type: none"> <li>○ Assign new action/discussion items</li> </ul>	
➤ Next board meeting	
<ul style="list-style-type: none"> <li>○ Confirm date of next meeting</li> </ul>	
<ul style="list-style-type: none"> <li>○ Identify agenda items for next meeting</li> </ul>	
	Meeting adjourned at

The foregoing minutes were approved by the Board of Directors of Innovations Academy on \_\_\_\_\_.

\_\_\_\_\_  
Secretary

Please contact Innovations Academy Board @ [Board@InnovationsAcademy.org](mailto:Board@InnovationsAcademy.org) if you require special assistance or a listening device to attend the Board Meeting. Requests must be made 48 hours in advance.

1. TELECONFERENCE MEETINGS. Members of the Board of Directors may participate in teleconference meetings so long as all of the following requirements in the Brown Act are complied with:
  - At a minimum, a quorum of the members of the Board of Directors shall participate in the teleconference meeting from locations within the boundaries of the State of California;
  - All votes taken during a teleconference meeting shall be by roll call;
  - If the Board of Directors elects to use teleconferencing, it shall post agendas at all teleconference locations with each teleconference location being identified in the notice and agenda of the meeting;
  - All locations where a member of the Board of Directors constituting the quorum participates in a meeting via teleconference must be fully accessible to members of the public and shall be listed on the agenda;
  - Members of the public must be able to hear what is said during the meeting and shall be provided with an opportunity to address the Board of Directors directly at each teleconference location; and
  - The agenda shall indicate that members of the public attending a meeting conducted via teleconference need not give their name when entering the conference call.
  - The Brown Act prohibits requiring members of the public, to provide their names as a condition of attendance at the meeting; however, those wishing to speak may be required to identify themselves.

## Innovations Academy Board Meeting: March 8, 2016 @ 12:00 pm

### *Meeting location(s)*

Innovations Academy 10380 Spring Canyon Road San Diego, CA 92131	100 Broadway San Francisco, CA 94111  3225 North Harbor Dr. San Diego, CA 92101  10333 Avenida Magnifica San Diego, CA 92131	Public call in number 605-562-3140* Access code 151642
--	---	---

\*Members of the public need not state their names when entering the conference call. Call-in number is provided as a convenience to the public.

### *Board Attendance*

Nathan Cooper	Stephen Rosen	Tony Spitzberg				
---------------	---------------	----------------	--	--	--	--

### *Others in Attendance*

Christine Kulgen	Delano Jones					
------------------	--------------	--	--	--	--	--

### *Agenda*

Topic	Minutes
➤ Call to order / roll call	Meeting called to order at 12:03 pm.
➤ Approval of current agenda	Vote: Stephen moves to approve current agenda, Tony seconds. All in favor.
➤ Approval of prior month meeting minutes	Vote: Stephen moves to approve prior month meeting minutes, Tony seconds. All in favor.
➤ Public comments (3 mins per person)	None.
➤ Reports	
○ Teacher briefing (Tony)	Discussion: Tony reports that second student exhibition night will be held on March 24 at 5 pm.
○ Financial update (Delano)	<p><u>Item – Second Interim Financial Report</u></p> Discussion: Delano provides summary of Second Interim Financial Report. Total actuals through January are \$1.25 million. Revenues reflect that we are halfway through our fiscal year. Trending on budget. No delays in funding anticipated. Federal revenue should start arriving in March. Nathan asks if there are any area of financial concern, and Delano confirms that there are not. Expenses are on track for teacher salaries and other expense categories.                     Vote: Stephen moves to approve second interim financial report for 2015-16, Tony seconds. All in favor.
✓ Review and Approve Second Interim Financial Report for 2015-16	
✓ Review and Approve the contract for Hosaka, Rotherham & Co. for the annual audit for fiscal year 2015-16	

Topic	Minutes
	<p><u>Item – Hosaka Contract</u>  Discussion: Hosaka audit services ontract already in place, but bringing item to Board to alert it that Hosaka will be reported to SDUSD as auditor for coming year.  Vote: Stephen moves to approve third year option of previously approved Hosaka contract, Nathan seconds. All in favor.</p>
<ul style="list-style-type: none"> <li>○ Director update (Christine) <ul style="list-style-type: none"> <li>✓ Full time capacity/enrollment</li> <li>✓ Part time capacity/enrollment</li> <li>✓ LCAP implementation</li> <li>✓ School relocation</li> </ul> </li> </ul>	<p><u>Item – Director Update</u>  Discussion: Christine reports that lottery was completed yesterday. Adding 2 classes for next year. Girard Foundation visited last week. Architect is currently working on plan for new school location. Architect met with teachers for input on plan last week.</p>
<p>➤ Action items</p>	
<ul style="list-style-type: none"> <li>○ No additional items (see above)</li> </ul>	<p><u>Item</u></p>
<p>➤ Discussion items</p>	
<ul style="list-style-type: none"> <li>○ Resignation of Eric Ludwig from Board (Nate)</li> <li>○ Identify new Board secretary (Nate)</li> <li>○ IA Board recruitment (All)</li> <li>○ Schedule for Board meetings (All)</li> <li>○ Student privacy information (Stephen)</li> </ul>	<p><u>Ludwig Resignation</u>  Nathan reports that due to personal obligations, Eric Ludwig has resigned from the Board.</p> <p><u>New Board Secretary</u>  Tony volunteers to act as new Board secretary.</p> <p><u>Board Recruitment</u>  Discussion regarding methods to recruit two new board members. Christine explains that Stephen will move to community member board position, and the parent association will appoint a new parent board member.</p> <p><u>Student Privacy Information</u>  Stephen discusses court case in Sacramento and possibility of student records being released as part of that case. Christine confirms that she has made parents aware of this situation.</p>
<ul style="list-style-type: none"> <li>○ Assign new action/discussion items</li> </ul>	
<p>➤ Next board meeting</p>	
<ul style="list-style-type: none"> <li>○ Confirm date of next meeting</li> </ul>	<p>April 26, 2016 at 6 pm.</p>
<ul style="list-style-type: none"> <li>○ Identify agenda items for next meeting</li> </ul>	<ul style="list-style-type: none"> <li>- Appoint Tony Spitzberg as Board Secretary.</li> <li>- Schedule for Board meetings.</li> </ul>
	<p>Meeting adjourned at 12:31 pm.</p>

The foregoing minutes were approved by the Board of Directors of Innovations Academy on \_\_\_\_\_.

---

Secretary

Please contact Innovations Academy Board @ [Board@InnovationsAcademy.org](mailto:Board@InnovationsAcademy.org) if you require special assistance or a listening device to attend the Board Meeting. Requests must be made 48 hours in advance.

1. TELECONFERENCE MEETINGS. Members of the Board of Directors may participate in teleconference meetings so long as all of the following requirements in the Brown Act are complied with:
  - At a minimum, a quorum of the members of the Board of Directors shall participate in the teleconference meeting from locations within the boundaries of the State of California;
  - All votes taken during a teleconference meeting shall be by roll call;
  - If the Board of Directors elects to use teleconferencing, it shall post agendas at all teleconference locations with each teleconference location being identified in the notice and agenda of the meeting;
  - All locations where a member of the Board of Directors constituting the quorum participates in a meeting via teleconference must be fully accessible to members of the public and shall be listed on the agenda;
  - Members of the public must be able to hear what is said during the meeting and shall be provided with an opportunity to address the Board of Directors directly at each teleconference location; and
  - The agenda shall indicate that members of the public attending a meeting conducted via teleconference need not give their name when entering the conference call.
  - The Brown Act prohibits requiring members of the public, to provide their names as a condition of attendance at the meeting; however, those wishing to speak may be required to identify themselves.

**Innovations Academy**

**One-Time Funds for Outstanding Mandate Claims 2015-16**

One-time funding available for local educational agencies (LEAs) in Fiscal Year (FY) 2015-16 shall first satisfy any outstanding mandate claims. Funds may be used for any one-time purpose determined by the LEA's governing board. See Additional Information for details regarding legislative intent.

Legislative intent for LEA allocation: prioritize the use of funds for professional development, induction for beginning teachers with a focus on relevant mentoring, instructional materials, technology infrastructure, and any other investments necessary to support the implementation of the common core standards in English language arts and mathematics, English Language Development standards and Next Generation Science Standards.

Legislative intent for COE allocation: prioritize funds to support new responsibilities under the evolving LCFF accountability structure.

<b>Allocation of funds</b>	<b>Amount</b>
<ul style="list-style-type: none"><li>• Approve use of approximately \$174,760 in 2015-2016 one-time funding allocated by the state to Innovations Academy to first satisfy outstanding mandate claims, and then, consistent with legislative intent, to support one-time expenses.</li><li>• Innovations Academy will prioritize expenses related to professional development, teacher induction, instructional materials, technology infrastructure, and other investments that support the implementation of the common core standards in English language arts and mathematics, English Language Development standards, and Next Generation Science Standards.</li></ul>	\$174,760







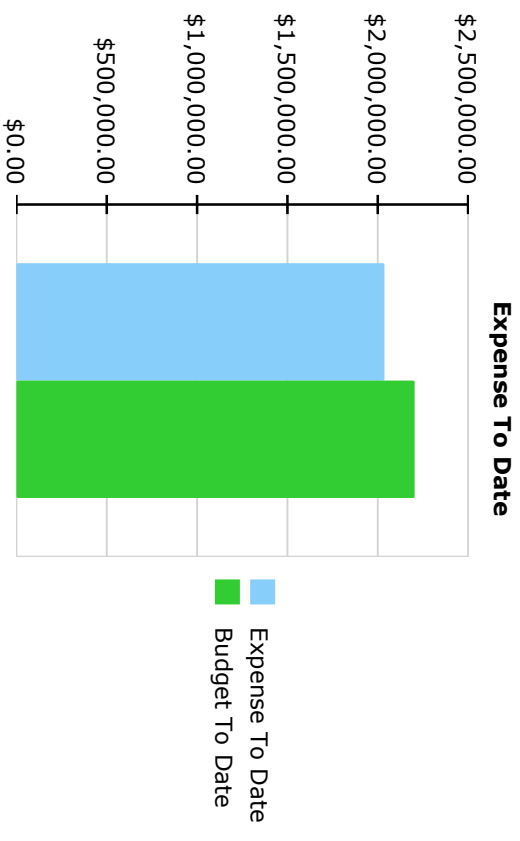
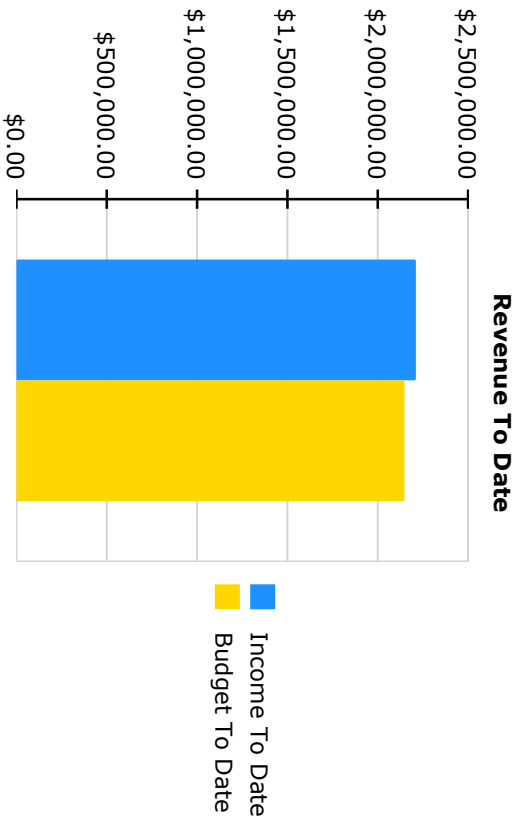
*Upcoming Items*

5/15/2016 P2 State Deadline

*In case you missed it*

Total Cash on Hand

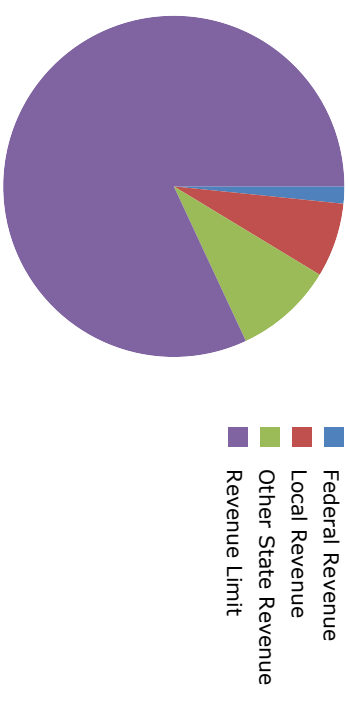
Book Balance: \$1,385,305



**Revenue By Category**

Account Group	Description	Total	Percent
800	Revenue Limit	\$1,811,640.00	81.94 %
820	Federal Revenue	\$35,950.00	1.63 %
840	Other State Revenue	\$207,552.62	9.39 %
870	Local Revenue	\$155,712.89	7.04 %
<b>Total:</b>		<b>\$2,210,855.51</b>	

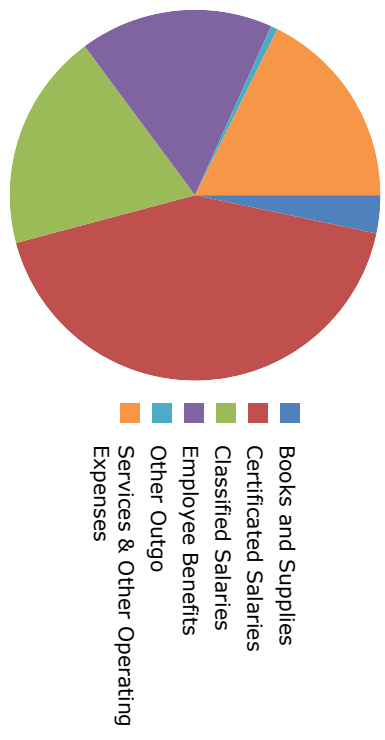
**Revenue By Category**



**Expenses By Category**

Account Group	Description	Total	Percent
100	Certificated Salaries	\$866,472.43	42.54 %
200	Classified Salaries	\$387,011.10	19.00 %
300	Employee Benefits	\$343,811.27	16.88 %
400	Books and Supplies	\$67,505.21	3.31 %
500	Services & Other Operating Expenses	\$360,071.99	17.68 %
700	Other Outgo	\$12,121.95	0.60 %
<b>Total:</b>		<b>\$2,036,993.95</b>	

**Expenses By Category**



**YTD Actual to Budget Summary**

Segment Name	Filter Applied
Object	All
Restriction	All
Location	All

Account Description	July - March				2015 - 2016	
	Actual	Budget	Variance \$	Variance %	Total Budget	Remaining Budget
Revenue Limit	\$1,811,640	\$1,791,365	\$20,275	1.1 %	\$2,555,287	\$602,040
Federal Revenue	\$35,950	\$36,224	(\$274)	-0.8 %	\$79,572	\$43,622
Other State Revenue	\$207,553	\$198,450	\$9,103	4.6 %	\$268,919	\$29,064
Local Revenue	\$155,713	\$121,744	\$33,969	27.9 %	\$194,164	\$38,451
<b>Total Revenue</b>	<b>\$2,210,856</b>	<b>\$2,147,784</b>	<b>\$63,072</b>	<b>2.9 %</b>	<b>\$3,097,942</b>	<b>\$713,177</b>
Certificated Salaries	\$866,472	\$896,317	\$29,844	3.3 %	\$1,197,725	\$281,530
Classified Salaries	\$387,011	\$410,209	\$23,197	5.7 %	\$574,833	\$170,532
Employee Benefits	\$343,811	\$331,517	(\$12,294)	-3.7 %	\$446,715	\$77,271
<b>Total Personnel Expenses</b>	<b>\$1,597,295</b>	<b>\$1,638,042</b>	<b>\$40,747</b>	<b>2.5 %</b>	<b>\$2,219,273</b>	<b>\$529,333</b>
Books and Supplies	\$67,505	\$94,098	\$26,592	28.3 %	\$105,300	\$37,124
Services & Other Operating Expenses	\$360,072	\$450,822	\$90,750	20.1 %	\$562,318	\$116,363
Capital Outlay	-	-	-	0.0 %	\$5,473	\$5,473
Other Outgo	\$12,122	\$21,133	\$9,011	42.6 %	\$30,190	\$15,644
<b>Total Operational Expenses</b>	<b>\$439,699</b>	<b>\$566,053</b>	<b>\$126,353</b>	<b>22.3 %</b>	<b>\$703,281</b>	<b>\$234,604</b>
<b>Total Expenses</b>	<b>\$2,036,994</b>	<b>\$2,204,095</b>	<b>\$167,101</b>	<b>7.6 %</b>	<b>\$2,922,554</b>	<b>\$763,937</b>
<b>Net Income</b>	<b>\$173,862</b>	<b>(\$56,311)</b>	<b>\$230,173</b>	<b>408.8 %</b>	<b>\$175,388</b>	<b>(\$50,760)</b>

Balance Sheet Summary

Segment Name	Filter Applied
Object	All
Restriction	All
Location	All

Liquidity Ratio 94.9

<b>Assets</b>	
<b>Current Assets</b>	
Cash	\$1,385,305
Accounts Receivables	\$51,737
Prepaid Expenses	\$61,690
<b>Total Current Assets</b>	<b>\$1,498,732</b>
<b>Fixed Assets</b>	
<b>Total Fixed Assets</b>	<b>\$0</b>
<b>Other Assets</b>	
<b>Total Other Assets</b>	<b>\$0</b>
<b>Total Assets</b>	<b>\$1,498,732</b>

<b>Liabilities and Net Assets</b>	
<b>Current Liabilities</b>	
Accounts Payable	\$15,800
Accrued Salaries, Payroll Taxes, Postemployment Benefits	\$0

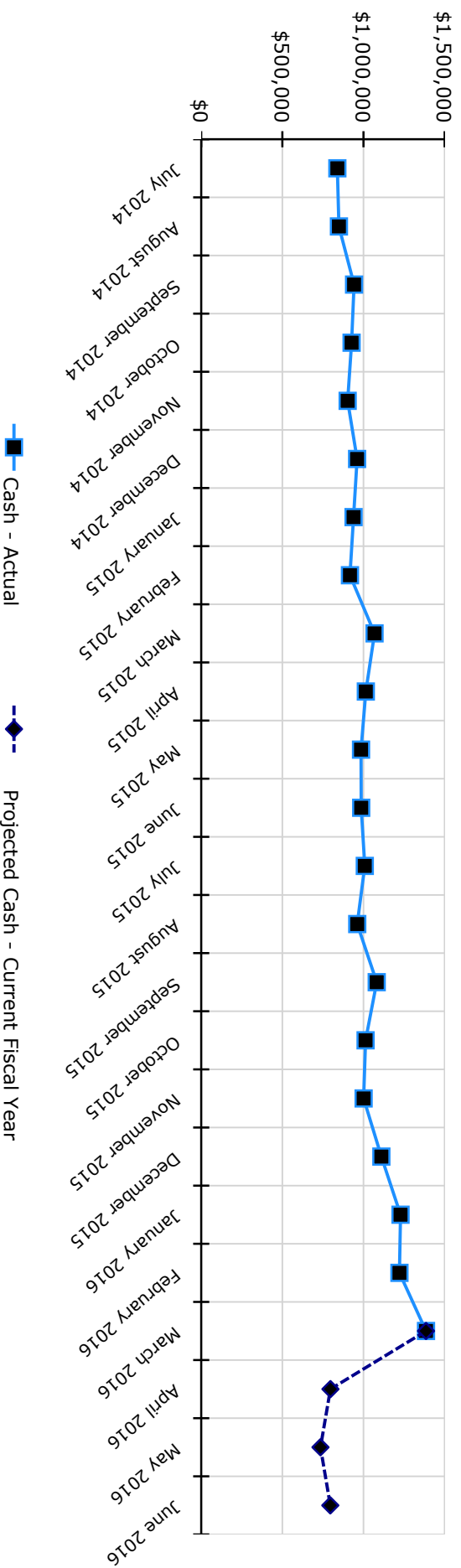
Innovations Academy

July 2015 - March 2016

Total Current Liabilities	\$15,800
<b>Long Term Liabilities</b>	
Total Long Term Liabilities	\$0
<b>Total Liabilities</b>	\$15,800
<b>Net Assets</b>	
Restricted Net Assets	\$102,852
Unrestricted Net Assets	\$1,206,218
Profit/Loss YTD	\$173,862
<b>Total Net Assets</b>	\$1,482,932
<b>Total Liabilities and Net Assets</b>	\$1,498,732



### Monthly Book Balance Over Time



	Cash Amount	Actual or Projected
July 2014	\$838,927.49	Actual
August 2014	\$848,682.94	Actual
September 2014	\$941,962.44	Actual
October 2014	\$926,729.17	Actual
November 2014	\$902,445.76	Actual
December 2014	\$960,615.70	Actual
January 2015	\$938,835.23	Actual
February 2015	\$916,672.76	Actual
March 2015	\$1,068,092.50	Actual
April 2015	\$1,014,430.01	Actual
May 2015	\$984,896.72	Actual
June 2015	\$985,926.66	Actual

	Cash Amount	Actual or Projected
July 2015	\$1,008,030.42	Actual
August 2015	\$961,526.21	Actual
September 2015	\$1,081,545.19	Actual
October 2015	\$1,012,887.10	Actual
November 2015	\$1,000,847.17	Actual
December 2015	\$1,110,162.33	Actual
January 2016	\$1,228,284.54	Actual
February 2016	\$1,221,567.30	Actual
March 2016	\$1,385,304.61	Actual
April 2016	\$796,335.00	Projected
May 2016	\$735,013.00	Projected
June 2016	\$795,581.00	Projected

Financial Ratio	Formula	Current	Target
Current Ratio (Liquidity)	(Current Assets) / (Current Liabilities)	94.86	> 1.00
Cash Ratio	(Cash) / (Current Liabilities)	8,767.76 %	> 100.00%
Defensive Interval	(Cash + Securities + AR) / (Average Expenses past 12 months)	6.48	> 3 months
Debt Ratio	(Total Liabilities) / (Total Assets)	1.05 %	< 33.00%
Asset Ratio	(Current Assets) / (Total Assets)	100.00 %	> 90.00%
Cash on Hand	(Cash)	\$1,385,304.61	>= \$800,000.00
Days Cash on Hand	(Cash) / ((Average Expenses past 12 months) / (30.4))	190.00	> 90
Cash Reserve Ratio	(Cash) / (Budgeted Annual Expenses)	47.40 %	> 10.00%
Savings Indicator	((Last Closed Revenue) - (Last Closed Expenses)) / (Last Closed Expenses)	0.82	> 0.00
YTD Savings Indicator	((YTD Closed Revenue) - (YTD Closed Expenses)) / (YTD Closed Expenses)	0.09	> 0.00

Financial Ratio	Description
Current Ratio (Liquidity)	Ability to pay short-term obligations
Cash Ratio	Ability to meet short-term obligations with cash
Defensive Interval	Possible months of continued operations if no additional funds received
Debt Ratio	Proportion of debt relative to total assets
Asset Ratio	Proportion of liquid assets relative to total assets
Cash on Hand	Assets immediately convertible to cash for purchase of goods and services
Days Cash on Hand	Possible days of continued operations using current cash
Cash Reserve Ratio	Ratio of cash to annual expenses expressed as a percentage
Savings Indicator	Last closed period's increase or decrease in the organization's net assets as a percentage of expenses
YTD Savings Indicator	Year to date closed increase or decrease in the organization's net assets as a percentage of expenses

### Input Values as of 3/31/2016

**Innovations Academy**

July 2015 - March 2016

Cash	\$1,385,304.61
Securities	-
AR	\$51,736.90
Current Assets	\$1,498,731.51
Total Assets	\$1,498,731.51
Current Liabilities	\$15,799.99
Total Liabilities	\$15,799.99
Last Closed Revenue	\$421,348.00
Last Closed Expenses	\$231,760.20
Budgeted Annual Expenses	\$2,922,554.00
Average Expenses past 12 months	\$221,652.71
Average monthly payroll expenses	\$177,477.20
YTD Closed Revenue	\$2,210,855.51
YTD Closed Expenses	\$2,036,993.95