

Innovations Academy Board Meeting Agenda: March 13, 2018 @ 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

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Others in Attendance

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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)	
<ul style="list-style-type: none"> ○ Teacher briefing (Dre) <ul style="list-style-type: none"> ✓ Tori Dahlberg - 4th grade teacher 	Discussion:
<ul style="list-style-type: none"> ○ Financial update (Delano) <ul style="list-style-type: none"> ✓ Second Interim Financial report 	Discussion:
<ul style="list-style-type: none"> ○ Director update (Christine) <ul style="list-style-type: none"> ✓ LCAP Discussion ✓ School relocation 	<u>Item – Director Update</u> Discussion:
➤ Action items	
<ul style="list-style-type: none"> 1. Approve 2017-18 Year-end Audit contract for Wilkinson, Hadley, King, & Co LLP. (Delano) 2. Approval of new SELPA Participation Agreement and Resolution (Tony) 	<u>Action Item 1 - Approval of 2017-18 Year-End Audit</u> <ul style="list-style-type: none"> ➤ Discussion: ➤ Vote: <u>Actions Item 2 - Approval of new SELPA Participation Agreement & Resolution</u> <ul style="list-style-type: none"> ➤ Discussion: ➤ Vote:
➤ Discussion items	

<ul style="list-style-type: none"> ○ Status of Charter Renewal (Stephen) ○ Update on campus move (Stephen) ○ Update on Monarch (Stephen) ○ Status of Buses (Faraz) ○ January 2018 Financials (Delano) ○ Conflict of Interest (Christine) ○ Reimbursement Restrictions (Dre) 	<ul style="list-style-type: none"> ➤ <u>Item 1. – Status of Charter Renewal</u> Discussion: ➤ <u>Item 2. - Update on campus move</u> Discussion: ➤ <u>Item 3. - Update on Monarch</u> Discussion: ➤ <u>Item 4. - Update on Bus status</u> Discussion: ➤ <u>Item 5 - January 2018 Financials</u> Discussion: ➤ <u>Item 6 - Conflict of Interest</u> Discussion: ➤ <u>Item 7 - Reimbursement Restrictions</u> Discussion:
<ul style="list-style-type: none"> ○ Tasks for next meeting 	
<ul style="list-style-type: none"> ➤ Next board meeting 	
<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: December 27, 2017 @ 12:00 pm SPECIAL MEETING

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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Board Attendance

Delano Jones	Dre Thiltgen	Steven Rosen	Danielle Strachman	Faraz Sharafi	Christine Kuglen	
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Others in Attendance

Tony Spitzberg	Nathan Cooper (call in)					
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Agenda

Topic	Minutes
➤ Call to order / roll call	12:07 pm Present: Delano Jones Steven Rosen Faraz Sharafi Dre Thiltgen Christine Kuglen Tony Spitzberg Call-In: Nathan Cooper Danielle Strachman
➤ Approval of current agenda	Vote: unanimous approval of current agenda by - -Delano Jones -Steven Rosen -Faraz Sharafi -Dre Thiltgen -Nathan Cooper -Danielle Strachman
➤ Approval of prior month meeting minutes	N/A
➤ Public comments (3 mins per person)	No callers on the line
➤ Reports	
○ Teacher briefing (Dre)	Discussion: Updated the board on a successful Exhibition Evening and highlighted the projects of some other teachers.
○ Financial update (Delano) ✓ Review of budget ✓ Interim Budget (Oct.31, 2017) Review	Discussion: ➤ Dip in enrollment this year ○ Suggestion made to survey families when they leave to find out their reasoning for unenrollment ○ Considering changes in personnel and planning strategically as we move forward.

<ul style="list-style-type: none"> ○ Director update (Christine) <ul style="list-style-type: none"> ✓ Charter Renewal 	<u>Item – Director Update</u> Discussion: <ul style="list-style-type: none"> ➤ Reviewed the redlined version of the Charter. Highlighted projects, comments from parents, and statistics.
➤ Action items	
<ul style="list-style-type: none"> ○ Approve Charter 	Item 1 - Approve Revised Charter Discussion: <ul style="list-style-type: none"> ➤ Discussed changes needed to be clarified or modified. <ul style="list-style-type: none"> ○ Cell Phone Policy ○ Behavior Plan ○ Chromebook Policy Vote: Approved Unanimously by -Dre Thiltgen -Sтивен Rosen -Nathan Cooper -Danielle Strachman -Faraz Sharafi
➤ Next board meeting	March 13th, 2018
○ Confirm date of next meeting	
○ Identify agenda items for next meeting	
Meeting adjourned	12:28pm

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

Secretary

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AGREEMENT FOR PARTICIPATION
EL DORADO CHARTER SELPA

This Agreement for Participation (“Agreement”) is entered into by and between the El Dorado Charter SELPA (“SELPA”), the El Dorado County Office of Education (“EDCOE”), and Innovations Academy (“LEA”), a California public charter school, collectively referred to as the “Parties.”

RECITALS

WHEREAS, each special educational local plan area is required to administer local plans submitted pursuant to Education Code section 56205 et seq., administer the allocation of funds pursuant to Education Code section 56836 et seq., and ensure that it has in effect policies, procedures, and programs that are consistent with state laws, regulations, and policies governing certain aspects of special education;

WHEREAS, a charter school that is deemed a local educational agency for purposes of special education is required to participate in an approved local plan pursuant to Education Code section 56195.1(f);

WHEREAS, LEA is a charter school that is deemed a local educational agency for purposes of special education pursuant to Education Code section 47641 and is responsible for complying with all provisions of the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.) and implementing regulations as they relate to local educational agencies;

WHEREAS, the SELPA as authorized by the California State Board of Education serves as the special educational local plan area for California charter schools deemed local educational agencies pursuant to Education Code section 47641 that have successfully completed the SELPA membership process and have signed this Agreement for Participation (“Agreement”);

WHEREAS, EDCOE is designated in the local plan as the “responsible local agency” for the SELPA, which means the administrative entity, the duties of which shall include, but are not limited to, receiving and distributing state and federal special education funds pursuant to the allocation plan, providing administrative support, and coordinating implementation of the plan;

WHEREAS, the actions and decisions of the parties are guided by the values of:

1. Commitment – maintaining high standards for performance in student achievement, operations, governance and finance;
2. Integrity – adherence to moral and ethical principles in all aspects of the work;
3. Fairness – impartial and just treatment of all stakeholders;
4. Partnership – collaborative decision making and accountability;
5. Knowledge – understanding of charter school law and practice; and
6. Transparency- access to the information, decisions, and actions of the organization;

WHEREAS, the purpose of this agreement is to set forth the various responsibilities of LEA, EDCOE, and SELPA to ensure that all charter pupils with exceptional needs within the SELPA receive appropriate special education programs.

NOW, THEREFORE, IT IS HEREBY AGREED between the parties hereto as follows:

1. SHARED COMMITMENTS

- 1.1. Resource Allocation. Parties shall demonstrate commitment to the promises set forth in this Agreement by allocating appropriate resources.
- 1.2. Standard of Conduct. Parties, at all times, shall conduct themselves in such a manner as to act in the best interests of all other SELPA members. LEA shall not engage in any

activity or enterprise which would tend to injure or expose the SELPA or any of its members to any significant risk of harm or injury of any kind.

- 1.3. Compliance. All parties to this agreement shall identify and comply with applicable laws, regulations, policies, procedures and generally accepted standards. Each party will address any identified compliance gaps in a responsible and timely fashion.
- 1.4. Continual Improvement. Parties are expected to continually improve by setting performance objectives, executing plans and taking necessary corrective actions for deficiencies identified by any and all internal and/or external assessments.
- 1.5. Accuracy of Business Records. Parties shall ensure that any and all financial books and records conform to generally accepted accounting principles and state reporting requirements. Records must be accurate in all material respects. Records must be legible, transparent, and reflect actual transactions and payments and be open to inspection by the other party upon a reasonable request.
- 1.6. Accuracy of Student Records. Parties shall ensure that any and all student records conform to prescribed formats. Records must be legible, transparent, reflect actual transactions and payments, and be accurate in all material respects. Records must be open to inspection and review by other parties with legitimate educational interest upon a request.
- 1.7. Documentation. Parties shall maintain documentation necessary to demonstrate compliance with this Agreement and compliance with applicable state and federal statutes and regulations.
- 1.8. Local and Allocation Plans. Parties agree to the provisions of the Local and Allocation Plans as updated and approved by the CEO Council.
- 1.9. Provision of Free and Appropriate Public Education. The LEA is solely responsible for the provision of special education programs and services to eligible students enrolled in the LEA. The Parties understand and agree that the SELPA or EDCOE shall have no responsibility for the operation of any direct educational program service of any kind, that the SELPA has no duty or authority to provide FAPE to individual students, and that the SELPA has no duty or authority to make decisions regarding the educational programming of students enrolled in the LEA.

2. LEA RESPONSIBILITIES

- 2.1 Programs and Services. The LEA is solely and exclusive responsible for the following mandated activities in order to operate its special education programs and services for students enrolled in the LEA. As such, the LEA shall:
 - 2.1.1. Select, employ, compensate, and determine the duties of, or establish appropriate contracts for the provision of, special education teachers, instructional aides, and other personnel as required to conduct the program specified in the Local Plan, and in compliance with state and federal mandates.
 - 2.1.2. Conduct and/or contract those programs operated by the LEA in conformance with the Local Plan and the state and federal mandates.
 - 2.1.3. Organize and administer the activities of the IEP teams, including the selection of the LEA staff and who will serve as members of the IEP team in conformance with Education Code Section 56341 and in compliance with the Local Plan.

- 2.1.4. Develop and implement program objectives and the evaluation of the program effectiveness.
 - 2.1.5. Communicate with the parents and/or legal guardians of students in conformance with laws, regulations and the provisions of the Local Plan.
 - 2.1.6. Provide for the documentation and reporting of assessment procedures used for the placement of individuals and the security thereof.
 - 2.1.7. Provide for the continuous review of placements and the assessment procedures employed to insure their effectiveness and applicability, and insure the continued implementation and compliance with eligibility criteria.
 - 2.1.8. Provide for the integration of students with disabilities into the general education school programs and provide for evaluating the results of such integration according to specifications of the Local Plan.
 - 2.1.9. Conduct the review of individual placements requested by the parents and/or legal guardians of the student in accordance with the Local Plan.
 - 2.1.10. Prepare and submit all required reports, including reports on student enrollment, program expenditures, and program evaluation.
- 2.2. Fiscal Responsibilities. Receive and expend special education funding in accordance with the Charter SELPA Allocation Plan.
- 2.3. Restricted Funds. As a condition of membership and participation in the SELPA, LEA warrants and represents that at no time during the term of this Agreement and LEA's membership and participation in the SELPA shall the LEA, directly or indirectly, provide special education funding for the benefit of a for-profit entity. All funding provided through the Charter SELPA shall be treated as a restricted funding source to be expended only for special education or special education services. Nothing contained herein shall be interpreted as prohibiting any LEA from expending funds to contract with a state-certified nonpublic agency/school for the benefit of children served, in accordance with the approved master contract and individual services agreements as provided for in federal and state law.
- 2.4. Audit Report. Annually provide the SELPA with the LEA's annual, independent financial audit report, on or before December 20th each year, unless an extension has been granted by the State Controller's Office, in which case an extension will be granted to the charter as well. LEA further agrees to provide SELPA copies of any and all State Controller's Office communications regarding audit report corrective actions and a corrected audit report, if applicable. Should an LEA be the subject of an investigation by any federal, state, or local agency, including but not limited to the Fiscal Crisis Management and Assistance Team ("FCMAT") arising out of or related to allegations of fiscal mismanagement, failure to meet generally accepted accounting principles, or any violation of a provision of law, the LEA shall immediately notify SELPA and provide the SELPA with a copy of any written correspondence related thereto.
- 2.5. Membership Responsibilities. Adhere to governance structure within SELPA Local Plan and Policies including designating appropriate representatives to serve on required councils and committees; ensure appropriate LEA representatives attend and participate in SELPA governance meetings as set forth in the Local Plan, Policies and Procedures.
- 2.6. Management Decisions. Consistent with this Agreement, LEA shall have full and exclusive authority and responsibility for classifying employment positions within their

LEA. The managerial prerogatives of any participating LEA member shall not be infringed upon by any other participating LEA member except upon mutual consent of an affected LEA member(s), or unless as otherwise set forth. LEA shall not undertake to independently act on behalf of the SELPA or any of its members without express written authorization of the SELPA.

- 2.7. Participation. Ensure appropriate LEA representatives attend and participate in SELPA governance meetings and committees as set forth in the Local Plan, Policies and Procedures.
- 2.8. Reporting Requirements. Submit all required federal, state and SELPA reports and data requests in the prescribed format and at the specified due date. Upon written request by the SELPA, LEA shall provide any requested information, documents, writings, or information of any sort without delay, except as otherwise prohibited by law.
- 2.9. Indemnification and Hold Harmless. To the fullest extent allowed by law, LEA agrees to defend, indemnify, and hold harmless the SELPA and its individual other members, EDCOE, the El Dorado County Superintendent of Schools, and each of their respective directors, officers, agents, employees, and volunteers (the Indemnified Parties), from any claim or demand, damages, losses or expenses (including, without limitation, reasonable attorney fees) that arise in any manner from an actual or alleged failure by LEA to fulfill one or more of the LEA member's obligations except to the extent that such suit arises from the SELPA, EDCOE, or the El Dorado County Superintendent of Schools' negligence.

3. **SELPA DUTIES AND RESPONSIBILITIES**

- 3.1 Services. In order to accomplish the goals set forth in the Local Plan, SELPA shall provide the following services and activities for the LEA:
 - 3.1.1. Receive, compile, and submit required enrollment reports and compute all special education apportionments; receive data from LEA to compile and submit budgets for the programs and monitor the fiscal aspects of the program conducted, and receive the special education apportionments as authorized by applicable law.
 - 3.1.2. Maintain SELPA policies and procedures for referring and placing individuals with exceptional needs who are enrolled in the LEA, including the methods and procedures for communication with the parents and/or guardians of the students according to SELPA Local Plan, Policies and Procedures.
 - 3.1.3. Coordinate the organization and maintenance of the Special Education Community Advisory Committee ("CAC") to coordinate the implementation of the Local Plan and provide for the attendance of designated members of the SELPA's staff at all regularly scheduled CAC meetings as required by law.
 - 3.1.4. Coordinate community resources with those provided by LEA and SELPA, including providing such contractual agreements as may be required.
 - 3.1.5. Coordinate state Quality Assurance Process.
 - 3.1.6. Provide alternative dispute resolution supports and services.
 - 3.1.7. Develop interagency referral and placement procedures.
 - 3.1.8. Provide regular personnel development training sessions for LEA staff responsible for administering or delivering special education programs and services.

- 3.1.9. Provide the method and forms to enable the LEA to report to the SELPA on student enrollment and program expenditures. Establish and maintain a pupil information system.
- 3.1.10. Provide reasonable and appropriate technical assistance and information to the LEA upon request from LEA administration, including but not limited to:
 - 1. Evidenced Based Practices;
 - 2. Program Development and Improvement;
 - 3. Individual cases;
 - 4. State complaints;
 - 5. Requests for due process mediation and hearing; and
 - 6. Appropriate programs and services for specific pupils.
- 3.1.11. Perform other services reasonable and necessary to the administration and coordination of the Local Plan.

- 3.2. Governance. Organize and maintain the governance structure of the Local Plan including various committees and councils to monitor the operations of the SELPA and make recommendations for necessary revisions, including, but not limited to, the Local Plan, Allocation Plan and Policies.
- 3.3. Data Reporting. Establish and maintain methods, timelines and forms to submit required federal, state and SELPA reports.
- 3.4. Public Meetings. Schedule public meetings for purposes of governance activities and adopting the Annual Service Plan and Budget Plan.
- 3.5. Fiscal Responsibilities. Receive, distribute, and oversee the expenditure of special education funds in accordance with federal and state regulations and the SELPA Allocation Plan.
- 3.6. Indemnification and Hold Harmless. The SELPA shall be held harmless and indemnify EDCOE and the El Dorado County Superintendent of Schools for any costs of any kind or nature arising out of or related to this agreement other than as specifically contemplated herein, except to the extent that such cost arises from EDCOE and the El Dorado County Superintendent of Schools' negligence.

4. EDCOE DUTIES AND RESPONSIBILITIES

- 4.1. The Parties understand that EDCOE is designated in the Local Plan as the “responsible local agency” for the SELPA. EDCOE shall receive and distribute state and federal special education funds pursuant to the Allocation Plan, provide administrative support, and coordinate implementation of the Local Plan in accordance with state and federal law.
- 4.2. EDCOE shall not be responsible for any LEA or SELPA obligations or duties of any kind or nature except as explicitly set forth in this agreement.

5. TERMINATION OF THIS AGREEMENT AND PARTICIPATION IN SELPA

- 5.1. LEA may terminate this Agreement and participation in the SELPA in its sole discretion at the end of the fiscal year next occurring after having provided prior written notice to the SELPA, as follows:

- 5.1.1. Prior initial written notice of intended termination to the SELPA at least twelve (12) months and one (1) day in advance of date of termination; and
 - 5.1.2. Final written notice of termination to the SELPA no more than six (6) months after the LEA's initial notice of intended termination.
- 5.2. The SELPA may initiate and complete termination of this Agreement and LEA's participation in the SELPA in its sole discretion in accordance with the process and standards in SELPA Policies. The SELPA will provide prior written notice to the LEA at least twelve (12) months as follows:
 - 5.2.1. Prior initial written notice of intended termination to the LEA at least twelve (12) months and one (1) day in advance of date of termination, and
 - 5.2.2. Final written notice of termination to the LEA no more than six (6) months after the SELPA's initial notice of intended termination.
- 5.3. Specifically the timeline and process above does not preclude the SELPA from initiating and completing the termination process in less than 12 months or by June 30 of the year immediately preceding the summary termination, if the member demonstrates:
 - 5.3.1. Egregious disregard of state and federal requirements to provide services to students; and/or
 - 5.3.2. Demonstrated systemic and material issues that would cause the SELPA to make a finding of "going concern" based on leadership, programmatic and/or fiscal solvency that would cause SELPA to reasonably believe the SELPA may be harmed by the continued membership of the LEA.

The standards and timeline as determined by the SELPA shall, at a minimum, provide the LEA a reasonable opportunity for prior written notice and an opportunity to be heard by the Membership Appeals Committee.

6. DISPUTE RESOLUTION

Should a dispute arise relating to the responsibility for service provision, governance activities, the distribution of funding, if a party believes that an action taken by the CEO Council will create an undue hardship, or that the action taken exceeds the authority granted to the CEO Council within the Local Plan and/or state or federal statute, the aggrieved party may request a review of the action with the appropriate governing body or CDE as appropriate.

7. MUTUAL REPRESENTATIONS

- 7.1. Authority and Capacity. The Parties have the authority and capacity to enter into this agreement.
- 7.2. Full Disclosure. All information heretofore furnished by the Parties for purposes of or in connection with this Agreement or any transaction contemplated hereby or thereby is true and accurate in all material respects on the date as of which such information is stated.
- 7.3. No Conflicts. Neither party is under any restriction or obligation that may affect the performance of its obligations under this agreement.
- 7.4. Enforceability. This Agreement constitutes a legal, valid, and binding obligation, enforceable against the Parties according to its terms.

8. RESERVATION OF RIGHTS

The Parties hereto agree that nothing contained in this Agreement or otherwise shall be deemed to have waived or modified any of their rights or remedies under the law.

This agreement is entered into for the 2018-19 year and, absent a new agreement or termination, continues each year thereafter.

Executed on this _____ day of _____, 20_____.

In accordance with SELPA policy, _____,

[INSERT Charter LEA Name]

certifies that this agreement has been approved by the appropriate local board(s).

LEA

Date

Signature of CEO of Charter LEA

[PRINT CEO Name, Title]

EL DORADO COUNTY OFFICE OF EDUCATION

Date

Ed Manansala, Ed.D., Superintendent
El Dorado County Office of Education

Date

David M. Toston, Associate Superintendent
SELPA Programs
El Dorado County Office of Education

BOARD RESOLUTION
APPROVAL OF EL DORADO CHARTER SELPA PARTICIPATION AGREEMENT

Whereas the schools listed below are members of the El Dorado Charter SELPA; and

Whereas the El Dorado Charter SELPA CEO Council approved an updated Participation Agreement on October 12, 2017; and

Whereas adoption of a current Participation Agreement by each member is a condition of membership in the SELPA:

Therefore be it resolved that the Executive Officer is authorized to enter into this agreement on behalf of the schools listed below:

- (Please list school names(s) here)

The above-mentioned resolution was passed by the board of directors of the above named schools at a duly authorized meeting where a quorum was present on the _____ Day of _____, 20_____, and the resolution has not been altered or revoked by any subsequent action of the board.

Yeas: _____ Nays: _____

By: _____ Date _____
Executive Officer



SAN DIEGO COUNTY
OFFICE OF EDUCATION

INDEPENDENT AUDITOR SELECTION CERTIFICATION

This serves as notice that pursuant to Education Code Section 41020,
the Board of the Innovations Academy Charter School
awarded a contract for the annual audit of the books and accounts of the charter for fiscal
year 2017-18 at its regularly scheduled meeting held on 6/23/2017

The contract was awarded to:

Audit Firm: Wilkenson Hadley King & Co. LLP
Address: 218 W. Douglas Avenue
City, State, Zip: El Cajon, CA 92020
Phone: 619-447-6700 Fax: 619-447-6707
Account Representative: Fernando Arana

Fiscal Year 2017-18 Audit Fee: 10,200

If a multiple-year contract, state the fiscal years covered: 2016-17, 2017-18, 2018-19

Christine Kuglen
Authorized Person for this Action

858-271-1414
Contact Phone Number

Director
Title

2/6/2018
Date

- A copy of the executed contract is attached.
- A copy of the executed contract will be forwarded once it is finalized.
- A copy of our multi-year contract has been previously forwarded and no amendments have been made.

SUBMISSION DEADLINE - MARCH 23, 2018



Form available on SDCOE website: <http://www.sdcoe.net/business-services/financial-services/Pages/charter-school-services.aspx>

Return to: Theresa Marti via email to charters@sdcoe.net

For questions, call: 858-292-3639

Innovations Academy Charter School

TO: Board of Directors

FROM: Delano Jones, CSMC

DATE: March 13, 2018

ITEM: 2017-18 2nd Interim Financial Report (Action)

Background:

Charter Schools are required to file two reports during a fiscal year (interim reports) on the status of the charter school's financial health. The second interim report is due on or before March 15 for the period ending January 31.

Consideration:

The board approved a revised budget at the December 2017 meeting which included a deficit of (\$46,868)

Financial Impact:

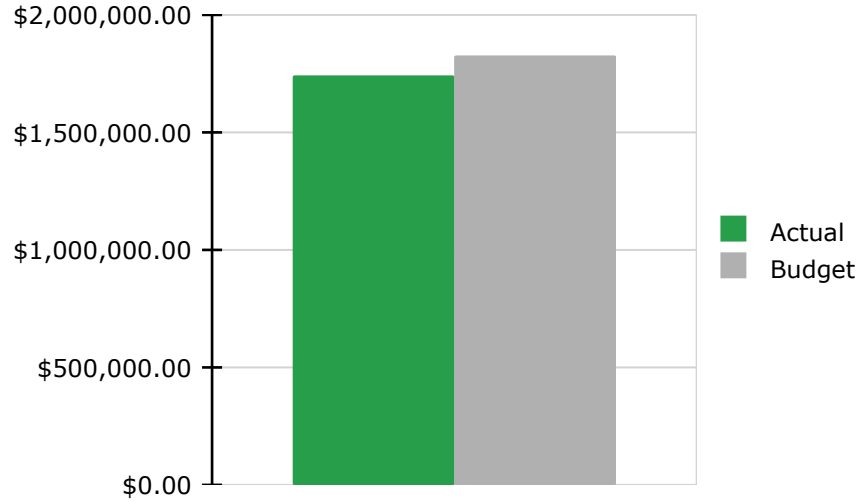
(\$46,868)

Recommendation:

Approve the 2017-18 2nd Interim financial report

Book Balance: \$1,500,274

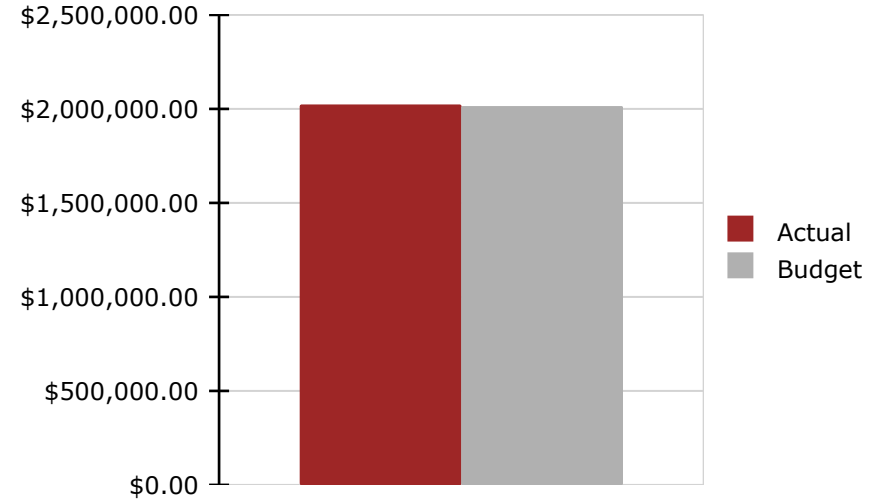
Revenue To Date



Revenue Summary

Actual	\$1,741,584
Budget	\$1,826,575
Actual to Budget	95 %

Expense To Date



Expense Summary

Actual	\$2,022,494
Budget	\$2,014,121
Actual to Budget	100 %

Innovations Academy

July 2017 - January 2018

YTD Actual to Budget Summary

Segment Name	Filter Applied
Object	All
Restriction	All
Location	All

Account Description	July - January				2017 - 2018	
	Actual	Budget	Variance \$	Variance %	Total Budget	Remaining Budget
LCFF	\$1,510,019	\$1,510,019	-	0.0 %	\$2,787,985	\$1,074,707
Federal Revenue	\$29,140	\$20,730	\$8,410	40.6 %	\$86,587	\$57,447
Other State Revenue	\$57,946	\$66,783	(\$8,837)	-13.2 %	\$132,772	\$74,826
Local Revenue	\$144,479	\$229,043	(\$84,564)	-36.9 %	\$425,185	\$280,706
Total Revenue	\$1,741,584	\$1,826,575	(\$84,991)	-4.7 %	\$3,432,529	\$1,487,686
Certificated Salaries	\$830,078	\$891,920	\$61,842	6.9 %	\$1,529,005	\$579,250
Classified Salaries	\$373,842	\$336,108	(\$37,734)	-11.2 %	\$576,185	\$155,369
Employee Benefits	\$350,548	\$347,557	(\$2,991)	-0.9 %	\$595,812	\$202,385
Total Personnel Expenses	\$1,554,468	\$1,575,584	\$21,117	1.3 %	\$2,701,002	\$937,004
Books and Supplies	\$91,744	\$66,936	(\$24,808)	-37.1 %	\$114,748	\$22,208
Services & Other Operating Expenses	\$376,282	\$371,600	(\$4,682)	-1.3 %	\$656,409	\$238,768
Capital Outlay	-	-	-	0.0 %	\$7,238	\$7,238
Other Outgo	-	-	-	0.0 %	-	-
Total Operational Expenses	\$468,026	\$438,536	(\$29,490)	-6.7 %	\$778,395	\$268,214
Total Expenses	\$2,022,494	\$2,014,121	(\$8,373)	-0.4 %	\$3,479,396	\$1,205,218
Net Income	(\$280,910)	(\$187,545)	(\$93,365)	-49.8 %	(\$46,867)	\$282,468

Segment Name	Filter Applied
Object	All
Restriction	All
Location	All

Liquidity Ratio	15.1
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Assets	
Current Assets	
Cash	\$1,500,274
Accounts Receivables	\$11,598
Prepaid Expenses	\$20,417
<i>Total Current Assets</i>	<i>\$1,532,288</i>
Fixed Assets	
Transportation Equipment	\$50,000
<i>Total Fixed Assets</i>	<i>\$50,000</i>
Other Assets	
<i>Total Other Assets</i>	<i>\$0</i>
Total Assets	\$1,582,288

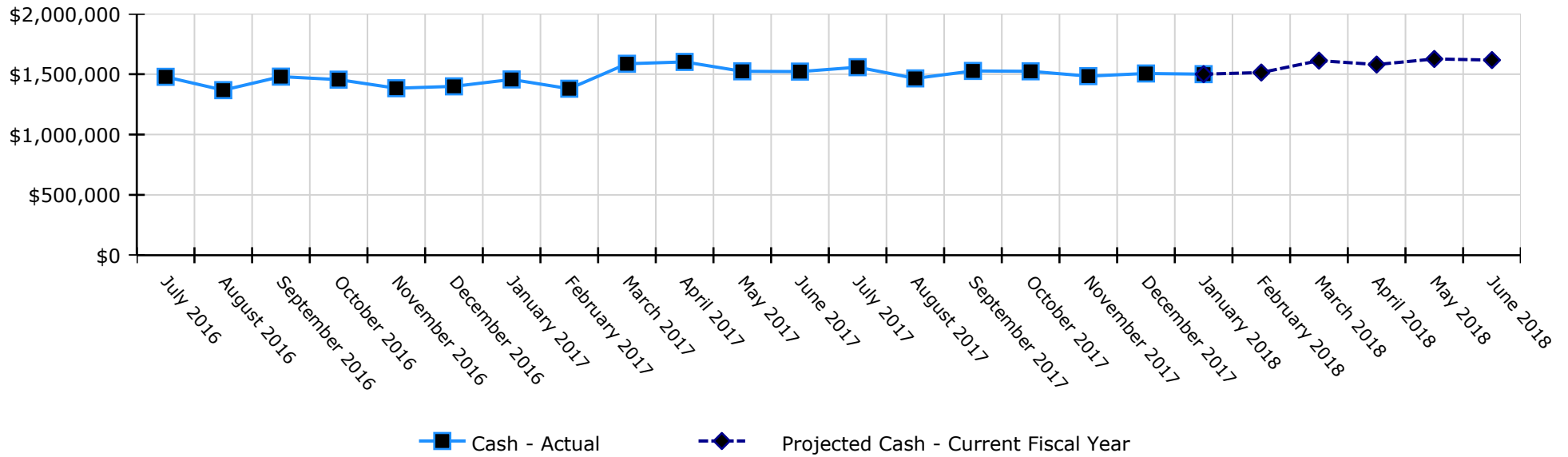
Liabilities and Net Assets	
Current Liabilities	
Accounts Payable	\$73,054

Innovations Academy

July 2017 - January 2018

Accrued Salaries, Payroll Taxes, Postemployment Benefits	\$28,633
<i>Total Current Liabilities</i>	<i>\$101,688</i>
Long Term Liabilities	
<i>Total Long Term Liabilities</i>	<i>\$0</i>
<i>Total Liabilities</i>	<i>\$101,688</i>
Net Assets	
Unrestricted Net Assets	\$1,761,511
Profit/Loss YTD	(\$280,910)
<i>Total Net Assets</i>	<i>\$1,480,601</i>
Total Liabilities and Net Assets	\$1,582,288

Monthly Book Balance Over Time



	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	\$1,383,731.55	Actual
December 2016	\$1,399,215.95	Actual
January 2017	\$1,456,328.74	Actual
February 2017	\$1,379,633.59	Actual
March 2017	\$1,586,460.62	Actual
April 2017	\$1,601,763.82	Actual
May 2017	\$1,523,765.71	Actual
June 2017	\$1,521,465.33	Actual

	Cash Amount	Actual or Projected
July 2017	\$1,557,913.45	Actual
August 2017	\$1,465,088.92	Actual
September 2017	\$1,526,817.96	Actual
October 2017	\$1,523,812.79	Actual
November 2017	\$1,484,133.89	Actual
December 2017	\$1,505,816.83	Actual
January 2018	\$1,500,273.95	Actual
February 2018	\$1,513,669.00	Projected
March 2018	\$1,612,483.00	Projected
April 2018	\$1,579,865.00	Projected
May 2018	\$1,626,178.00	Projected
June 2018	\$1,616,907.00	Projected

Financial Ratio	Formula	Current	Target
Current Ratio (Liquidity)	$(\text{Current Assets}) / (\text{Current Liabilities})$	15.07	> 1.00
Cash Ratio	$(\text{Cash}) / (\text{Current Liabilities})$	1,475.38 %	> 100.00%
Defensive Interval	$(\text{Cash} + \text{Securities} + \text{AR}) / (\text{Average Expenses past 12 months})$	5.22	> 3 months
Debt Ratio	$(\text{Total Liabilities}) / (\text{Total Assets})$	6.43 %	< 33.00%
Asset Ratio	$(\text{Current Assets}) / (\text{Total Assets})$	96.84 %	> 90.00%
Cash on Hand	(Cash)	\$1,500,273.95	\geq \$900,000.00
Days Cash on Hand	$(\text{Cash}) / ((\text{Average Expenses past 12 months}) / (30.4))$	157.56	> 120
Cash Reserve Ratio	$(\text{Cash}) / (\text{Budgeted Annual Expenses})$	43.12 %	> 10.00%
Savings Indicator	$((\text{Last Closed Revenue}) - (\text{Last Closed Expenses})) / (\text{Last Closed Expenses})$	0.00	> 1.00
YTD Savings Indicator	$((\text{YTD Closed Revenue}) - (\text{YTD Closed Expenses})) / (\text{YTD Closed Expenses})$	-0.14	> 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 1/31/2018

Innovations Academy

July 2017 - January 2018

Cash	\$1,500,273.95
Securities	-
AR	\$11,597.65
Current Assets	\$1,532,288.29
Total Assets	\$1,582,288.29
Current Liabilities	\$101,687.57
Total Liabilities	\$101,687.57
Last Closed Revenue	\$310,354.42
Last Closed Expenses	\$309,144.29
Budgeted Annual Expenses	\$3,479,396.36
Average Expenses past 12 months	\$289,471.76
Average monthly payroll expenses	\$222,066.83
YTD Closed Revenue	\$1,741,584.26
YTD Closed Expenses	\$2,022,494.13

Charter School Name:	Innovations Academy
CDS# 37-68338-	0118083
Contact name:	Christine Kuglen
E-mail address:	christine@innovationsacademy.org
Telephone number:	(858)271-1414

Second Interim Report
Charter School
FY 2017-2018
For the Period July 1 2017 through January 31, 2018
Accrual Basis

Authorizing Agency: San Diego Unified School District
Financial Accounting Department
Charter Schools Accounting Office
Authorizing Agency Contact: Tiffany Lilley tlilley@sandi.net
Authorizing Agency Contact:

Accrual Basis		A	B	C	D	(A+C) E	(B+D) F	(E+H) G	(F-E) H
Description	Object Code	Unrestricted Budget	Unrestricted Actuals through 1/31/18	Restricted Budget	Restricted Actuals through 1/31/18	Total Budget	Total Actuals through 1/31/18	Projected EFB/NP (Total Budget plus Actuals reported without a budget)	Actuals reported without a budget
A. Revenues									
1. Local Control Funding Formula (LCFF) Sources									
State Aid - Current Year (CY) (Res 0000)	8011	847,695	463,700			847,695	463,700	847,695	-
Education Protection Account (EPA) - CY (Res 1400)	8012	70,848	37,356			70,848	37,356	70,848	-
State Aid and EPA - Prior Years (PY) (Res 0000 and Res 1400)	8019					-	-	-	-
Transfers to Charter Schools in Lieu Of Property Taxes - CY & PY (Res 0000)	8096	1,869,442	1,008,963			1,869,442	1,008,963	1,869,442	-
Other LCFF Transfers	8091, 8097					-	-	-	-
Total - LCFF Sources		2,787,985	1,510,019			2,787,985	1,510,019	2,787,985	
2. State Revenues other than LCFF									
Special Education (Res 6500)	8792			251,185	100,308	251,185	100,308	251,185	-
Special Education Mental Health Services (Res 6512)	8590					-	-	-	-
Mandate Block Grant (Res 0000)	8550	5,852	5,940			5,852	5,940	5,940	(88)
One-Time Funds for Outstanding Mandate Claims (Res 0000)	8550	55,100	18,344			55,100	18,344	55,100	-
After School Education and Safety (ASES) (Res 6010)	8677, 8590					-	-	-	-
Common Core Standards Implementation (Res 7405)	8590					-	-	-	-
Educator Effectiveness (Res 6264)	8590					-	-	-	-
Charter School Facility Grant Program (SB 740) (Res 6030)	8590					-	-	-	-
Lottery - Unrestricted (Res 1100)	8560	54,720	21,261			54,720	21,261	54,720	-
Lottery - Restricted - Prop 20 (Res 6300)	8560			17,100		17,100	-	17,100	-
Proposition 39 - California Clean Energy Jobs Act (Res 6230)	8590					-	-	-	-
Other State Revenues (All other resources not reported separately)	8300-8599		2,608		9,793	-	12,401	12,401	(12,401)
Total - State Revenues other than LCFF		115,672	48,153	268,285	110,101	383,957	158,254	396,446	(12,489)
3. Federal Revenues									
ESSA: Title I, Part A, Basic Grants Low-Income and Neglected (Res 3010)	8290			35,144	27,350	35,144	27,350	35,144	-
ESSA: Title II, Part A, Improving Teacher Quality Program (Res 4035)	8290			7,163	1,790	7,163	1,790	7,163	-
ESSA: Title III, Limited English Proficient Student Program (Res 4203)	8290					-	-	-	-
ESSA: Title III, Immigrant Student Program (Res 4201)	8290					-	-	-	-
NCLB: Title V, Part B, Public Charter Schools Grant Program (Res 4610)	8290					-	-	-	-
Special Education, IDEA Basic Local Assistance Entitlement, Part B, Sec 611 (Res 3310)	8181			44,280		44,280	-	44,280	-
Special Education, IDEA Mental Health Allocation Plan, Part B, Sec 611 (Res 3327)	8182					-	-	-	-
21st Century Learning Communities (Res 4124)	8290					-	-	-	-
National School Lunch Program (NSLP) (Res 5310 and others)	8220					-	-	-	-
Charter School Facilities Incentive Grants Program (Res range 5800-5899)	8290					-	-	-	-
Maintenance and Operations (Public Law 81-874) - Federal Survey Cards (Res 0000)	8110					-	-	-	-
Other Federal Revenues (All other resources not reported separately)	8100-8299					-	-	-	-
Total - Federal Revenues		-	-	86,587	29,140	86,587	29,140	86,587	-
4. Local Revenues									
All Local Revenues (No Federal, State or Local government funds)	8600-8799	174,000	44,171			174,000	44,171	174,000	-
Total - Local Revenues		174,000	44,171	-	-	174,000	44,171	174,000	-
5. Total Revenues (A1 + A2 + A3 + A4)		3,077,657	1,602,343	354,872	139,241	3,432,529	1,741,584	3,445,018	(12,489)
B. Expenditures and Other Outgo									
1. Certificated Salaries									
Teachers (Teachers, Sp. Ed. Resource Specialists, Substitutes)	1100	993,000	537,849	186,000	105,405	1,179,000	643,254	1,179,000	-
Pupil Support (Librarians, Counselors, Nurses)	1200			84,800	41,168	84,800	41,168	84,800	-
Supervisors and Administrators (Principals, VP's, Directors, Deans)	1300	188,000	110,833			188,000	110,833	188,000	-
Other (Special Education or other Program Specialists, Non-Instructional staff ONLY)	1900		5,350	77,205	29,473	77,205	34,823	77,205	-
Total - Certificated Salaries		1,181,000	654,032	348,005	176,046	1,529,005	830,078	1,529,005	-
2. Classified Salaries									
Instructional (Instructional Aides, Non-certificated charter school teachers)	2100	281,350	167,016	81,450	71,444	362,800	238,460	362,800	-
Support (Library/Health/Counseling Aides; Food Services; Custodial & Maint.; Transportation)	2200		10,208	70,000	30,625	70,000	40,833	70,000	-
Supervisors and Administrators (Business Mgrs, Directors, Governing Board stipends)	2300	68,000	40,833			68,000	40,833	68,000	-
Clerical and Office (Clerks, Secretaries, Admin. Assistants, Accountants, Computer Techs)	2400	65,160	36,720	10,225	16,995	75,385	53,715	75,385	-
Other (Noon-duty, Student workers)	2900					-	-	-	-
Total - Classified Salaries		414,510	254,777	161,675	119,064	576,185	373,841	576,185	-

Charter School Name:	Innovations Academy
CDS# 37-68338-	0118083
Contact name:	Christine Kuglen
E-mail address:	christine@innovationsacademy.org
Telephone number:	(858)271-1414

Second Interim Report
Charter School
FY 2017-2018
For the Period July 1 2017 through January 31, 2018
Accrual Basis

Authorizing Agency: San Diego Unified School District
Financial Accounting Department
Charter Schools Accounting Office
Authorizing Agency Contact: Tiffany Lilley tlilley@sandi.net
Authorizing Agency Contact:

Accrual Basis		A	B	C	D	(A + C) E	(B + D) F	(E + H) G	(F - E) H
Description	Object Code	Unrestricted Budget	Unrestricted Actuals through 1/31/18	Restricted Budget	Restricted Actuals through 1/31/18	Total Budget	Total Actuals through 1/31/18	Projected EFB/NP (Total Budget plus Actuals reported without a budget)	Actuals reported without a budget
E. Net Increase or (Decrease) in Fund Balance/Net Position - Column G (C + D)		304,463	(17,809)	(351,331)	(263,100)	(46,868)	(280,909)	(41,625)	(5,243)
F. Fund Balance/Net Position (Budget amounts will auto-populate from Actuals)									
1. Beginning Fund Balance/Net Position									
a. July 1, 2017 (MUST MATCH amounts from FY 16-17 Unaudited Actuals, Section F.2 Unrestricted & Adjustments/Restatements (Total Adjustments/Restatements from FY 16-17 Audit)	9791 9793, 9795	1,761,510 -	1,761,510 -	- -	- -	1,761,510 -	1,761,510 -	1,761,510 -	- -
c. Adj. Beginning FB/NP (Total Net Assets from FY 16-17 Audit) (F.1.a + F.1.b)		1,761,510	1,761,510	-	-	1,761,510	1,761,510	1,761,510	-
2. Projected Ending Fund Balance/Net Position - June 30, 2018 - Column G (Must be the greater of \$50,000 or 3% of Expenditures) (E + F.1.c)		2,065,973	1,743,701	(351,331)	(263,100)	1,714,642	1,480,601	1,719,885	(5,243)
Components of Ending NP									
a. Net Investment in Capital Assets (See Sections B.6 and G.9)	9796		50,000				50,000		
b. Restricted Net Position - January 31, 2018 - Column D (F.2 - F.2.b)	9797				(263,100)		(263,100)		
c. Unrestricted Net Position - January 31, 2018 - Column B (F.2 - F.2.a)	9791		1,693,701				1,693,701		
G. Assets									
1. Cash									
in County Treasury (Restricted amount may be negative)	9110		1,301,479		(263,100)		1,038,379		
Fair Value Adjustment to Cash in County Treasury	9111						-		
in Banks (Restricted amount may be negative)	9120		461,395				461,395		
Revolving and or Petty Cash Funds	9130		500				500		
Fiscal Agent/Trustee	9135						-		
Collections Awaiting Deposit	9140						-		
2. Investments	9150						-		
3. Accounts Receivable	9200		260				260		
4. Due From Grantor Government (ALL amounts due from government agencies)	9290		11,338				11,338		
5. Due From Other Funds (All amount due from a CMO or other schools of the CMO)	9310						-		
6. Stores	9320						-		
7. Prepaid Expenditures (Expenses)	9330		20,417				20,417		
8. Other Current Assets	9340						-		
9. Capital Assets (See Sections B.6 & F.2.a)	9400-9489		50,000				50,000		
10. Total Assets			1,845,389		(263,100)		1,582,289		
H. Deferred Outflows of Resources									
1. Deferred Outflows of Resources	9490						-		
2. Total Deferred Outflows							-		
I. Liabilities									
1. Accounts Payable	9500		43,984				43,984		
2. Due to Grantor Government (ALL amounts due to government agencies)	9590		57,704				57,704		
3. Due to Other Funds (All amount due to a CMO or other schools of the CMO)	9610						-		
4. Current Loans	9640						-		
5. Deferred Revenue	9650						-		
6. Long-term Liabilities	9660-9669						-		
7. Total Liabilities			101,688		-		101,688		
J. Deferred Inflows of Resources									
1. Deferred Inflows of Resources	9690						-		
2. Total Deferred Inflows of Resources							-		
K. Fund Balance/Net Position									
1. Ending FB/NP - January 31, 2018 - Columns B, D and E (G10+H2+I7+J2) (MUST MATCH amounts in Section F.2)			1,743,701		(263,100)		1,480,601		