

Innovations Academy Board Meeting: December 13, 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 641-715-0861* Access code 151642
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*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

Danielle Strachman	Nathan Cooper	Tony Spitzberg				
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Others in Attendance

Christine Kuglen	Delano Jones					
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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)	
➤ Board applicant introductions	
➤ Reports	
○ Teacher briefing (Tony)	Discussion:
○ Financial update (Delano)	
○ Director update (Christine)	<u>Item – Director Update</u>
✓ Full time & Part time capacity/enrollment	Discussion:
✓ LCAP implementation	
✓ School relocation	
➤ Action items	
○ Approve new board members	<u>Item - Approve new board members</u>
○ LCAP goal review	Discussion:
○ Approve 1st interim financials	Vote:
○ Approve annual financial audit—draft attached, but Auditors will provide final copy to board	<u>Item – LCAP goal review</u>
	Discussion:
○ P-1 Attendance reports due to SDUSD—	<u>Item – Approve 1st interim financials</u>
	Discussion:
	Vote:

Topic	Minutes
<p>N/A</p> <ul style="list-style-type: none"> ○ Approve revised Working Budget (revised based on actual enrollment) 	<p><u>Item – Approve annual financial audit</u> Discussion: Vote:</p> <p><u>Item – P-1 Attendance reports due to SDUSD</u> Discussion: Vote:</p> <p><u>Item – Approve revised Working Budget (revised based on actual enrollment)</u> Discussion Vote:</p>
<p>➤ Discussion items</p>	
<ul style="list-style-type: none"> ○ IA Board recruitment (All) ○ Potential new board members ○ New policy review (permanent discussion item) 	<ul style="list-style-type: none"> ○ <u>Item – IA Board recruitment (All)</u> Discussion: ○ <u>Potential new board members</u> Discussion:
<ul style="list-style-type: none"> ○ Tasks for next meeting 	<p>- Delano to adjust calendar for new meeting schedule.</p>
<p>➤ Next board meeting</p>	
<ul style="list-style-type: none"> ○ Confirm date of next meeting 	
<ul style="list-style-type: none"> ○ Identify agenda items for next meeting 	
<p>Meeting adjourned</p>	

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

Secretary

Please contact Innovations Academy Board @ 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: October 4, 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
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*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

Danielle Stratchman	Nathan Cooper	Tony Spitzberg				
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Others in Attendance

Christine Kuglen						
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Agenda

Topic	Minutes
➤ Call to order / roll call	6:13
➤ Approval of current agenda	Vote: Nathan moves to approve current agenda, Tony seconds. All in favor.
➤ Approval of prior month meeting minutes	Vote: Nathan moves to approve current agenda, Tony seconds. All in favor.
➤ Public comments (3 mins per person)	
➤ Reports	
○ Teacher briefing (Tony)	Discussion: Sent out call for new teacher representative.
○ Financial update (Delano)	
○ Director update (Christine) <ul style="list-style-type: none"> ✓ Full time & Part time capacity/enrollment ✓ LCAP implementation ✓ School relocation 	<u>Item – Director Update</u> Discussion: One teacher leaving school. Efforts to hire a replacement taking place.
➤ Action items	
○ Review biennial Conflict of Interest Code (even years)	<u>Item - Review biennial Conflict of Interest Code (even years)</u>
○ Submit Biennial Review Reply Form (due 10/1 of even years)	Discussion: Moving to have Christine draft reply form regarding conflict of interest code. Vote: Nathan moved, Danielle seconded, all in favor
	<u>Item - Submit Biennial Review Reply Form (due 10/1 of even years)</u> Discussion:

Topic	Minutes
<ul style="list-style-type: none"> ○ Approve amended Conflict of Interest Code (if necessary based on prior review of code) ○ Submit amended Conflict of Interest Code (due 11/15 of even years) 	<p>Vote:</p> <p><u>Item - Approve amended Conflict of Interest Code (if necessary based on prior review of code)</u></p> <p>Discussion: Chose to keep.</p> <p>Vote:</p> <p><u>Item - Submit amended Conflict of Interest Code (due 11/15 of even years)</u></p> <p>Discussion:</p> <p>Vote:</p>
<p>➤ Discussion items</p>	
<ul style="list-style-type: none"> ○ IA Board recruitment (All) ○ Potential new board members ○ New policy review (permanent discussion item) 	<ul style="list-style-type: none"> ○ <u>Item – IA Board recruitment (All)</u> Discussion: Discussed as part of retreat topics. ○ <u>Potential new board members</u> Discussion:
<ul style="list-style-type: none"> ○ Tasks for next meeting 	<ul style="list-style-type: none"> - Delano to adjust calendar for new meeting schedule. - Teacher position on board change.
<p>➤ Next board meeting</p>	
<ul style="list-style-type: none"> ○ Confirm date of next meeting 	<ul style="list-style-type: none"> ○ Danielle requesting 12/13 as amended meeting date.
<ul style="list-style-type: none"> ○ Identify agenda items for next meeting 	
<p>Meeting adjourned</p>	<p>6:40pm</p>

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

Secretary

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Charter School Name: Innovations Academy
 COS# 37-68338- 118083
 Contact name: Christine Kujlen
 Email and phone #: christine@innovationsacademy.org/(858) 271-1414

First Interim Report
 FY 2016-2017
 For the Period July 1, 2016 through October 31, 2016
 Accrual Basis

Authorizing Agency: San Diego Unified School District
 Financial Accounting Department
 Charter Schools Accounting Office
 Authorizing Agency Contact: Anna Day (aday1@sandi.net)
 Authorizing Agency Contact: Debra Glanz (dglanz@sandi.net)

Description	Object Code	a		b		c		d		e		f		g		h
		Unrestricted Budget	Unrestricted Actuals through 10/31/15	Restricted Budget	Restricted Actuals through 10/31/15	Total Budget	Total Actuals through 10/31/15	Projected EFB/NP (Higher of Budget or Actual)	Projected EFB/NP	Budget to Projected EFB/NP Differences						
A. REVENUES (8000-8799)																
1. Local Control Funding Formula (LCFF) Sources - (8011-8097)																
LCFF State Aid - Current Year (CY) / (Res 0000)	8011	1,012,869	244,390	-	-	1,012,869	244,390	1,012,869	244,390	-	1,012,869	244,390	-	-	-	-
Education Protection Account State Aid (EPA) - CY (Res 1400)	8012	383,582	29,964	-	-	383,582	29,964	383,582	29,964	-	383,582	29,964	-	-	-	-
State Aid - Prior Years (LCFF State Aid and EPA) (Res 0000 and Res 1400)	8019	1,735,223	442,792	-	-	1,735,223	442,792	1,735,223	442,792	-	1,735,223	442,792	-	-	-	-
Transfers to Charter Schools in Lieu of Property Taxes - CY & PY (Res 0000)	8096	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other LCFF Transfers	8091, 8097	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total, LCFF Sources		3,131,674	717,146	-	-	3,131,674	717,146	3,131,674	717,146	-	3,131,674	717,146	-	-	-	-
2. Other State Revenues (8300-8599)																
State Special Education (Res 6500)	8792	-	-	206,040	50,646	206,040	50,646	206,040	50,646	-	206,040	50,646	-	-	-	-
Mandate Block Grant (Res 0000)	8590	5,712	-	-	-	5,712	-	5,712	-	-	5,712	-	-	-	-	-
After School Education and Safety (ASES) (Res 6010)	8590	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Common Core Standards Implementation (Res 7405)	8590	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Charter School Facility Grant Program (SB 740) (Res 6030)	8590	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Lottery, Unrestricted (Res 1100)	8560	57,120	-	-	-	57,120	-	57,120	-	-	57,120	-	-	-	-	-
Lottery, Instructional Materials - Prop 20 Restricted (Res 6300)	8560	-	-	16,728	-	16,728	-	16,728	-	-	16,728	-	-	-	-	-
Proposition 39 - California Clean Energy Jobs Act (Res 6230)	8590	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other State Revenues (All other resources not reported separately)	8300-8599	84,456	1,411	-	1,080	84,456	2,491	84,456	2,491	-	84,456	2,491	-	-	-	-
Total - Other State Revenues		147,288	1,411	222,768	51,726	370,056	53,137	370,056	53,137	-	370,056	53,137	-	-	-	-
3. Federal Revenues (8100-8299)																
NCLB: Title I, Part A, Basic Grants Low-Income and Neglected (Res 3010)	8290	-	-	35,144	6,827	35,144	6,827	35,144	6,827	-	35,144	6,827	-	-	-	-
NCLB: Title II, Part A, Improving Teacher Quality Program (Res 4035)	8290	-	-	700	-	700	-	700	-	-	700	-	-	-	-	-
NCLB: Title III, Limited English Proficient Student Program (Res 4203)	8290	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
NCLB: Title III, Immigrant Student Program (Res 4201)	8290	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
NCLB: Title V, Part B, Public Charter Schools Grant Program (Res 4610)	8290	-	-	51,000	-	51,000	-	51,000	-	-	51,000	-	-	-	-	-
Fed Sp Ed, IDEA Basic Local Assistance Entitlement, Part B, Sec 611 (Res 3310)	8181	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fed Sp Ed, IDEA Mental Health Allocation Plan, Part B, Sec 611 (Res 3327)	8182	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21st Century Learning Communities (Res 4124)	8290	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Child Nutrition - Federal (NSLP) (Res 5310 and others)	8220	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
State Ch. School Fac. Incentive Grants Prog. (Res within range 5800-5899)	8290	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Federal Impact Aid - Survey Cards - Maintenance and Operations (Res 0000)	8110	-	-	-	920	-	920	-	920	-	-	920	-	-	-	(920)
Other Federal Revenues (All other resources not reported separately)	8100-8299	-	-	86,844	7,747	86,844	7,747	86,844	7,747	-	86,844	7,747	-	-	-	(920)
Total - Federal Revenues		-	-	86,844	7,747	86,844	7,747	86,844	7,747	-	86,844	7,747	-	-	-	(920)
4. Local Revenue (8600-8799)		19,000	37,841	-	-	19,000	37,841	19,000	37,841	-	19,000	37,841	-	-	-	(18,841)
All Local Revenues	8600-8799	19,000	37,841	-	-	19,000	37,841	19,000	37,841	-	19,000	37,841	-	-	-	(18,841)
Total - Local Revenues		19,000	37,841	-	-	19,000	37,841	19,000	37,841	-	19,000	37,841	-	-	-	(18,841)
5. TOTAL REVENUES																
		3,297,962	756,398	309,612	59,473	3,607,574	815,871	3,627,335	815,871	-	3,627,335	815,871	-	-	-	(19,761)
B. EXPENDITURES AND OTHER OUTGO (1000-7499)																
1. Certificated Salaries																
Certificated Teachers' Salaries	1100	857,000	301,436	171,880	49,571	1,028,880	351,007	1,028,880	351,007	-	1,028,880	351,007	-	-	-	-
Certificated Pupil Support Salaries	1200	183,000	61,000	44,225	19,417	183,000	61,000	183,000	61,000	-	183,000	61,000	-	-	-	-
Certificated Supervisors' and Administrators' Salaries	1300	1,040,000	362,436	216,105	68,988	1,256,105	431,424	1,256,105	431,424	-	1,256,105	431,424	-	-	-	-
Other Certificated Salaries	1900	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total, Certificated Salaries		1,040,000	362,436	216,105	68,988	1,256,105	431,424	1,256,105	431,424	-	1,256,105	431,424	-	-	-	-
2. Classified Salaries																
Classified Instructional Salaries	2100	163,245	55,885	160,395	33,357	323,640	89,212	323,640	89,212	-	323,640	89,212	-	-	-	-
Classified Support Salaries	2200	48,750	1,354	16,250	20,312	65,000	21,666	65,000	21,666	-	65,000	21,666	-	-	-	-
Classified Supervisors' and Administrators' Salaries	2300	67,000	22,667	61,800	19,276	126,515	41,776	126,515	41,776	-	126,515	41,776	-	-	-	-
Clerical and Office Salaries	2400	64,715	22,500	61,800	19,276	126,515	41,776	126,515	41,776	-	126,515	41,776	-	-	-	-
Other Classified Salaries	2900	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total, Classified Salaries		343,710	102,376	238,445	72,945	582,155	175,321	582,155	175,321	-	582,155	175,321	-	-	-	-



Certified Public Accountants
and Financial Advisors

Innovations Academy
Charter School # 1024
Financial Statements
June 30, 2016

DRAFT

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Innovations Academy
San Diego, California

Report on the Financial Statements

We have audited the accompanying financial statements of Innovations Academy (a nonprofit organization), which comprise the statement of financial position as of June 30, 2016, and the related statements of activities and cash flows for the fiscal year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Innovations Academy as of June 30, 2016, and the changes in its net assets and its cash flows for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December XX, 2016, on our consideration of Innovations Academy's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Innovations Academy's internal control over financial reporting and compliance.

SQUAR MILNER LLP

San Diego, California
December XX, 2016

INNOVATIONS ACADEMY
STATEMENT OF FINANCIAL POSITION
June 30, 2016

ASSETS

Current assets:

Cash	\$ 1,347,449
Accounts receivable	320,118
Prepaid expenses	83,873
Total current assets	<u>1,751,440</u>
TOTAL ASSETS	<u><u>\$ 1,751,440</u></u>

LIABILITIES AND NET ASSETS

Current liabilities:

Accounts payable	\$ 49,974
Accrued expenses	30,000
Current portion of long-term liabilities	13,760
Total current liabilities	<u>93,734</u>

Net assets:

Temporarily restricted	75,750
Unrestricted	1,581,956
Total net assets	<u>1,657,706</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 1,751,440</u></u>

INNOVATIONS ACADEMY
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2016

	Unrestricted	Temporarily Restricted	Total
REVENUES AND OTHER SUPPORT			
Revenue limit sources:			
State apportionments	\$ 701,075	\$ -	\$ 701,075
Education protection account	182,033	-	182,033
In-lieu of property taxes	1,729,967	-	1,729,967
Federal revenues	80,110	-	80,110
State revenues	468,664	(27,102)	441,562
Local revenues:			
Fundraising	6,539	-	6,539
Miscellaneous	6,707	-	6,707
Total revenues	3,175,095	(27,102)	3,147,993
EXPENSES			
Program service:			
Education	2,567,037	-	2,567,037
Support services:			
Management and general	232,321	-	232,321
Total expenses	2,799,358	-	2,799,358
CHANGE IN NET ASSETS	375,737	(27,102)	348,635
NET ASSETS, BEGINNING OF YEAR	1,206,219	102,852	1,309,071
NET ASSETS, END OF YEAR	\$ 1,581,956	\$ 75,750	\$ 1,657,706

INNOVATIONS ACADEMY
STATEMENTS OF CASH FLOWS
For the Fiscal Year Ended June 30, 2016

CASH FLOWS FROM OPERATING ACTIVITIES:

Change in net assets	\$ 348,635
Adjustments to reconcile change in net assets to net cash used in operating activities:	
(Increase) decrease in operating assets:	
Accounts receivable	(14,474)
Prepaid expenses	(17,225)
Increase (decrease) in operating liabilities:	
Accounts payable	20,706
Accrued expenses	30,000
Net cash flows provided by operating activities	<u>367,642</u>

CASH FLOWS FROM FINANCING ACTIVITIES:

Payment on long-term liabilities	<u>(6,120)</u>
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NET CHANGE IN CASH 361,522

CASH, BEGINNING OF YEAR 985,927

CASH, END OF YEAR \$ 1,347,449

SUPPLEMENTAL DISCLOSURES:

Cash paid for interest	<u>\$ 54</u>
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INNOVATIONS ACADEMY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016

1. ORGANIZATION AND MISSION

Innovations Academy (the Organization) was incorporated in the State of California on May 22, 2007, under the Nonprofit Public Benefit Corporation Law for public and charitable purposes. The Organization petitioned and was approved through the San Diego Unified School District for a five year period ending in June 30, 2018. The Organization was approved by the State of California Department of Education on May 27, 2008.

The Organization commenced operations during the 2008-2009 fiscal year, and currently serves approximately 330 students in kindergarten through grade 8.

The Mission of the Organization is to teach students to powerfully create their lives through self-expression, compassionate connection, and purposeful learning.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Statement Presentation

The financial statements are presented in conformity with Accounting Standards Codification (ASC) 958-205, *Not-For-Profit Entities – Presentation of Financial Statements*. Under ASC 958-205, the Organization reports information regarding its financial position and activities according to three classes of net assets:

Unrestricted net assets: Unrestricted net assets are available to support all activities of the Organization, and are not subject to donor-imposed stipulations. These generally result from revenues generated by providing services, receiving unrestricted contributions, and receiving interest from investments, less expenses incurred in providing program-related services, raising contributions, and performing administrative functions.

Temporarily restricted net assets: Net assets that are subject to donor-imposed stipulations that will be met either by actions of the Organization and/or the passage of time. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and are reported in the statement of activities as net assets released from restrictions. There was \$75,750 in temporarily restricted net assets as of June 30, 2016.

Permanently restricted net assets: Net assets that are subject to donor-imposed stipulations that the restrictions be maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all or part of the income earned on the related investments for general or specific purposes. There were no permanently restricted assets as of June 30, 2016.

INNOVATIONS ACADEMY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Accounting Method - Basis of Accounting

The financial statements were prepared in accordance with accounting principles generally accepted in the United States of America as applicable to not-for-profit organizations. The Organization uses the accrual basis of accounting, under which revenues are recognized when they are earned and expenditures are recognized in the accounting period in which the liability is incurred.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Income Taxes

The Organization is exempt from income taxes under Internal Revenue Code Section 501(c)(3). It is, however, subject to income taxes from activities unrelated to its tax-exempt purpose. The Organization uses the same accounting methods for tax and financial reporting.

Generally accepted accounting principles provides accounting and disclosure guidance about positions taken by an entity in its tax returns that might be uncertain. Management has considered its tax positions and believes that all of the positions taken in its federal and state exempt organization tax returns are more likely than not to be sustained upon examination. The Organization's returns are subject to examination by federal and state taxing authorities, generally for three years and four years, respectively, after they are filed.

Cash and Cash Equivalents

Cash and cash equivalents are from time to time variously composed of cash on hand and in banks. The Organization considers all highly liquid instruments with maturities of three months or less at the time of acquisition to be cash equivalents. As of June 30, 2016, there were no cash equivalents.

Fixed Assets

Fixed assets are recorded at cost and depreciated under the straight-line method over their estimated useful lives of 5 to 39 years. Equipment is depreciated over a useful life of 5 years. Building improvements are depreciated over a useful life of 39 years. Repair and maintenance

INNOVATIONS ACADEMY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fixed Assets (continued)

costs, which do not extend the useful lives of the asset, are charged to expense. The cost of assets sold or retired and related amounts of accumulated depreciation are eliminated from the accounts in the year of disposal, and any resulting gain or loss is included in the earnings. Management has elected to capitalize and depreciate all assets costing \$2,500 or more; all other assets are charged to expense in the year incurred.

Revenue Sources and Recognition

The Organization receives federal, state and local revenues for the enhancement of various educational programs. This assistance is generally received based on applications submitted to and approved by various granting agencies.

The Organization primarily receives the funds from California Department of Education (CDE). Amounts received from the CDE are recognized by the Organization based on the average daily attendance (ADA) of students.

The Organization recognizes federal revenue to the extent that eligible expenditures have been incurred.

Revenue that is restricted is recorded as an increase in unrestricted net assets if the restriction expires in the reporting period in which the revenue is recognized.

Functional Allocation of Expenses

The costs of providing the program services have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the program services based on employees' time incurred and managements' estimates of the usage of resources.

New Accounting Pronouncements

In February 2016, FASB issued Accounting Standards Update (ASU) 2016-02, *Leases* (ASU 2016-02). ASU 2016-02 requires a lessee to recognize a lease asset representing its right to use the underlying asset for the lease term, and a lease liability for the payments to be made to lessor, on its balance sheet for all operating leases greater than 12 months. ASU 2016-02 will be effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019. The Organization has not yet assessed the potential impact of this guidance on its financial statements.

INNOVATIONS ACADEMY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

New Accounting Pronouncements (continued)

In August 2016, The FASB issued ASU No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities* (ASU 2016-14). ASU 2016-14 changes how a not-for-profit organization classifies its net assets, as well as the information it presents in financial statements and notes about its liquidity, financial performance, and cash flows. ASU 2016-14 requires amended presentation and disclosures to help not-for-profits provide more relevant information about their resources (and the changes in those resources) to donors, grantors, creditors, and other users. These include qualitative and quantitative requirements in the following areas: (1) net asset classes; (2) investment return; (3) expenses; (4) liquidity and availability of resources; and (5) presentation of operating cash flows. ASU 2016-14 will be effective for annual financial statements issued for fiscal years beginning after December 15, 2017, and for interim periods within fiscal years beginning after December 15, 2018. Application to interim financial statements is permitted but not required in the initial year of application. Early application of the amendments is permitted. The Organization has not yet assessed the potential impact of this guidance on its financial statements.

3. CASH AND CASH EQUIVALENTS

Cash and Cash Equivalents

Cash and cash equivalents at June 30, 2016, consisted of the following:

Pooled Funds:	
Cash in County Treasury	\$ 450,280
Deposits:	
Cash in banks	896,669
Cash on hand:	
Petty cash	500
Total cash and cash equivalents	<u>\$ 1,347,449</u>

Cash in County Treasury

In accordance with Education Code Section 41001, the Organization maintains cash in the San Diego County Treasury as part of the common investment pool \$450,280 as of June 30, 2016.

INNOVATIONS ACADEMY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016

The County Treasurer's investments consist of 29.64% negotiable CDs, 24.63% commercial paper, 24.07% federal agencies, 10.34% U.S. Treasury notes, 5.50% money market funds, 4.59% supranational, 0.65% FDIC CDs, 0.55% asset backed securities, and 0.03% repurchase agreements. The credit ratings for these investments included A1+/A1 by Moody's Investor Service, and AAA/AA- by Standard and Poor's.

Cash in Banks

Cash balances held in banks are insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC). The Organization maintains its cash in bank deposit accounts that at times may exceed federally insured limits. The Organization has not experienced any losses in such accounts. At June 30, 2016, the Organization had \$646,669 in uninsured funds.

4. ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2016, consisted of the following:

In-lieu of property taxes	\$ 180,428
Federal revenues	43,952
State revenues	94,601
Miscellaneous	1,137
Total accounts receivable	\$ 320,118

5. LONG-TERM LIABILITIES

Long-Term Liabilities Activity

Long-term liabilities activity includes debt and other long-term liabilities. Changes in obligations for the fiscal year ended June 30, 2016, are as follows:

	Balance			Balance	Due in
	June 30, 2015	Additions	Payments	June 30, 2016	One year
Litigation Settlement	\$ 19,880	\$ -	\$ (6,120)	\$ 13,760	\$ 13,760
Total	\$ 19,880	\$ -	\$ (6,120)	\$ 13,760	\$ 13,760

Litigation Settlement

During the year ended June 30, 2010, the Organization was involved in litigation regarding the early termination of its facilities lease with Mission Grove Offices, LLC. In November 2010, the Organization entered into a stipulated settlement agreement through which it was agreed the

**INNOVATIONS ACADEMY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016**

5. LONG-TERM LIABILITIES

Litigation Settlement (continued)

Organization would pay \$510 per month for 100 months, for a total of \$51,000 in past due rent and related fees. The repayment period was retroactive to July 1, 2010. The Organization paid off the balance in full July 2016. Future minimum payments on the outstanding settlement liability are as follows:

Year Ending June 30,	Principal
<u>2017</u>	<u>\$ 13,760</u>

Line of Credit

On November 21, 2014, the Organization entered into a line of credit for \$250,000 with JPMorgan Chase Bank, N.A. at an interest rate of 1.15% Per Annum above the Prime Rate of 3.25%. On June 30, 2016, the outstanding balance on the line of credit was \$0.

6. EMPLOYEE RETIREMENT SYSTEMS

Qualified employees are covered under multiple-employer defined benefit pension plans maintained by agencies of the State of California. Certificated employees are members of the State Teachers' Retirement System (STRS), and classified employees are members of the California Public Employees' Retirement System (CalPERS).

6. EMPLOYEE RETIREMENT SYSTEMS (continued)

Plan Description and Funding Policy

STRS

Plan Description

The Organization contributes to the State Teachers' Retirement System (STRS), a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by STRS. The plan provides retirement, disability and survivor benefits to beneficiaries. Benefit provisions are established by State statutes, as legislatively amended, within the State Teachers' Retirement Law. According to the most recently available Comprehensive Annual Financial

INNOVATIONS ACADEMY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016

6. EMPLOYEE RETIREMENT SYSTEMS (continued)

Plan Description (continued)

Report and Actuarial Valuation Report for the year ended June 30, 2015, total plan assets are \$180.6 billion, the total actuarial present value of accumulated plan benefits is \$301.3 billion, contributions from all employers totaled \$2.5 billion, and the plan is 68.5% funded. The Organization did not contribute more than 5% of the total contributions to the plan.

Copies of the STRS annual financial reports may be obtained from STRS, 7667 Folsom Boulevard, Sacramento, CA 95826 and www.calstrs.com.

Funding Policy

Active plan members are required to contribute 9.20% of their salary and the Organization is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by the STRS Teachers' Retirement Board. The required employer contribution rate for fiscal year 2015-2016 was 10.73% of annual payroll. The contribution requirements of the plan members are established by state statute. The Organization's contribution to STRS for the fiscal year ended June 30, 2016, was \$130,468, and equals 100% of the required contributions for each fiscal year

7. OPERATING LEASE

The Organization leases facilities and office equipment under lease agreements longer than one year. The future minimum lease payments are as follows:

Year Ending June 30,	Lease Payments
2017	\$ 9,574
2018	9,574
2019	9,574
2020	1,596
Total future lease payments	\$ 30,318

The Organization will receive no sublease rental revenues nor pay any contingent rentals associated with this lease. For the fiscal year ended June 30, 2016, operating lease expense was \$148,098.

INNOVATIONS ACADEMY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016

8 TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets consist of entitlements received but not expended as of June 30, 2016. At June 30, 2016, the Organization's temporarily restricted net assets consisted of:

Educator Effectiveness	\$ 24,324
California Clean Energy Job Acts	<u>\$ 51,426</u>
Total temporarily restricted net assets	<u>\$ 75,750</u>

9. COMMITMENTS AND CONTINGENCIES

State Allowances, Awards, and Grants

The Organization has received state funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate expenditure disallowances under terms of the grants, management believes that any required reimbursement will not be material.

13. SUBSEQUENT EVENT

The Organization's management has evaluated events or transactions that may occur for potential recognition or disclosure in the financial statements from the balance sheet date through December XX, 2016, which is the date the financial statements were available to be issued. Management has determined that there were no subsequent events or transactions that would have a material impact on the current year financial statements.

SUPPLEMENTARY INFORMATION

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**INNOVATIONS ACADEMY
ORGANIZATION
JUNE 30, 2016**

Innovations Academy [Charter #1024], is a Kindergarten through grade 8 Charter School and was granted a five-year charter by the San Diego Unified School District, expiring in June 30, 2018, pursuant to the terms of the Charter School Act of 1992, as amended.

The Board of Directors for the fiscal year ended June 30, 2016, was comprised of the following members:

Name	Office	Term	Term Expiration
Nathan Cooper	President	3 Years	October 2016
Anthony Spitzberg	Secretary	3 Years	October 2016
Stephen Rosen	Treasurer	3 Years	February 2016
Danielle Strachman	Board Member	Annual	December 2016

Administration

Name	Position
Christine Kuglen	Director

INNOVATIONS ACADEMY
SCHEDULE OF AVERAGE DAILY ATTENDANCE
For the Fiscal Year Ended June 30, 2016

	Second Period Report	
	Classroom Based	Independent Study
Transitional Kindergarten/Kindergarten - Grade 3	131.24	41.41
Grades 4 - 6	91.40	16.09
Grades 7 - 8	62.28	8.60
Total	284.92	66.10

	Annual Report	
	Classroom Based	Independent Study
Transitional Kindergarten/Kindergarten - Grade 3	130.47	41.78
Grades 4 - 6	91.67	16.00
Grades 7 - 8	62.72	8.42
Total	284.86	66.20

The Organization generates 81% of its ADA from fulltime classroom-based and generates 19% of its ADA from a full-time independent study program.

**INNOVATIONS ACADEMY
SCHEDULE OF INSTRUCTIONAL TIME
For the Fiscal Year Ended June 30, 2016**

Grade Level	2015-2016 Minutes Requirements	2015-2016 Actual Minutes	Number of Days Traditional Calendar	Status
Kindergarten	36,000	49,860	177	In Compliance
Grade 1	50,400	54,870	177	In Compliance
Grade 2	50,400	54,870	177	In Compliance
Grade 3	50,400	54,870	177	In Compliance
Grade 4	54,000	54,870	177	In Compliance
Grade 5	54,000	54,870	177	In Compliance
Grade 6	54,000	54,870	177	In Compliance
Grade 7	54,000	54,870	177	In Compliance
Grade 8	54,000	54,870	177	In Compliance

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INNOVATIONS ACADEMY
STATEMENT OF FUNCTIONAL EXPENSES
For the Fiscal Year Ended June 30, 2016

	<u>Program Services</u>	<u>Support Services</u>	
	<u>Education</u>	<u>Management and General</u>	<u>Total</u>
Certificated salaries	\$ 1,110,919	\$ 57,625	\$ 1,168,544
Classified salaries	449,537	88,237	537,774
Employee benefits	390,224	37,388	427,612
Books and supplies	84,313	1,220	85,533
Travel and conferences	39,709	4,816	44,525
Dues and memberships	6,721	831	7,552
Insurance	19,107	2,362	21,469
Operation and housekeeping services	10,760	1,264	12,024
Rental, leases, repairs, and non-capitalized improvements	135,015	16,687	151,702
Professional/consulting services and operating expenditures	314,875	21,167	336,042
Communications	5,857	724	6,581
Total expenses	<u>\$ 2,567,037</u>	<u>\$ 232,321</u>	<u>\$ 2,799,358</u>

INNOVATIONS ACADEMY
RECONCILIATION OF CHARTER SCHOOL UNAUDITED ACTUALS FINANCIAL
REPORT - - ALTERNATIVE FORM WITH AUDITED FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2016

June 30, 2016, annual financial and budget report fund balances	\$ 1,739,132
Adjustments and reclassifications:	
Increasing (decreasing) the fund balance:	
Accounts receivable overstatement	(51,426)
Accrued expenses understatement	(30,000)
Net adjustments and reclassifications	<u>(81,426)</u>
June 30, 2016, audited financial statement net assets	<u>\$ 1,657,706</u>

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OTHER INDEPENDENT AUDITOR'S REPORTS

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors
Innovations Academy
San Diego, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Innovations Academy (a nonprofit organization), which comprise the statement of financial position as of June 30, 2016, and the related statements of activities and cash flows for the fiscal year then ended, and the related notes to the financial statements, and have issued our report thereon dated December XX, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Innovations Academy's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Innovations Academy's internal control. Accordingly, we do not express an opinion on the effectiveness of Innovations Academy's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



Compliance and Other Matters

As part of obtaining reasonable assurance about whether Innovations Academy's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

SQUAR MILNER LLP

San Diego, California
December XX, 2016

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INDEPENDENT AUDITORS' REPORT ON STATE COMPLIANCE

Board of Directors
Innovations Academy
San Diego, California

Report on Compliance for Each State Program

We have audited Innovations Academy's compliance with the types of compliance requirements described in the *2015-16 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, published by the Education Audit Appeals Panel, that could have a direct and material effect on each of Innovations Academy's state programs for the fiscal year ended June 30, 2016. Innovations Academy's state programs are identified below.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Innovations Academy's state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the State's Audit Guide, *2015-16 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, published by the Education Audit Appeals Panel. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a state program occurred. An audit includes examining, on a test basis, evidence about Innovations Academy's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each state program. However, our audit does not provide a legal determination of Innovations Academy's compliance. In connection with the audit referred to above, we selected transactions and records to determine the Organization's compliance with the state laws and regulations applicable to the following items:



<u>Description</u>	<u>Procedures Performed</u>
Educator Effectiveness	Yes
California Clean Energy Jobs Act	Yes
After School Education and Safety Program	Not Applicable
Proper Expenditure of Education Protection Account Funds	Yes
Unduplicated Local Control Funding Formula Pupil Counts	Yes
Local Control and Accountability Plan	Yes
Independent Study-Course Based	Not Applicable
Immunizations	Yes
Attendance	Yes
Mode of Instruction	Yes
Nonclassroom-Based Instruction/Independent Study for Charter Schools	Yes
Determination of Funding for Nonclassroom-Based Instruction	Not Applicable
Annual Instructional Minutes - Classroom Based	Yes
Charter School Facility Grant Program	Not Applicable

The term “Not Applicable” is used above to mean either that the Organization did not offer the program during the current fiscal year, or that the program applies only to a different type of local education agency.

Opinion on State Programs

In our opinion, Innovations Academy complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its state programs for the fiscal year ended June 30, 2016.

The purpose of this report on state compliance is solely to describe the scope of our testing of state compliance and the results of that testing based on the requirements of *2015-16 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Accordingly, this report is not suitable for any other purpose.

SQUAR MILNER LLP

San Diego, California
December XX, 2016

FINDINGS AND RECOMMENDATIONS SECTION

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INNOVATIONS ACADEMY
SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2016

A. Summary of Auditor's Results

1. Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

One or more material weaknesses identified? Yes X No

One or more significant deficiencies identified that are not considered to be material weaknesses? Yes X None Reported

Noncompliance material to financial statements noted? Yes X No

2. Federal Awards

Internal control over major programs:

One or more material weaknesses identified? Yes N/A No

One or more significant deficiencies identified that are not considered to be material weaknesses? Yes N/A None Reported

Type of auditor's report issued on compliance for major programs: N/A

Any audit findings disclosed that are required to be reported in accordance with section .510(a) or OMB Uniform Guidance? Yes N/A No

Identification of major programs:

CFDA Number(s) Name of Federal Program or Cluster

The Organization did not have over \$750,000 in Federal Expenditures.

Dollar threshold used to distinguish between type A and type B programs: N/A

Auditee qualified as low-risk auditee? Yes N/A No

INNOVATIONS ACADEMY
SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2016

A. Summary of Auditor's Results (Continued)

3. State Awards

Internal control over state programs:

One or more material weaknesses identified? Yes X No

One or more significant deficiencies identified that
are not considered to be material weaknesses? Yes X None Reported

Type of auditors' report issued on compliance
for state programs: Unmodified

B. Financial Statement Findings

None

C. Federal Award Findings and Questioned Costs

None

D. State Award Findings and Questioned Costs

None

**INNOVATIONS ACADEMY
SUMMARY SCHEDULE OF PRIOR COSTS
For the Year Ended June 30, 2016**

Findings/Recommendations	Current Status	Management Explanation if Not Implemented
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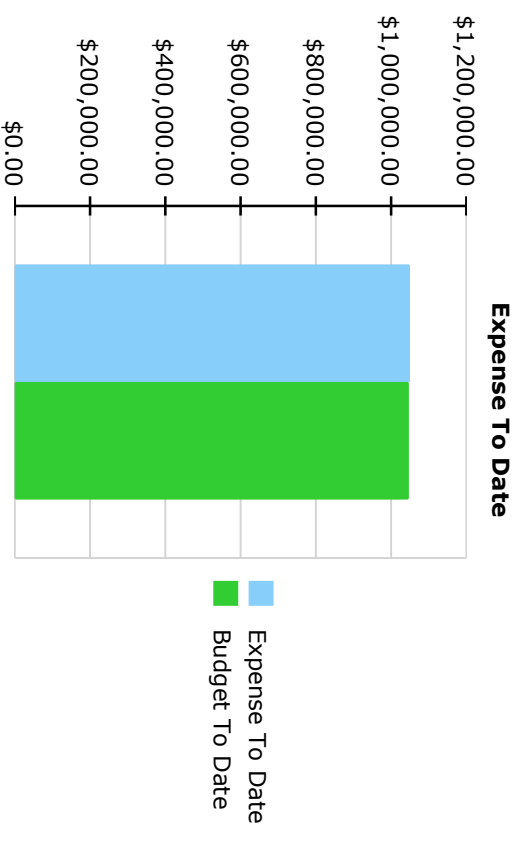
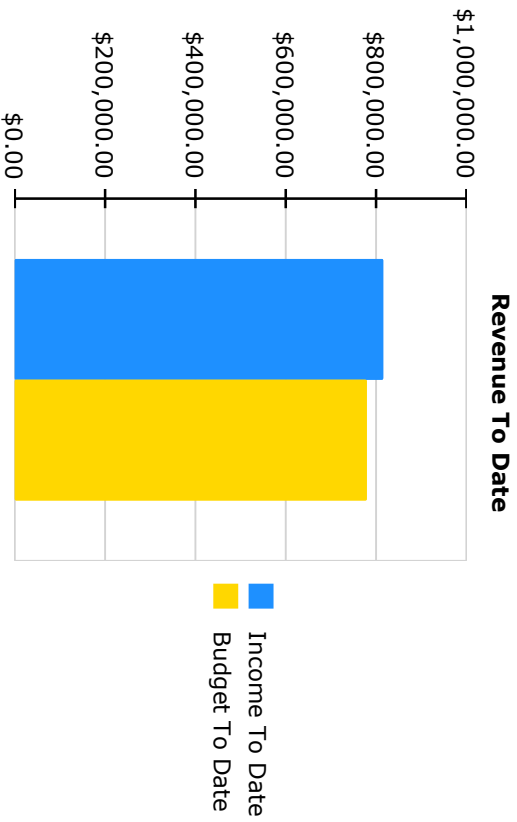
Upcoming Items

In case you missed it

12/15/2016	1st Interim
12/15/2016	CDE DUE DATE- 1st Interim
12/16/2016	Fall 1
12/16/2016	Fall 2

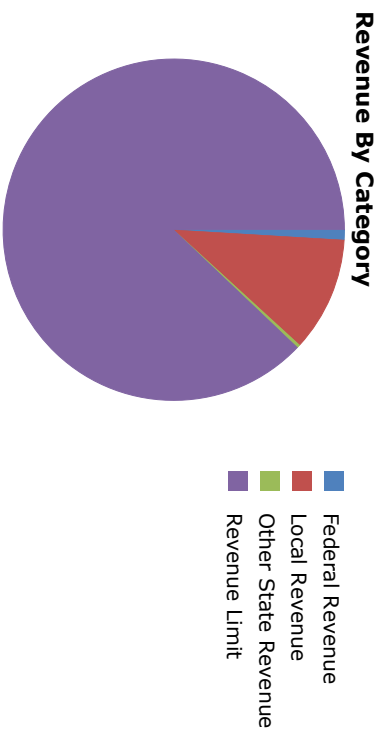
Total Cash on Hand

Book Balance: \$1,454,870



Revenue By Category

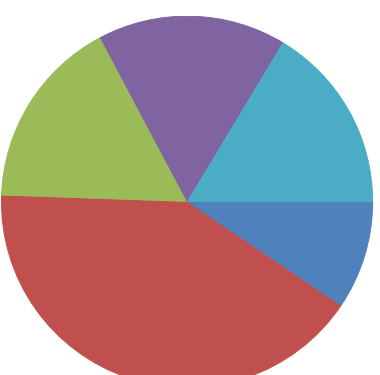
Account Group	Description	Total	Percent
800	Revenue Limit	\$717,146.00	87.90 %
820	Federal Revenue	\$7,747.00	0.95 %
840	Other State Revenue	\$2,490.55	0.31 %
870	Local Revenue	\$88,487.37	10.85 %
Total:		\$815,870.92	



Expenses By Category

Account Group	Description	Total	Percent
100	Certificated Salaries	\$431,425.33	41.08 %
200	Classified Salaries	\$175,320.67	16.69 %
300	Employee Benefits	\$172,076.17	16.39 %
400	Books and Supplies	\$99,416.15	9.47 %
500	Services & Other Operating Expenses	\$171,959.27	16.37 %
Total:		\$1,050,197.59	

Expenses By Category



- Books and Supplies
- Certificated Salaries
- Classified Salaries
- Employee Benefits
- Services & Other Operating Expenses

Segment Name	Filter Applied
Object	All
Restriction	All
Location	All

Account Description	July - October			2016 - 2017		
	Actual	Budget	Variance \$	Variance %	Total Budget	Remaining Budget
Revenue Limit	\$717,146	\$717,144	\$2	0.0 %	\$3,131,674	\$2,199,730
Federal Revenue	\$7,747	\$8,961	(\$1,214)	-13.5 %	\$86,844	\$79,097
Other - State Revenue	\$2,491	-	\$2,491	0.0 %	\$164,016	\$156,451
Local Revenue	\$88,487	\$53,402	\$35,085	65.7 %	\$225,040	\$134,208
Total Revenue	\$815,871	\$779,507	\$36,364	4.7 %	\$3,607,574	\$2,569,486
Certificated Salaries	\$431,425	\$418,702	(\$12,724)	-3.0 %	\$1,256,105	\$701,186
Classified Salaries	\$175,321	\$194,052	\$18,731	9.7 %	\$582,155	\$347,234
Employee Benefits	\$172,076	\$176,890	\$4,814	2.7 %	\$530,671	\$291,760
Total Personnel Expenses	\$778,822	\$789,644	\$10,821	1.4 %	\$2,368,931	\$1,340,180
Books and Supplies	\$99,416	\$40,365	(\$59,051)	-146.3 %	\$121,096	\$21,336
Services & Other Operating Expenses	\$171,959	\$210,468	\$38,509	18.3 %	\$631,404	\$426,929
Capital Outlay	-	\$2,098	\$2,098	100.0 %	\$6,294	\$6,294
Other Outgo	-	\$3,947	\$3,947	100.0 %	\$35,527	\$32,831
Total Operational Expenses	\$271,375	\$256,879	(\$14,497)	-5.6 %	\$794,321	\$487,390
Total Expenses	\$1,050,198	\$1,046,522	(\$3,675)	-0.4 %	\$3,163,252	\$1,827,570
Net Income	(\$234,327)	(\$267,015)	\$32,689	12.2 %	\$444,322	\$741,916

Segment Name	Filter Applied
Object	All
Restriction	All
Location	All

Liquidity Ratio 17.1

Assets	
Current Assets	
Cash	\$1,454,870
Accounts Receivables	\$24,442
Prepaid Expenses	\$32,667
Total Current Assets	\$1,511,978
Fixed Assets	
Total Fixed Assets	\$0
Other Assets	
Total Other Assets	\$0
Total Assets	\$1,511,978

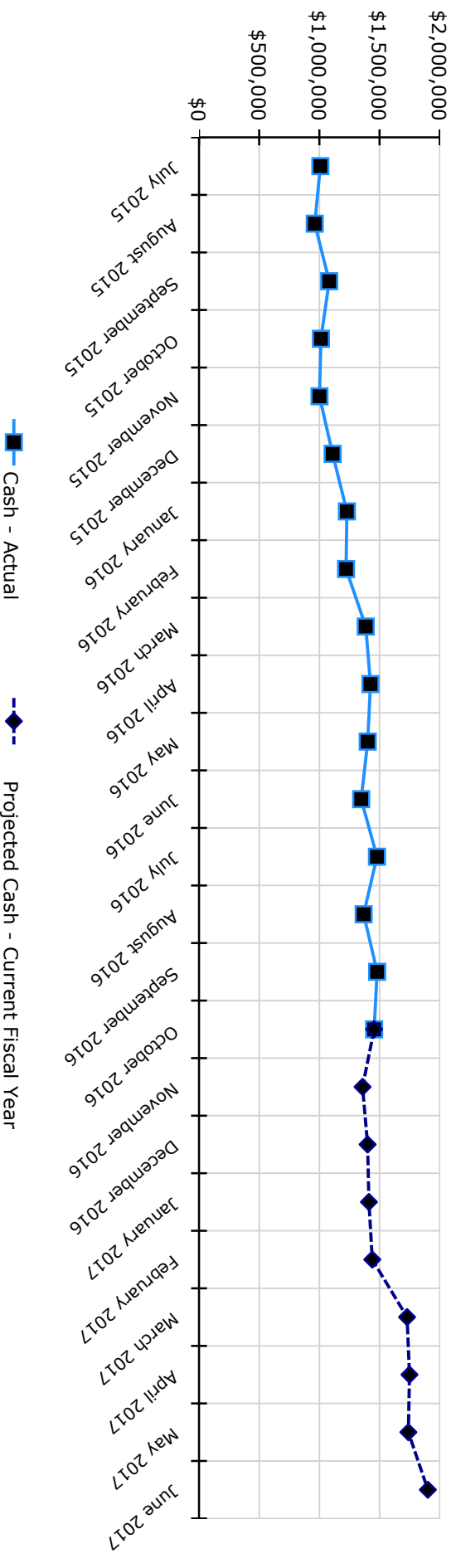
Liabilities and Net Assets	
Current Liabilities	
Accounts Payable	\$88,599
Accrued Salaries, Payroll Taxes, Postemployment Benefits	\$1

Innovations Academy

July 2016 - October 2016

Total Current Liabilities	\$88,600
Long Term Liabilities	
Total Long Term Liabilities	\$0
Total Liabilities	\$88,600
Net Assets	
Restricted Net Assets	\$75,750
Unrestricted Net Assets	\$1,581,955
Profit/Loss YTD	(\$234,327)
Total Net Assets	\$1,423,379
Total Liabilities and Net Assets	\$1,511,978

Monthly Book Balance Over Time



Month	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	\$1,424,441.42	Actual
May 2016	\$1,401,476.11	Actual
June 2016	\$1,347,448.76	Actual

Month	Cash Amount	Actual or Projected
July 2016	\$1,478,296.64	Actual
August 2016	\$1,367,783.53	Actual
September 2016	\$1,479,787.15	Actual
October 2016	\$1,454,870.04	Actual
November 2016	\$1,358,629.00	Projected
December 2016	\$1,400,563.00	Projected
January 2017	\$1,411,638.00	Projected
February 2017	\$1,439,538.00	Projected
March 2017	\$1,728,506.00	Projected
April 2017	\$1,748,669.00	Projected
May 2017	\$1,739,402.00	Projected
June 2017	\$1,901,173.00	Projected

Financial Ratio	Formula	Current	Target
Current Ratio (Liquidity)	(Current Assets) / (Current Liabilities)	17.07	> 1.00
Cash Ratio	(Cash) / (Current Liabilities)	1,642.07 %	> 100.00%
Defensive Interval	(Cash + Securities + AR) / (Average Expenses past 12 months)	6.00	> 3 months
Debt Ratio	(Total Liabilities) / (Total Assets)	5.86 %	< 33.00%
Asset Ratio	(Current Assets) / (Total Assets)	100.00 %	> 90.00%
Cash on Hand	(Cash)	\$1,454,870.04	>= \$800,000.00
Days Cash on Hand	(Cash) / ((Average Expenses past 12 months) / (30.4))	179.30	> 90
Cash Reserve Ratio	(Cash) / (Budgeted Annual Expenses)	45.99 %	> 10.00%
Savings Indicator	((Last Closed Revenue) - (Last Closed Expenses)) / (Last Closed Expenses)	-0.21	> 1.00
YTD Savings Indicator	((YTD Closed Revenue) - (YTD Closed Expenses)) / (YTD Closed Expenses)	-0.22	> 1.00

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 10/31/2016

Innovations Academy
July 2016 - October 2016

Cash	\$1,454,870.04
Securities	-
AR	\$24,441.65
Current Assets	\$1,511,978.37
Total Assets	\$1,511,978.37
Current Liabilities	\$88,599.62
Total Liabilities	\$88,599.62
Last Closed Revenue	\$242,384.90
Last Closed Expenses	\$306,887.21
Budgeted Annual Expenses	\$3,163,251.84
Average Expenses past 12 months	\$246,671.77
Average monthly payroll expenses	\$194,705.54
YTD Closed Revenue	\$815,870.92
YTD Closed Expenses	\$1,050,197.59

ANDREA THILTGEN

2114 Ledgeside Lane - Spring Valley, Ca 91977

ATHiltgen33@gmail.com

(619)-871-5029

EDUCATION

Boise State University- Boise, ID

Bachelor of Arts in Education—Cum Lade, December 2011

San Diego City Community College- San Diego, Ca

Early Childhood Education units, Spring 2015

CERTIFICATIONS

Idaho Teaching Certificate: February 2011

California Preliminary Multiple Subject Teaching Credential

American Red Cross CPR/First Aid Certification

YMCA - USLA Ocean Lifeguard Certified

American Red Cross- EMR First Responder

PROFESSIONAL EXPERIENCE

YMCA Camp Surf—Imperial Beach, CA

Senior Program Instructor/Ocean Lifeguard March 2013—Present

Guide Outdoor Education experiences with school groups through whole child mindset

Communicate efficiently with supervisors to provide memorable experience for guests and incoming staff

Prepare, support, and evaluate staff on classes, recreational skills, teaching strategies, and overall performance

Create, align, and implement current Outdoor Education classes adhering to the CA State and National standards

Summer Teen Unit Leader

Summers of 2014 and 2015

Trained, supported and coached teen unit staff members to develop confidence in facilitating enriching activities

Created and implemented new program ideas regarding on and off camp service, outreach and group unity

Advised, supervised, and motivated counselors and other leadership staff to execute daily tasks

Developed a sense of community within unit through inclusive, meaningful staff trainings

Managed and budgeted program cash advance for staff appreciation and trip expenses

La Mesa-Spring Valley & Cajon Valley School Districts—San Diego, CA

Substitute Teacher, Grades: PreK-8 February 2012—March 2014

Respected and implemented regular classroom teacher plans to a diverse community of learners

Prioritized tasks to efficiently maintain intentional classroom schedule

Provided overall class evaluation/review to teachers and communicated any concerns

Develop personal confidence, management styles, and flexibility through ever-changing daily schedules

Mammoth Mountain Child Care—Mammoth Lakes, CA

Child Care Teacher

December 2014-March 2015 and December 2015

Established meaningful and trustworthy relationships with parents, children, and staff at all three facilities

Followed and adhered Title 22 state and food handling standards, oversaw safety regulations

Initiated intentional activities to develop a sense of community within the child care drop-off and preschool sites

Lead opening and closing of facility alongside manager including splitting and processing payments

Trained incoming staff on safety procedures, task management and initiation

YMCA East County Branch—Santee, CA

Swim Coach

October 2013—March 2014

Facilitated daily workouts for various leveled swimmers 6-18 years of age

Maintained and communicated safety and discipline during practice

Demonstrated, explained, and provided feedback to cultivate proper stroke/dry-land technique

Developed encouraging relationships with swimmers, parents, and staff

VOLUNTEER EXPERIENCE

YMCA of Panama—Panama City, Panama

Youth Development Leader

January 2016—February 2016

BACKGROUND SUMMARY:

- *More than 25 years of building and managing engineering teams for developing/maintaining enterprise and global services/applications in highly secure and monitored environments (e.g. NASDAQ, NYSE) including over 15 years of managing offshore and global*
- *Over 15 years of experience in refactoring and redesigning products and services for scalability and maintainability*
- *Managed and Migrated multiple services and products to cloud (AWS, Azure)*
- *Designed/Developed/Managed in platforms including but not limited to Linux, Mac, Web, MS-DOS and Win 3.1 to Win 10, Mobile phones and Tablets (iOS, Android)*
- *Hands on experience in development languages including Java (8 years), C/C++ (over 20 years), C# .NET (14 years) and Scripting languages (e.g. JS, Node.JS, PHP and etc.) (over 20 years)*
- *Very strong Object Oriented Design/Architecture/Development skills*
- *Extensive experience with Financial and eCommerce related service and products in SaaS Models*
- *Strong MVVM, MVC architecture background for Desktop, WEB and mobile applications*
- *Mobile and Tablet Cross Platform design, manage and development*
- *Long time experience with Agile methodology using multiple tools and platforms (Scrum, TFS, Jira, Unit-Test/Task/Bugs/Review/Auto-Build/Release), TDD*

RECENT EXPERIENCES:

Group Software Development Manager

Intuit (TurboTax)

2014 (December) – Present

San Diego, California, USA

- *Building and managing multiple teams of on site and remote developers plus many matrixed team members, each team over 20+ people including product managers, quality engineers, experience designers, scrum masters and etc.*
- *Responsible for planning, designing and implementing a replatforming/redesigning projects for major pieces of TurboTax from an old stack to new technology. The result so far from the current tax year show a successful transition with great results; more scalable system, opening up many services for a true SOA architecture, room to innovate and providing a much richer experience for our 30+ million customers.*
- *Training and coaching engineering teams on the development and quality side for a better transitioning into the new technology stack with high quality deliveries including varieties of integrated builds with wide suites of Unit, Regression, Integration and Perf tests utilizing Java and open source technologies.*
- *Directing/coaching the teams to build reusable modules that can be integrated into different systems and services outside of TurboTax domain.*
- *Improving TurboTax response for supporting 400,000 simultaneous users logged in using the product hosted on the cloud with zero down time*

Technologies used: Java, Node.JS, C++, JavaScript, React, Jenkins, Maven, AWS Cloud, XML, JSON, RESTful services, Saas, SOA, iOS, Android

Director of Software Engineering

OneRoof Energy

LA Jolla, California, USA

2013 (August) – 2014

- *Built and managed an onsite team of over 20 developers and architects to design and implement multiple client facing and internal services using RESTful services, MVC, Angular, jQuery, HTML and CSS*
- *Managed a team of developers and architect to design and implement a well-integrated sets of APIs for third party clients and our websites to help transitioning into a SaaS model*
- *Managed the team to design, implement and migrate all the products and SDLC related applications, tools and databases to Microsoft Azure*
- *Managed the engineering team to design, implement and release the first Solar website to allow homeowners shop and design their own solar systems (www.sunopps.com)*
- *Worked with an offshore team to design and implement client facing mobile and tablet applications for iOS and android*
- *Managed a team of DBAs and BI developers for all the database related work in MS SQL 2012 and BI reports, this included all the upgrade processes from older version of SQL all the way to Azure SQL*
- *Implemented the agile process in the scrum methodology and integrated all the scrum processes with our TFS environment*
- *Built up a QA team as well as defining all the required processes and workflows, and automated UI tests*
- *Implemented a new SDLC cycle for developers to have a fully TTD based development with continuous build, unit and integration tests and auto deployment to Azure*

Technologies used: RESTful services, C#, TFS, SQL Server, WPF, MVC, Java, JavaScript, iOS, Android, PHP, SSRS/SSIS, Azure, WCF, HTML, CSS, SaaS

Senior Software Architect / Lead

DP Technology

Camarillo, California, USA

2012 (March) – 2013(August)

- *Lead multiple teams to redesign the architecture of the company's most innovative (CAM) Cloud-enabled product for multi-platform compatibility (Windows Desktop, iOS/android/WinRT (tablets) and WEB) and robustness. This included redesigning services, layers and modules and hands on coding/code-reviewing process to successfully achieve the requirement. As part of the redesign I also investigated and researched the best cloud options for the services and the backend modules and proposed AWS, with my direction the team quickly made the code compatible for deployment to cloud and we had it running on AWS. I also refactored the UI infrastructure to follow a state of the art reusable MVVM/MVC architecture, all the View-Models and Controllers are reused in all platforms, Windows WPF/WinRT, iOS and android. My job involved mentoring and educating the team on a weekly basis for a more professional design and coding techniques in a very efficient and up to date object oriented approaches utilizing the latest coding languages and variable technologies. I shifted the overall development workflow towards a very agile oriented environment and project managing techniques to maximize the efficiency of the R&D department. Designed and managed the ecommerce application for the company and implemented many components of the application. All above resulted into very highly satisfied clients and executives at the firm.*

Technologies used: RESTful services, C#, C++, WPF, SQL Server, WCF, Xamarin, Cloud, XML

Principal / Lead software engineer

UNX LLC

2005 – 2012 (March)

Burbank, California, USA

- *As a lead and principal software engineer/architect I helped UNX to design, implement and maintain several in house applications as well as selling technologies and products. These included but not limited to UNX Catalyst's Marketplace (App Store) which I designed and implemented the back-end services utilizing WCF and C#, the SQL Server databases and led the team to implement the APIs required for the Marketplace forefront as well as a key role in designing and implementing Marketplace app in C# using WPF.*
- *Led the team to develop libraries for real-time central monitoring applications with a rich WPF UI visualizing the whole trading platform in queryable and editable diagrams and grids. This allowed trading operators to interact with engines remotely. This was combined with an innovative central configuration infrastructure for all trading engines and Back office applications to allows modifying configurations real-time from both UI and scripting tools.*
- *Designed and implemented multiple emulators and simulators including a graphical trading rules engine utilizing Microsoft Workflow to be used in the real-time trading environment or to test the back-end pieces with simulated data. Also a "Market Data simulator" and an "ECN simulator" for testing integrated trading platforms plus a visual and fully scriptable "playback system" for simulating and playing back data logs on more than 15 different trading engines including tactical, algorithmic and strategic application. Many of the above was with the involvement of cloud and virtual machine technologies.*

Technologies used: Services, C#, C/C++, WPF, SQL, WCF, WMI, WF, MFC, Cloud, XML, VPC

Software development manager

ImageGrafix

1995 – 2005

Dubai, UAE

- *Designed and implemented the core of an enterprise wide office automation client/server application suite. Managed a team of over 40 developers/testers to develop, test and deploy all components. C/C++/Java, Multithreaded, Network, Client/Server, TCP/IP custom designed messaging, MFC UI, scriptable with VB and Java script, graphical workflows and forms.*
- *Designed, developed and led the Dev. team to implement a Windows like platform for AutoCAD 12 running on MS-DOS; included new graphical device drivers, many graphical gadgets with Windows like GUI controls. C/C++/Assembly, custom made UI libraries.*
- *Designed, managed and developed more than dozens other apps mostly with AutoCAD ARX and newer SDKs in C++*

Software Engineer/Architect/Consultant (part time)

Zag Chemie

1993 – 2003

- *For about ten years worked with the company as a main Architect and Consultant in both Hardware and Software field and helped to design, develop and manufacture a wide range of successful and highly popular **Medical/Chemical** related products being used in hospitals and laboratories for many years; this involved microcontrollers, A2Ds as well as embedded software and device drivers in C/C++/Assembly.*

EDUCATION:

- *B.S.E.E Computer Hardware Engineering
Azad University*

1992 – 1998