

Innovations Academy Board Agenda:12/9/25 @ 6:00 pm

Meeting location(s)

Innovations Academy 5454 Ruffin Rd San Diego, CA 92123	636 Hillsborough St, Oakland, CA 94606	Public call in number 425- 436-6381* Access code 1637013
--	---	--

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

Board Attendance

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

Others in Attendance

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

Agenda

Topic	Minutes
Call to order / roll call	Time / Date Board in Attendance: 1. Other Present: 1.
Public Comments	
CLOSED SESSION The closed session will address: <ul style="list-style-type: none"> ● Public Employee Discipline/Dismissal/Release ● Confidential Student Discipline Matters ● Pending Litigation Under California's Brown Act , closed sessions are allowed for specific reasons to protect sensitive information	The board will go into a closed session and upon return to the main board area will report out.
Adjournment of Closed Session	
Report out from closed session	
Approval of current agenda	Vote to approve current agenda - 1st motion - 2nd motion- Vote:
Approval of prior month meeting minutes <ul style="list-style-type: none"> ● 11/13/25 Board Minutes (see packet) 	Vote to approve past minutes - 1st motion- 2nd motion- Vote:
Financial Report (Joshua Hartzel, CSMC) Packet: Financials through 10/31 1 st Interim Report showcasing the budget and the	Discussion Vote to approve First Interim - 1st motion-

<p>actuals through 10/31.</p> <p>Action Item: Approval of First Interim Report Due to SDUSD December 15th</p> <p>Presentation of 24-25 Audit</p> <p>Fundraising (Stephen) Per discussion at the last board meeting, Stephen will share information about Grant writer (and company) experienced with non-profits and measured success with other organizations. I've worked closely and successfully with Caitlyn for SRT: https://www.itsabreezefundraising.com/</p> <p>Action Item Possible Investment Committee (Stephen) see board packet</p> <p>Action Item Contract for marketing with Kids To Fill Enrollment</p>	<p>2nd motion- Vote:</p> <p>Discussion:</p> <p>Discussion</p> <p>Action: Vote to approve Investment Policy - 1st motion- 2nd motion- Vote: Action: Vote to approve Contract - 1st motion- 2nd motion- Vote:</p>
<p>Director Report</p> <ul style="list-style-type: none"> ● California School Dashboard Christine will present an outline of the new dashboard ● Report Cards (Emily) Emily will give a summary of IAs unusual report card ● Site Visit Schedule Feb 3rd @ 12:30 for board member who has not engaged previously <p>Policies Smartphone Policy from 25-26 Handbook, approved by the board 7/22/25 up for review, see packet</p>	<p><u>Item – Director Update</u> Discussion:</p> <p>Discussion and Action Any changes or updates?</p>
<p>Follow Up Items</p> <p>Bylaws and Board Member Roles (Article</p>	

VIII) Per last meeting, request to review board member roles. see board packet	
➤ Next board meeting	
○ Confirm date of next meeting	
○ Identify agenda items for next meeting	Follow up from November meeting: -Complete list of compliance tasks -Parent Connection Fundraising Sponsorship Packages - Per Ed Code EDC § 49428.2 Before 7/31/26 develop and adopt a Behavioral Referrals and Protocol Policy
Meeting adjourned	

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 Retreat Minutes: 11/13/25 @ 5:00 p.m.

Meeting location(s)

Innovations Academy 5454 Ruffin Rd San Diego, CA 92123	636 Hillsborough St, Oakland, CA 94606	Public call in number 425-436-6381* Access code 1637013
--	---	---

*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

Stephenn Rosen	Kiran Simma	Tom Keli'inoi (TK)	Danielle Strachman	Tom Marchand		
-------------------	----------------	--------------------------	-----------------------	-----------------	--	--

Others in Attendance

Christine Kuglen						
---------------------	--	--	--	--	--	--

Agenda

Topic	Minutes
➤ Call to order / roll call	Time / Date 6:08 Roll Call Attendance: Present <ol style="list-style-type: none"> 1. Stephen 2. Kiran 3. TK 4. Tom 5. Danielle (remotely) Other Present: <ol style="list-style-type: none"> 1. Christine
➤ Approval of current agenda	Vote to approve current agenda - Motion to approve the current agenda made by TK, seconded by Tom M. Vote: Unanimous in favor
➤ Approval of prior month meeting minutes Board Minutes 9/9/25 Board Minutes 9/16/25	Vote to approve past minutes - 9/9 Motion made to approve the minutes from the 9/9/25 board meeting made by TK Seconded by Kiran Vote: Unanimous in favor Vote to approve past minutes - 9/16 Motion made to approve the minutes from the

	<p>9/16/25 board meeting made by Kiran Seconded by Tom Marchand Vote: unanimous in favor</p>
<p>➤ Public comments (3 mins per person)</p>	<p>Stephen asked for public comments. No public comments were made.</p>
<p>➤ Action Items</p> <p>GrowSchools Marketing Campaign Last year, Innovations Academy approved a contract with GrowSchools for outreach, promotion and marketing. See the report. Innovations Academy will renew the contract with GrowSchools.</p> <p>Building Acquisition (GrowSchools/Stephen) A Letter of Intent was signed on 11/10. The board will decide next steps on this proposal. An action item will be proposed for the Board to fully negotiate a lease based on the terms previously presented which will be updated at this meeting incorporating the proposed approach to achieve the required growth and address the identified risks.</p>	<p>Discussion</p> <p>Stephen asked about the agenda item order we are going to combine the two GrowSchools items.</p> <p>Kirt, from Grow Schools (GS) reintroduced himself. He thanked the board for having them back. Acknowledged that he has checked in with each one over the past month.</p> <p>Kirt referring tot he packet material, asked the board to grapple with the idea of deciding if this building is in the school’s process moving forward.</p> <p>Kirt gave a summary of what has led to this stage.</p> <p>Since the last meeting, GS has worked with Stephen on the terms.</p> <p>If net growth over 2 years gets increased by 150 students, it is a viable option.</p> <p>If no growth happens and a lease were in place that lease expense would make the school lose 2 million dollars.</p> <p>Getting to this acquisition would mean growth and there is risk.</p> <p>Stephen questioned whether 2 or 3 yrs were needed for that growth-until fiscal 27-28.</p> <p>GS wants the board to know that there is great potential but not without risk.</p> <p>Kirt reviewed the board packet presentation.</p> <p>Ryan reviewed the marketing work that was done last year and is included in the packet on page 4</p> <p>Danielle: asked a question about finding where the new students are needed and about past trends.</p>

	<p>Stephen asked about the granularity of the data that is being kept regarding outreach. Stephen asked what GS sees as the strengths and needs for improvement of GS and of IA. Ryan responded by speaking about plans for the coming year.</p> <p>Ryan said that having a dedicated person to support marketing would be helpful. Kirt responded that he thinks GS can optimize what is happening. Ashley says that she and her team can bring what integrations work the best. The school can gather more data from parents.</p> <p>Kirt expressed that board members have asked about leasing the building out while IA grew. Kirt said that GS is open to it.</p> <p>A discussion about the risks and challenges of getting a CUP</p> <p>Christine shared her opinion about the risks and her position on the potential acquisition.</p> <p>The board discussed the relationship of succession and the purchase of the building. the multiple variables of cost, CUP, increasing enrollment, SB740, the economic uncertainty of our state,</p> <p>Action Item The board discussion led the board to decide that timing is not right at this point with all the uncertain variables that are in place. The board consensus is to have Stephen go back to GS and let them know not to pursue this further.</p> <p>The board would like to continue with GS as our marketing company.</p>
<p>➤ Discussion/Informational Items Innovations Charter Renewal Innovations Academy received a 6 year</p>	

renewal that will be from June 2026-June 2032

Board Training Requirement (Informational)

Background:

Prior to 2023, existing law had required members and certain employees of cities and counties to engage in **two hours** of ethics training “relevant” to their public service” **every two years** (also known as "**AB1234 ethics training**")

- AB 2158 added charter schools to the list of **local agencies** subject to the biennial training requirement and extends the training obligation to members of charter school boards
- For charter school board members, their current compliance requirement is to complete the ethics training by Jan. 1, 2026. Thereafter, charter school board members are subject to the biennial compliance requirement.
- Additionally, board members are required to complete a Brown Act Training every other year.

Enrollment

Christine will update the board on current enrollment.

LCAP Goals Review

Christine will update the board on the LCAP goals and progress

Audit

Christine will update the board on current audit (24-25) status and clearing of the 2023-24 audit finding

Site Visit Report

Review 24-25 site visit

Prepare for 25-26 site visit (2/3/26)

Create Board Calendar

The board will create possible meeting dates for the rest of the school year

Director Succession Plan

Review status of succession plan. Set goals for attainment for next few months.

CCSA offers a training that meets the ethics and Brown Act requirements. [This training link](#) and password **joinCCSA** will give you access.

Please send Christine the completion certificate.

Christine updated the board with enrollment, which she shared varies weekly by a few students, is at 435.

See board packet for review of goals and progress.

IA has not received the final audit yet. We are still waiting for the auditors. It will be brought to the December board meeting.

The board discussed the February site visit and Tom Marchand said he might be able to attend and the other board members will look at their calendars

12/9/25 at 6 pm

The board decided that it works best for them to schedule meetings for the year as we go.

This discussion overlapped with the facilities discussion. Stephen agreed to revisit the plan as he has been busy. He invited the other board members

<p>Comprehensive School Safety Plan New requirements established last year set forth that the board approve a safety plan for the subsequent academic year by March and review the plan in October of the following school year. This is the “review and update as needed</p> <p>Fundraising School field trips are becoming more costly and parents are struggling to pay. The board will discuss options for board fundraising for middle school field trips.</p> <p>Review of Board Terms and Roles Informational item on board terms</p>	<p>to take a look at the succession plan. Danielle brought up outreach for applicants. It was mentioned that our current Assistant Director may be interested and that another candidate has reached out.</p> <p>The board reviewed the CSSP and determined that no changes are needed at this time.</p> <p>The board would be interested in reaching out to the Parent Connection and finding ways to support fundraising efforts.</p> <p>Tom Marchand is Board Secretary TK is the Board Treasurer Stephen is the Board President</p>
<ul style="list-style-type: none"> ● Next board meeting 	
<ul style="list-style-type: none"> o Confirm date of next meeting 	<p>CSMC Josh suggests 12/11/25. December 9th works better for the board.</p>
<ul style="list-style-type: none"> o Identify agenda items for next meeting 	<p>What can we do with our reserve funds that would support the school?</p> <p>Cost of field trips for the whole school annually? Get fundraising sponsorship packages being put together by the PC Lift out the responsibilities from the bylaws and bring to next meeting.</p> <p>Food at next meeting?</p> <p>Christine provide all the compliance items and details at next meeting</p>
<p>Meeting adjourned</p>	<p>9:09 pm</p>

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

on _____.

Secretary

Please contact Innovations Academy Board @ Board@InnovationsAcademy.org 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.



Financials through Oct 31, 2025

Monthly Financial Board Report

Prepared for: Innovations Academy

Prepared by School's CSMC SBM – Joshua Hartzel



Financial Summary

Actual to Budget:

This report is as of Oct 31, 2025, compared against our board-approved Preliminary budget, based on 475 students enrolled and 451.3 ADA.

YTD Revenues through **Oct 31, 2025**, are **\$1,648,052** or **20.2% (\$276,602) over** our current budget due to the recognition of Deferred State Revenues as well as School Site Fundraising.

YTD Expenses through **Oct 31, 2025**, are **\$1,954,229** or **-4.2% (\$84,483) under** our current budget due to lower spending rates in Ed Consultants, Legal Services, Professional Consultants, Utilities, and Sub-agreements.

Therefore, net deficit is **(\$306,177)** or **-54.3% over** our current budget.

Balance Sheet:

As of Oct 31, 2025, we had total cash of \$4,846,557, short-term liabilities of \$1,104,921, and long-term liabilities of \$70,390. The ending fund balance is \$3,998,296.

Understanding the Financial Health of the Organization

The chart below explains some of the parameters that the school's leadership can evaluate to understand their financial health, and potential areas of weakness.

Cash Ratio

Ability to meet short-term obligations with cash



Current:

438.6%

Target:

> 100.0 %

Formula:

$(\text{Cash}) / (\text{Current Liabilities})$

Current Ratio (Liquidity)

Ability to pay short-term obligations



Current:

4.5

Target:

> 1.0

Formula:

$(\text{Current Assets}) / (\text{Current Liabilities})$

Defensive Interval

Months of continued operation without incoming funds



Current:

8.9

Target:

> 3 months

Formula:

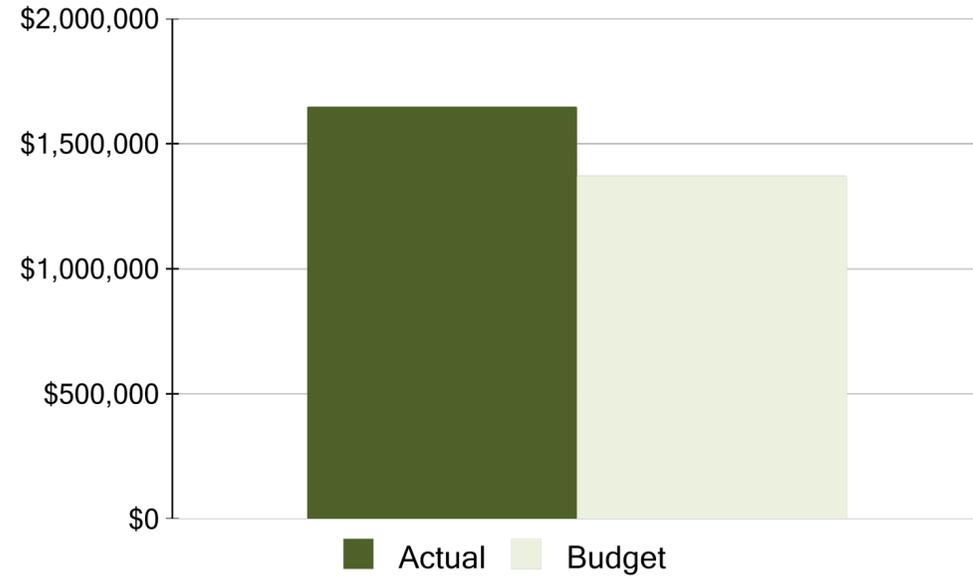
$(\text{Cash} + \text{Securities} + \text{AR}) / (\text{Average Expenses for Past 12 Months})$

Financial Snapshot

FY 2025-2026, July - October

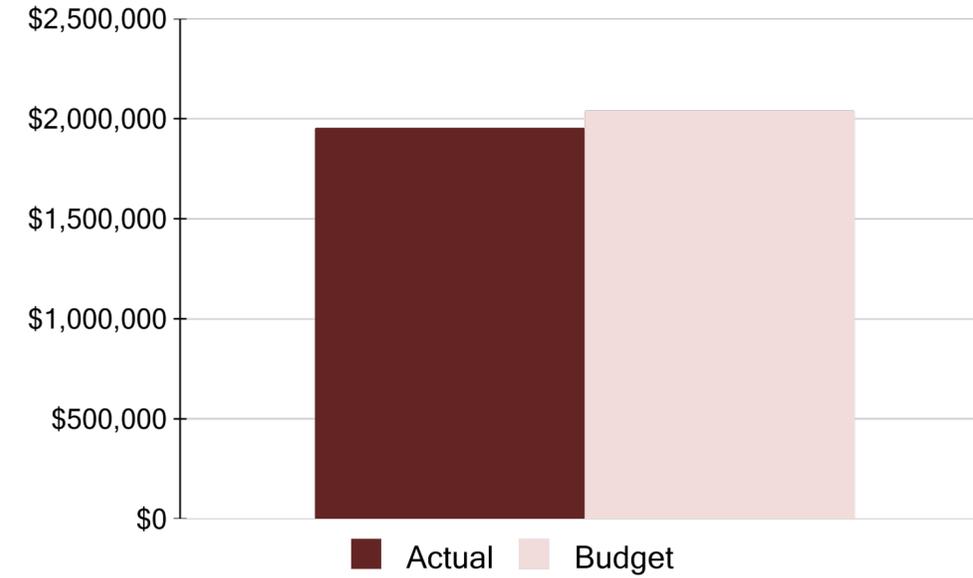
Cash Balance
 **\$4,849,606**

Revenue to Date



Revenue Summary	
Actual	\$1,648,052
Budget	\$1,371,450
Actual to Budget	20.2%

Expense to Date



Expense Summary	
Actual	\$1,954,229
Budget	\$2,040,711
Actual to Budget	-4.2%

Actual to Budget Summary

FY 2025-2026, July - October

Account Description	July - Last Closed			2025-2026		
	Actual	Budget	Variance \$	Total Budget	Actual to Total Budget %	Remaining Budget
LCFF Revenue	\$1,268,940	\$1,239,374	\$29,566	\$5,075,222	25.0%	\$3,806,282
Federal Revenue	\$19,780	\$17,670	\$2,110	\$166,059	11.9%	\$146,279
State Revenue	\$276,396	\$114,406	\$161,990	\$1,284,883	21.5%	\$1,008,487
Local Revenue	\$82,936	-	\$82,936	\$224,944	36.9%	\$142,009
Total Revenue	\$1,648,052	\$1,371,450	\$276,602	\$6,751,108	24.4%	\$5,103,057
Benefits	\$342,842	\$341,813	(\$1,029)	\$1,116,960	30.7%	\$774,118
Classified Salaries	\$212,168	\$178,705	(\$33,462)	\$616,516	34.4%	\$404,348
Certificated Salaries	\$880,215	\$829,409	(\$50,807)	\$2,967,387	29.7%	\$2,087,172
Total Personnel Expenses	\$1,435,225	\$1,349,928	(\$85,298)	\$4,700,863	30.5%	\$3,265,638
Capital Outlay	-	\$30,000	\$30,000	\$90,000	0.0%	\$90,000
Services	\$399,438	\$535,117	\$135,679	\$1,605,352	24.9%	\$1,205,913
Books and Supplies	\$119,565	\$125,667	\$6,102	\$351,000	34.1%	\$231,435
Total Operational Expenses	\$519,003	\$690,784	\$171,781	\$2,046,351	25.4%	\$1,527,348
Total Expenses	\$1,954,229	\$2,040,711	\$86,483	\$6,747,214	29.0%	\$4,792,986
Net Income	(\$306,177)	(\$669,261)	\$363,085	\$3,894	-7,862.8%	\$310,071

Revenue
\$1,648,052

Expenses
\$1,954,229

Surplus / (Deficit)
(\$306,177)

This report displays all actual and budgeted revenue and expenditures by object code series and by month. This report can be useful in revenue in a timely manner and that you stay within board approved expenditure levels.

Balance Sheet Summary FY 2025-2026 - October

Assets	
Current Assets	
Accounts Receivable	\$129,572
Cash and Cash Equivalents	\$4,849,606
Total Current Assets	\$4,979,178
Fixed Assets	
Accumulated Depreciation	(\$207,639)
Fixed Assets	\$402,068
Total Fixed Assets	\$194,429
Total Assets	\$5,173,607

Liabilities and Net Assets	
Short-term Liabilities	
Accounts Payable	\$6,348
Accrued Liabilities	\$162,512
Other Short Term Liability	\$936,061
Total Short-term Liabilities	\$1,104,921
Long-term Liabilities	
Other Liabilities	\$70,390
Total Long-term Liabilities	\$70,390
Total Liabilities	\$1,175,311
Total Unrestricted Net Assets	\$4,304,473
Total Net Increase/(Decrease) in Net Assets	(\$306,177)
Total Net Assets	\$3,998,296
Total Liabilities and Net Assets	\$5,173,607

Liquidity Ratio

4.5

The balance sheet displays all of the school's assets and the school's obligations ('liabilities') at a particular point in time. It is a useful way to ensure the school has enough money to pay off its debts.

CSMC Charter School Support Team



Kristin Nowak
Executive VP of Strategic Management
knowak@csmci.com



Aaron Guibord
Executive VP of Operations
aguibord@csmci.com



Josh Eng
VP of School Business Management
jeng@csmci.com



Josh Eng
School Business Manager
jeng@csmci.com



Peter Balfour
Divisional Director
pbalfour@csmci.com



Jane Folsbee
Account Manager
mfolsbee@csmci.com

Looking Ahead

AREA	DUE DATE	COMPLIANCE ITEM	COMPLETED BY	BOARD MUST APPROVED	ADDITIONAL INFORMATION
Finance	12/15/2025	First Interim Financial Report - Local educational agencies (LEAs) are required to file two reports during a fiscal year (interim reports) on the status of the LEA's financial health. The first interim report is due December 15 for the period ending October 31. The interim reports must include a certification of whether or not the LEA is able to meet its financial obligations. The certifications are classified as positive, qualified, or negative.	CSMC with School Support	Yes	https://www.cde.ca.gov/fg/fi/ir/interimstatus.asp#:~:text=Local%20educational%20agencies%20(LEAs)%20are,the%20period%20ending%20January%2031.
Accounting	12/15/2025	Year-end Audit - Payment (if any) is also due by September 30th of the following fiscal year.	CSMC with School Support	Yes	https://www.cde.ca.gov/fg/ac/co/intfedfund.s.asp
Payroll	1/1/2026	New Board Approved Handbook (if applicable) -	School	Yes	
Payroll	1/31/2026	W2's filing due -	Payroll Vendor	No	
Payroll	1/31/2026	4th Quarter Payroll Tax filing -	Payroll Vendor	No	



HELPING THE EDUCATION MOVEMENT SUCCEED ONE SCHOOL AT A TIME

POWERED BY:



Charter Vision

info@csmci.com

Office: 888.994.CSMC

43460 Ridge Park Dr., Ste. 100

Temecula, Ca 92590

Charter School First Interim Report

FY 2025-2026
For the Period July 1, 2025 through October 31, 2025
Accrual Basis

Financial Accounting Department
Charter Schools Accounting Office
Authorizing Agency Contact: Theresa Goody (tgoody@sandi.net)
Authorizing Agency Contact: Nadine Creer (ncreer@sandi.net)

Charter School Name: **Innovations Academy**
CDS #: **37-68338-0118083**
Charter Approving Entity: **San Diego Unified School District**
County: **San Diego**
SBE Charter #: _____

Has board approved a revised budget? (check box below)
 Yes. (Enter board approved revised budget)
Revised Date: _____
 No. (Enter budget forecast)

Description	Object Code	A	B	C	D	(A+C)	(B+D)	(E+H)	(G-E)
		Unrestricted Budget	Unrestricted Actuals through 10/31/25	Restricted Budget	Restricted Actuals through 10/31/25	Total Budget	Total Actuals through 10/31/25	Projected EFB/NP (Higher of Budget or Actual)	Amount over Budget
A. REVENUES (8000-8799)									
1. Local Control Funding Formula (LCFF) Sources - (8011-8097)									
LCFF State Aid - Current Year (CY) (Res 0000)	8011	775,778	177,672			775,778	177,672	775,778	-
Education Protection Account State Aid (EPA) - CY (Res 1400)	8012	86,450	20,880			86,450	20,880	86,450	-
State Aid - Prior Years (LCFF State Aid and EPA) (Res 0000 and Res 1400)	8019	-				-	-	-	-
Transfers to Charter Schools In Lieu of Property Taxes - CY & PY (Res 0000)	8096	4,212,994	1,070,388			4,212,994	1,070,388	4,212,994	-
Other LCFF Transfers	8091, 8097								-
Total, LCFF Sources		5,075,222	1,268,940	-	-	5,075,222	1,268,940	5,075,222	-
2. Federal Revenues (8100-8299)									
ESEA (ESSA), Title I, Part A, Basic Grants Low-Income and Neglected (Res 3010)	8290			45,156	15,628	45,156	15,628	45,156	-
ESEA (ESSA): Title II, Part A, Improving Teacher Quality Program (Res 4035)	8290			7,693		7,693		7,693	-
ESEA (ESSA): Title III, Limited English Proficient Student Program (Res 4203)	8290								-
ESEA (ESSA): Title III, Immigrant Education Program (Res 4201)	8290								-
ESEA (ESSA): Title IV, 21st Century Learning Communities (Res 4124)	8290								-
ESEA (ESSA): Title IV, Part A, Student Support and Academic Enrichment Grants (Res 4127)	8290			10,000	2,500	10,000	2,500	10,000	-
ESSA: Title V, Part B, Public Charter Schools Grant Program (Res 4610)	8290								-
Fed SpEd, 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								-
Child Nutrition - Federal (NSLP) (Res 5310 and others)	8220			41,403	1,652	41,403	1,652	41,403	-
Maintenance and Operations (Public Law 81-874) (Res 0000)	8110								-
Other Federal Revenues (All other resources not reported separately)	8100-8299			61,807		61,807		61,807	-
Total - Federal Revenues		-	-	166,059	19,780	166,059	19,780	166,059	-
3. Other State Revenues (8300-8599)									
State Special Education (Res 6500)	8792			372,071		372,071		372,071	-
State Special Education Mental Health Services (Res 6512)	8590			34,455	9,924	34,455	9,924	34,455	-
Mandate Block Grant (Res 0000)	8550	8,582				8,582		8,582	-
After School Education and Safety (ASES) (Res 6010)	8677, 8590								-
Common Core Standards Implementation (Res 7405)	8590								-
Charter School Facility Grant Program (SB 740) (Res 6030)	8590								-
COVID-19 LEA Response Funds (SB 117) (Res 7388)	8590								-
Lottery, Unrestricted (Res 1100)	8560	82,560				82,560		82,560	-
Lottery, Restricted - Prop 20 (Res 6300)	8560			35,445		35,445		35,445	-
Proposition 39 - California Clean Energy Jobs Act (Res 6230)	8590								-
Other State Revenues (All other resources not reported separately)	8300-8599			751,772	266,472	751,772	266,472	751,772	-
Total - Other State Revenues		91,142	-	1,193,743	276,396	1,284,885	276,396	1,284,885	-
4. Local Revenue (8600-8799)									
All Local Revenues	8600-8799	224,944	82,936			224,944	82,936	224,944	-
Total - Local Revenues		224,944	82,936	-	-	224,944	82,936	224,944	-
5. TOTAL REVENUES									
		5,391,308	1,351,876	1,359,802	296,176	6,751,110	1,648,052	6,751,110	-
B. EXPENDITURES AND OTHER OUTGO (1000-7499)									
1. Certificated Salaries									
Teachers' Salaries	1100	1,462,050	532,896	815,338	174,753	2,277,387	707,649	2,277,387	-
Pupil Support Salaries	1200	286,000	7,625		57,899	286,000	65,524	286,000	-
Supervisors' and Administrators' Salaries	1300	332,000	107,042			332,000	107,042	332,000	-
Other Certificated Salaries	1900	72,000				72,000		72,000	-
Total, Certificated Salaries		2,152,050	647,563	815,338	232,652	2,967,387	880,215	2,967,387	-

Charter School First Interim Report

FY 2025-2026
For the Period July 1, 2025 through October 31, 2025
Accrual Basis

Financial Accounting Department
Charter Schools Accounting Office
Authorizing Agency Contact: Theresa Goody (tgoody@sandi.net)
Authorizing Agency Contact: Nadine Creer (ncreer@sandi.net)

Charter School Name: **Innovations Academy**
CDS #: **37-68338-0118083**
Charter Approving Entity: **San Diego Unified School District**
County: **San Diego**
SBE Charter #: _____

Has board approved a revised budget? (check box below)
 Yes. (Enter board approved revised budget)
Revised Date: _____
 No. (Enter budget forecast)

Description	Object Code	A	B	C	D	(A+C)	(B+D)	(E+H)	(G-E)
		Unrestricted Budget	Unrestricted Actuals through 10/31/25	Restricted Budget	Restricted Actuals through 10/31/25	Total Budget	Total Actuals through 10/31/25	Projected EFB/NP (Higher of Budget or Actual)	Amount over Budget
2. Classified Salaries									
Instructional Salaries	2100	234,014	33,430		37,980	234,014	71,410	234,014	-
Support Salaries	2200	208,182	54,392		16,667	208,182	71,058	208,182	-
Supervisors' and Administrators' Salaries	2300	-				-	-	-	-
Clerical and Office Salaries	2400	174,320	66,549			174,320	66,549	174,320	-
Other Classified Salaries	2900	-			3,150	-	3,150	3,150	3,150
Total, Classified Salaries		616,516	154,371	-	57,797	616,516	212,168	619,666	3,150
3. Employee Benefits									
STRS	3101-3102	411,041	123,303	155,729	47,620	566,771	170,923	566,771	-
PERS	3201-3202	-				-	-	-	-
OASDI/Medicare (Social Security)	3301-3302	79,688	20,770	10,503	6,723	90,191	27,493	90,191	-
Health and Welfare Benefits	3401-3402	282,841	98,783	107,159	34,417	390,000	133,200	390,000	-
Unemployment Insurance	3501-3502	18,276	1,843	6,924	810	25,200	2,653	25,200	-
Workers' Compensation Insurance	3601-3602	32,490	6,447	12,309	2,126	44,799	8,574	44,799	-
OPEB, Allocated	3701-3702	-				-	-	-	-
OPEB, Active Employees	3751-3752	-				-	-	-	-
Other Employee Benefits	3901-3902	-				-	-	-	-
Total, Employee Benefits		824,337	251,146	292,624	91,697	1,116,961	342,842	1,116,961	-
4. Books and Supplies									
Approved Textbooks and Core Curricula Materials	4100	13,000	15,390	-	-	13,000	15,390	15,390	2,390
Books and Other Reference Materials	4200	13,000	1,369	-	1,934	13,000	3,303	13,000	-
Materials and Supplies	4300	85,000	19,887	-	6,287	85,000	26,174	85,000	-
Non-capitalized Equipment	4400	120,000	53,714	10,000	8,427	130,000	62,141	130,000	-
Food (Food used in food-service activities for which the purpose is nutrition)	4700	16,843	-	93,157	12,557	110,000	12,557	110,000	-
Total, Books and Supplies		247,843	90,359	103,157	29,205	351,000	119,565	353,390	2,390
5. Services and Other Operating Expenditures									
Subagreements for Services	5100	177,395	-	-	23,825	177,395	23,825	177,395	-
Travel and Conferences	5200	27,307	6,697	7,693	3,874	35,000	10,571	35,000	-
Dues and Memberships	5300	12,000	9,701	-	-	12,000	9,701	12,000	-
Insurance	5400	75,000	69,225	-	-	75,000	69,225	75,000	-
Operations and Housekeeping Services	5500	295,000	69,778	-	-	295,000	69,778	295,000	-
Rentals,Leases,Repairs,and Noncapitalized Improvements	5600	86,620	17,201	-	9,055	86,620	26,256	86,620	-
Transfer of Direct Costs (MUST net to zero)	5700	-				-	-	-	-
Prof/Consulting Svcs and Operating Expend (Include District Oversight)	5800	582,337	164,766	310,000	10,676	892,337	175,442	892,337	-
Communications	5900	32,000	14,640	-	-	32,000	14,640	32,000	-
Total, Services and Other Operating Expenditures		1,287,659	352,008	317,693	47,430	1,605,352	399,438	1,605,352	-
6. Capital Outlay									
Depreciation Expense (See Sections G.9 & F.2.a)	6900	90,000	-	-	-	90,000	-	90,000	-
Total, Capital Outlay		90,000	-	-	-	90,000	-	90,000	-
7. Other Outgo									
Tuition to Other Schools (<i>Include contribution to unfunded cost of Sp Ed.</i>)	7110-7143								
Transfers of Pass-Through Revenues to Other LEAs	7211-7213								
Transfers of Apportionments to Other LEAs - Spec Ed and All Others	7221-7223								
All Other Transfers	7280-7299								
Transfers of Indirect Costs (MUST net to zero)	7300-7399								
Debt Service - Interest	7430-7439								
Debt Service - Principal (FOR MODIFIED ACCRUAL BASIS ONLY)	7439								
Total, Other Outgo		-	-	-	-	-	-	-	-
8. TOTAL EXPENDITURES		5,218,403	1,495,447	1,528,812	458,781	6,747,215	1,954,229	6,752,755	5,540
C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPEND. BEFORE OTHER FINANCING SOURCES AND USES (A5-B8)		172,905	(143,572)	(169,010)	(162,605)	3,895	(306,177)	(1,645)	

Charter School First Interim Report

FY 2025-2026
For the Period July 1, 2025 through October 31, 2025
Accrual Basis

Financial Accounting Department
Charter Schools Accounting Office
Authorizing Agency Contact: Theresa Goody (tgoody@sandi.net)
Authorizing Agency Contact: Nadine Creer (ncreer@sandi.net)

Charter School Name:	Innovations Academy
CDS #:	37-68338-0118083
Charter Approving Entity:	San Diego Unified School District
County:	San Diego
SBE Charter #:	

Has board approved a revised budget? (check box below)
 Yes. (Enter board approved revised budget)
 Revised Date:
 No. (Enter budget forecast)

Description	Object Code	A	B	C	D	(A+C) E	(B+D) F	(E+H) G	(G-E) H
		Unrestricted Budget	Unrestricted Actuals through 10/31/25	Restricted Budget	Restricted Actuals through 10/31/25	Total Budget	Total Actuals through 10/31/25	Projected EFB/NP (Higher of Budget or Actual)	Amount over Budget
D. OTHER FINANCING SOURCES/USES (7600-7699, 8930-8999)									
1. All Other Financing Sources	8930-8979					-	-	-	
2. Other Uses	7630-7699					-	-	-	
3. Contributions between unrestricted and restricted accounts (<i>MUST net to zero</i>) <i>(Include contribution to the unfunded cost of Special Education)</i>	8980-8999	(169,010)	(162,605)	169,010	162,605	-	-	-	
4. TOTAL OTHER FINANCING SOURCES/USES		(169,010)	(162,605)	169,010	162,605	-	-	-	
E. NET INCREASE (DECREASE) IN FUND BALANCE/NET POSITION (C + D.4.)		3,895	(306,177)	-	-	3,895	(306,177)	(1,645)	
F. FUND BALANCE/NET POSITION (Budget and Actuals MUST match) (F.1.a-b)									
1. Beginning Fund Balance/Net Position									
a. July 1 (<i>MUST match EFB/Net Position of PY Unaudited Actuals, Section F.2</i>)	9791					-	-	-	
b. Adjustments/Restatements	9793, 9795	-	-	-	-	-	-	-	
c. Adjusted Beginning Fund Balance/Net Position		-	-	-	-	-	-	-	
2. Projected Ending Fund Balance/Net Position, June 30 (E + F.1.c.)	See cell M128	3,895	(306,177)	-	-	3,895	(306,177)	(1,645)	
Components of Ending Net Position									
a. Net Investment in Capital Assets (<i>See Sections B.6 and G.9</i>)	9796		-				-		
b. Restricted Net Position	9797						-		
c. Unrestricted Net Position	9791		(306,177)				(306,177)		
G. ASSETS									
1. Cash									
In County Treasury	9110						-		
Fair Value Adjustment to Cash in County Treasury	9111						-		
In Banks	9120						-		
In Revolving Fund	9130						-		
With Fiscal Agent/Trustee	9135						-		
Collections Awaiting Deposit	9140						-		
2. Investments	9150						-		
3. Accounts Receivable	9200						-		
4. Due From Grantor Government	9290						-		
5. Due From Other Funds	9310						-		
6. Stores	9320						-		
7. Prepaid Expenditures (Expenses)	9330						-		
8. Other Current Assets	9340						-		
9. Lease Receivable	9380						-		
10. Capital Assets (<i>See Sections B.6 & F.2.a</i>)	9400-9489						-		
11. Total Assets			-		-		-		
H. DEFERRED OUTFLOWS OF RESOURCES									
1. Deferred Outflows of Resources	9490						-		
2. Total Deferred Outflows			-		-		-		

Charter School First Interim Report

Charter School Name: **Innovations Academy**
 CDS #: **37-68338-0118083**
 Charter Approving Entity: **San Diego Unified School District**
 County: **San Diego**
 SBE Charter #: _____

FY 2025-2026
 For the Period July 1, 2025 through October 31, 2025
 Accrual Basis

Financial Accounting Department
 Charter Schools Accounting Office
 Authorizing Agency Contact: Theresa Goody (tgoody@sandi.net)
 Authorizing Agency Contact: Nadine Creer (ncreer@sandi.net)

Has board approved a revised budget? (check box below)
 Yes. (Enter board approved revised budget)
 Revised Date: _____
 No. (Enter budget forecast)

Description	Object Code	A	B	C	D	(A+C) E	(B+D) F	(E+H) G	(G-E) H
		Unrestricted Budget	Unrestricted Actuals through 10/31/25	Restricted Budget	Restricted Actuals through 10/31/25	Total Budget	Total Actuals through 10/31/25	Projected EFB/NP (Higher of Budget or Actual)	Amount over Budget
I. LIABILITIES									
1. Accounts Payable	9500						-		
2. Due to Grantor Government	9590						-		
3. Due to Other Funds	9610						-		
4. Current Loans	9640						-		
5. Deferred Revenue	9650						-		
6. Long-term Liabilities	9660-9669						-		
7. Total Liabilities			-				-		
J. DEFERRED INFLOWS OF RESOURCES									
1. Deferred Inflows of Resources	9690						-		
2. Total Deferred inflows of Resources			-				-		
K. ENDING FUND BALANCE/NET POSITION, October 31, 2025									
1. Ending Fund Balance/Net Position (Sections G.11+H.2-1.7-J.2)			(must = Line F2)				(must = Line F2)		
<i>(MUST agree with F.2)</i>			-				-		

BUDGET VARIANCE ANALYSIS
1st Interim Budget vs Preliminary Budget
FY 2025-26

Instructions:

Column G "Preliminary Budget" - manual input (data source: Budget submitted in June 2025)
 Column H "1st Interim Budget" - will automatically populate (linked to Interim Input tab)
 Column I "\$ Difference" - will automatically populate
 Column J "% Change" - will automatically populate
 Column K "Explanation" - provide an explanation if Column J is highlighted in **RED**

Charter School Name:	Innovations Academy
CDS #:	37-68338-0118083
Charter Approving Entity:	San Diego Unified School District
County:	San Diego
SBE Charter #:	0

Description	Object Code	1st Interim Budget vs Preliminary Budget				Explanation of Change <i>(e.g. enrollment increase from 350 students to 280.; one-time purchase of 100 chrome books, etc.)</i> =>10% and =>(-10%)
		Preliminary Budget (A)	Revised 1st Interim Budget (B)	\$ Difference (Col B & A) (C)	% Change (C/A) (D)	
A. REVENUES (8000-8799)						
1. Local Control Funding Formula (LCFF) Sources - (8011-8097)						
LCFF State Aid - Current Year (CY) (Res 0000)	8011	775,778	775,778	-	0%	
Education Protection Account State Aid (EPA) - CY (Res 1400)	8012	86,450	86,450	-	0%	
State Aid - Prior Years (LCFF State Aid and EPA) (Res 0000 and Res 1400)	8019	-	-	-	0%	
Transfers to Charter Schools In Lieu of Property Taxes - CY & PY (Res 0000)	8096	4,212,994	4,212,994	-	0%	
Other LCFF Transfers	8091, 8097	-	-	-	0%	
Total, LCFF Sources		5,075,222	5,075,222	-	0%	
2. Federal Revenues (8100-8299)						
ESEA (ESSA), Title I, Part A, Basic Grants Low-Income and Neglected (Res 3010)	8290	45,156	45,156	-	0%	
ESEA (ESSA): Title II, Part A, Improving Teacher Quality Program (Res 4035)	8290	7,693	7,693	-	0%	
ESEA (ESSA): Title III, Limited English Proficient Student Program (Res 4203)	8290	-	-	-	0%	
ESEA (ESSA): Title III, Immigrant Education Program (Res 4201)	8290	-	-	-	0%	
ESEA (ESSA): Title IV, 21st Century Learning Communities (Res 4124)	8290	-	-	-	0%	
ESEA (ESSA): Title IV, Part A, Student Support and Academic Enrichment Grants (Res 4)	8290	10,000	10,000	-	0%	
ESSA: Title V, Part B, Public Charter Schools Grant Program (Res 4610)	8290	-	-	-	0%	
Fed SpEd, IDEA Basic Local Assistance Entitlement, Part B, Sec 611 (Res 3310)	8181	-	-	-	0%	
Fed Sp Ed, IDEA Mental Health Allocation Plan, Part B, Sec 611 (Res 3327)	8182	-	-	-	0%	
Child Nutrition - Federal (NSLP) (Res 5310 and others)	8220	41,403	41,403	-	0%	
Maintenance and Operations (Public Law 81-874) (Res 0000)	8110	-	-	-	0%	
Other Federal Revenues (All other resources not reported separately)	8100-8299	61,807	61,807	-	0%	
Total - Federal Revenues		166,059	166,059	-	0%	
3. Other State Revenues (8300-8599)						
State Special Education (Res 6500)	8792	372,071	372,071	-	0%	
State Special Education Mental Health Services (Res 6512)	8590	34,455	34,455	-	0%	
Mandate Block Grant (Res 0000)	8550	8,582	8,582	-	0%	
After School Education and Safety (ASES) (Res 6010)	8677, 8590	-	-	-	0%	
Common Core Standards Implementation (Res 7405)	8590	-	-	-	0%	
Charter School Facility Grant Program (SB 740) (Res 6030)	8590	-	-	-	0%	
COVID-19 LEA Response Funds (SB 117) (Res 7388)	8590	-	-	-	0%	
Lottery, Unrestricted (Res 1100)	8560	82,560	82,560	-	0%	
Lottery, Restricted - Prop 20 (Res 6300)	8560	35,445	35,445	-	0%	
Proposition 39 - California Clean Energy Jobs Act (Res 6230)	8590	-	-	-	0%	
Other State Revenues (All other resources not reported separately)	8300-8599	751,772	751,772	-	0%	
Total - Other State Revenues		1,284,885	1,284,885	-	0%	
4. Local Revenue (8600-8799)						
All Local Revenues	8600-8799	224,944	224,944	-	0%	
Total - Local Revenues		224,944	224,944	-	0%	
5. TOTAL REVENUES		6,751,110	6,751,110	-	0%	
B. EXPENDITURES AND OTHER OUTGO (1000-7499)						
1. Certificated Salaries						
Teachers' Salaries	1100	2,277,387	2,277,387	-	0%	
Pupil Support Salaries	1200	286,000	286,000	-	0%	
Supervisors' and Administrators' Salaries	1300	332,000	332,000	-	0%	
Other Certificated Salaries	1900	72,000	72,000	-	0%	
Total, Certificated Salaries		2,967,387	2,967,387	-	0%	
2. Classified Salaries						
Instructional Salaries	2100	234,014	234,014	-	0%	
Support Salaries	2200	208,182	208,182	-	0%	
Supervisors' and Administrators' Salaries	2300	-	-	-	0%	
Clerical and Office Salaries	2400	174,320	174,320	-	0%	
Other Classified Salaries	2900	-	-	-	0%	
Total, Classified Salaries		616,516	616,516	-	0%	

BUDGET VARIANCE ANALYSIS
1st Interim Budget vs Preliminary Budget
FY 2025-26

Instructions:

Column G "Preliminary Budget" - manual input (data source: Budget submitted in June 2025)
 Column H "1st Interim Budget" - will automatically populate (linked to Interim Input tab)
 Column I "\$ Difference" - will automatically populate
 Column J "% Change" - will automatically populate
 Column K "Explanation" - provide an explanation if Column J is highlighted in **RED**

Charter School Name:	Innovations Academy
CDS #:	37-68338-0118083
Charter Approving Entity:	San Diego Unified School District
County:	San Diego
SBE Charter #:	0

Description	Object Code	1st Interim Budget vs Preliminary Budget		Favorable / (Unfavorable)		Explanation of Change <i>(e.g. enrollment increase from 350 students to 280.; one-time purchase of 100 chrome books, etc.) =>10% and =>(-10%)</i>
		Preliminary Budget (A)	Revised 1st Interim Budget (B)	\$ Difference (Col B & A) (C)	% Change (C/A) (D)	
3. Employee Benefits						
STRS	3101-3102	566,771	566,771	-	0%	
PERS	3201-3202	-	-	-	0%	
OASDI/Medicare (Social Security)	3301-3302	90,191	90,191	-	0%	
Health and Welfare Benefits	3401-3402	390,000	390,000	-	0%	
Unemployment Insurance	3501-3502	25,200	25,200	-	0%	
Workers' Compensation Insurance	3601-3602	44,799	44,799	-	0%	
OPEB, Allocated	3701-3702	-	-	-	0%	
OPEB, Active Employees	3751-3752	-	-	-	0%	
Other Employee Benefits	3901-3902	-	-	-	0%	
Total, Employee Benefits		1,116,961	1,116,961	-	0%	
4. Books and Supplies						
Approved Textbooks and Core Curricula Materials	4100	13,000	13,000	-	0%	
Books and Other Reference Materials	4200	13,000	13,000	-	0%	
Materials and Supplies	4300	85,000	85,000	-	0%	
Non-capitalized Equipment	4400	130,000	130,000	-	0%	
Food (Food used in food-service activities for which the purpose is nutrition)	4700	110,000	110,000	-	0%	
Total, Books and Supplies		351,000	351,000	-	0%	
5. Services and Other Operating Expenditures						
Subagreements for Services	5100	177,395	177,395	-	0%	
Travel and Conferences	5200	35,000	35,000	-	0%	
Dues and Memberships	5300	12,000	12,000	-	0%	
Insurance	5400	75,000	75,000	-	0%	
Operations and Housekeeping Services	5500	295,000	295,000	-	0%	
Rentals,Leases,Repairs,and Noncapitalized Improvements	5600	86,620	86,620	-	0%	
Transfer of Direct Costs (<i>MUST net to zero</i>)	5700	-	-	-	0%	
Prof/Consulting Svcs and Operating Expend (<i>Include District Oversight</i>)	5800	892,337	892,337	-	0%	
Communications	5900	32,000	32,000	-	0%	
Total, Services and Other Operating Expenditures		1,605,352	1,605,352	-	0%	
6. Capital Outlay						
Depreciation Expense (See Sections G.9 & F.2.a)	6900	90,000	90,000	-	0%	
Total, Capital Outlay		90,000	90,000	-	0%	
7. Other Outgo						
Tuition to Other Schools (<i>Include contribution to unfunded cost of Sp Ed.</i>)	7110-7143	-	-	-	0%	
Transfers of Pass-Through Revenues to Other LEAs	7211-7213	-	-	-	0%	
Transfers of Apportionments to Other LEAs - Spec Ed and All Others	7221-7223	-	-	-	0%	
All Other Transfers	7280-7299	-	-	-	0%	
Transfers of Indirect Costs (<i>MUST net to zero</i>)	7300-7399	-	-	-	0%	
Debt Service - Interest	7430-7439	-	-	-	0%	
Debt Service - Principal (FOR MODIFIED ACCRUAL BASIS ONLY)	7439	-	-	-	0%	
Total, Other Outgo		-	-	-	0%	
8. TOTAL EXPENDITURES		6,747,215	6,747,215	-		
C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPEND. BEFORE OTHER FINANCING SOURCES AND USES (A5-B8)		3,895	3,895			
D. OTHER FINANCING SOURCES/USES (7600-7699, 8930-8999)						
1. All Other Financing Sources	8930-8979	-	-	-		
2. Other Uses	7630-7699	-	-	-		
3. Contributions between unrestricted and restricted accounts (<i>MUST net to zero</i>) (<i>Include contribution to the unfunded cost of Special Education</i>)	8980-8999	-	-	-		
4. TOTAL OTHER FINANCING SOURCES/USES		-	-	-		
E. NET INCREASE (DECREASE) IN FUND BALANCE/NET POSITION (C + D.4.)		3,895	3,895	-		

Innovations Academy (118083)

2022-23

General Assumptions

COLA & Augmentation	13.26%
Base Grant Proration Factor	0.00%
Add-on, ERT & MSA Proration Factor	0.00%
Student Assumptions:	
Enrollment Count	467
Unduplicated Pupil Count (UPC)	106
Unduplicated Pupil Percentage (UPP)	27.61%
Current Year LCFF Average Daily Attendance (ADA)	440.39
Funded LCFF ADA	440.39
LCFF ADA Funding Method	Current Year
Current Year Necessary Small School (NSS) ADA	-
Funded NSS ADA	-

LCFF Entitlement Summary

Base Grant	\$4,095,174
Grade Span Adjustment	192,287
<i>Adjusted Base Grant</i>	\$4,287,461
Supplemental Grant	236,754
Concentration Grant	-
Total Base, Supplemental and Concentration Grant	\$4,524,215
Allowance: Necessary Small School	-
Add-on: Targeted Instructional Improvement Block Grant	-
Add-on: Home-to-School Transportation	-
Add-on: Small School District Bus Replacement Program	-
Add-on: Economic Recovery Target	-
Add-on: Transitional Kindergarten	13,727
Total Allowance and Add-On Amounts	\$13,727
Total LCFF Entitlement Before Adjustments (excludes Additional State Aid)	\$4,537,942
Miscellaneous Adjustments	-
Total LCFF Entitlement (excludes Additional State Aid)	\$ 4,537,942
LCFF Entitlement Per ADA (excludes Categorical MSA)	\$ 10,304
Additional State Aid	-
Total LCFF Entitlement with Additional State Aid	4,537,942

LCFF Sources Summary

Funding Source Summary

Local Revenue and In-Lieu of Property Taxes (<i>net for school districts</i>)	\$ 3,679,947
Education Protection Account Entitlement (<i>includes \$200/minimum per ADA</i>)	\$ 88,078
Net State Aid (<i>excludes Additional State Aid</i>)	\$ 769,917
Additional State Aid	\$ -
Total Funding Sources	\$ 4,537,942

Funding Source by Resource-Object

State Aid (Resource Code 0000, Object Code 8011)	\$ 769,917
EPA, Current Year (Resource 1400, Object Code 8012) (P-2 plus Current Year Accrual)	\$ 88,078

EPA, Prior Year Adjustment (Resource 1400, Object Code 8019) (P-A less Prior Year Accrual)	\$	1,234
Property Taxes (Object 8021 to 8089) % Change	\$	-
In-Lieu of Property Taxes (Object Code 8096)		3,679,947

Entitlement and Source Reconciliation

Basic Aid/Excess Tax District Status	\$	-
Total LCFF Entitlement	\$	4,537,942
Additional State Aid	\$	-
Additional EPA Minimum Entitlement (excess to LCFF Entitlement)	\$	-
Excess Taxes before Minimum State Aid	\$	-
Total Funding Sources	\$	4,537,942

LCAP Percentage to Increase or Improve Services Calculation

Base Grant (<i>Excludes add-ons for TIIG & Transportation</i>)	\$	4,301,188
Supplemental and Concentration Grant funding in the LCAP year	\$	236,754
Projected Additional 15% Concentration Grant funding in the LCAP year	\$	-
Percentage to Increase or Improve Services		5.50%

Necessary Small School Allowance by School

District Current Year Necessary Small School (NSS) ADA		-
District Funded NSS ADA		-
District NSS Allowance	\$	-
NSS #1		
<i>NSS Funding Basis (Greater of CY, PY, or 3PY Average)</i>		<i>Current Yr</i>
CY ADA (Actual)		-
Funded ADA for NSS		-
Funded NSS Allowance	\$	-
NSS #2		
NSS Funding Basis (Greater of CY, PY, or 3PY Average)		<i>Current Yr</i>
CY ADA (Actual)		-
Funded ADA for NSS		-
Funded NSS Allowance	\$	-
NSS #3		
NSS Funding Basis (Greater of CY, PY, or 3PY Average)		<i>Current Yr</i>
CY ADA (Actual)		-
Funded ADA for NSS		-
Funded NSS Allowance	\$	-
NSS #4		
NSS Funding Basis (Greater of CY, PY, or 3PY Average)		<i>Current Yr</i>
CY ADA (Actual)		-
Funded ADA for NSS		-
Funded NSS Allowance	\$	-
NSS #5		
NSS Funding Basis (Greater of CY, PY, or 3PY Average)		<i>Current Yr</i>
CY ADA (Actual)		-
Funded ADA for NSS		-
Funded NSS Allowance	\$	-

PER-ADA FUNDING LEVELS

Base, Supplemental and Concentration Rate per ADA

Grades TK-3	\$	10,677.77
Grades 4-6	\$	9,817.77
Grades 7-8	\$	10,109.01
Grades 9-12	\$	12,020.01
Base Grants		
Grades TK-3	\$	9,166
Grades 4-6	\$	9,304
Grades 7-8	\$	9,580
Grades 9-12	\$	11,102
Grade Span Adjustment		
Grades TK-3	\$	953
Grades 9-12	\$	289
Prorated Base, Supplemental and Concentration Rate per ADA		
Grades TK-3	\$	10,119
Grades 4-6	\$	9,304
Grades 7-8	\$	9,580
Grades 9-12	\$	11,391
Prorated Base Grants		
Grades TK-3	\$	9,166
Grades 4-6	\$	9,304
Grades 7-8	\$	9,580
Grades 9-12	\$	11,102
Prorated Grade Span Adjustment		
Grades TK-3	\$	953
Grades 9-12	\$	289
Supplemental Grant		20%
Maximum - 1.00 ADA, 100% UPP		
Grades TK-3	\$	2,024
Grades 4-6	\$	1,861
Grades 7-8	\$	1,916
Grades 9-12	\$	2,278
Actual - 1.00 ADA, Local UPP as follows:		27.61%
Grades TK-3	\$	559
Grades 4-6	\$	514
Grades 7-8	\$	529
Grades 9-12	\$	629
Concentration Grant (>55% population)		65%
Maximum - 1.00 ADA, 100% UPP		
Grades TK-3	\$	6,577
Grades 4-6	\$	6,048
Grades 7-8	\$	6,227
Grades 9-12	\$	7,404
Actual - 1.00 ADA, Local UPP >55% as follows:		0.0000%
Grades TK-3	\$	-
Grades 4-6	\$	-
Grades 7-8	\$	-
Grades 9-12	\$	-

	2023-24	2024-25	2025-26	2026-27	2027-28
--	---------	---------	---------	---------	---------

	8.22%	1.07%	2.30%	3.52%	3.63%
	0.00%	0.00%	0.00%	0.00%	0.00%
	0.00%	0.00%	0.00%	0.00%	0.00%

	434	437	455	478	485
	141	187	195	205	208
	27.68%	32.44%	39.44%	42.84%	42.86%
	416.85	417.60	432.25	456.00	460.75
	416.85	417.60	432.25	456.00	460.75
	Current Year				
	-	-	-	-	-
	-	-	-	-	-

	\$4,195,786	\$4,241,325	\$4,501,428	\$4,916,488	\$5,147,916
	188,618	196,793	202,730	215,004	224,968
	\$4,384,404	\$4,438,118	\$4,704,158	\$5,131,492	\$5,372,884
	242,721	287,946	371,064	439,667	460,563
	-	-	-	-	-
	\$4,627,125	\$4,726,064	\$5,075,222	\$5,571,159	\$5,833,447
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	\$-	\$-	\$-	\$-	\$-
	\$4,627,125	\$4,726,064	\$5,075,222	\$5,571,159	\$5,833,447
	-	-	-	-	-
	\$ 4,627,125	\$ 4,726,064	\$ 5,075,222	\$ 5,571,159	\$ 5,833,447
	\$ 11,100	\$ 11,317	\$ 11,741	\$ 12,217	\$ 12,661
	-	-	-	-	-
	4,627,125	4,726,064	5,075,222	5,571,159	5,833,447

	\$ 3,837,638	\$ 4,040,380	\$ 4,212,994	\$ 4,444,477	\$ 4,490,774
	\$ 83,370	\$ 83,520	\$ 86,450	\$ 91,200	\$ 92,150
	\$ 706,117	\$ 602,164	\$ 775,778	\$ 1,035,482	\$ 1,250,523
	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ 4,627,125	\$ 4,726,064	\$ 5,075,222	\$ 5,571,159	\$ 5,833,447

	\$ 706,117	\$ 602,164	\$ 775,778	\$ 1,035,482	\$ 1,250,523
	\$ 83,370	\$ 83,520	\$ 86,450	\$ 91,200	\$ 92,150

\$	-	\$	-	\$	-	\$	-	\$	-
\$	-	\$	-	\$	-	\$	-	\$	-
	0.0000%		0.0000%		0.0000%		0.0000%		0.0000%
	3,837,638		4,040,380		4,212,994		4,444,477		4,490,774

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

\$	-	\$	-	\$	-	\$	-	\$	-
\$	4,627,125	\$	4,726,064	\$	5,075,222	\$	5,571,159	\$	5,833,447
\$	-	\$	-	\$	-	\$	-	\$	-
\$	-	\$	-	\$	-	\$	-	\$	-
\$	-	\$	-	\$	-	\$	-	\$	-
\$	4,627,125	\$	4,726,064	\$	5,075,222	\$	5,571,159	\$	5,833,447

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

\$	4,384,404	\$	4,438,118	\$	4,704,158	\$	5,131,492	\$	5,372,884
\$	242,721	\$	287,946	\$	371,064	\$	439,667	\$	460,563
\$	-	\$	-	\$	-	\$	-	\$	-
	5.54%		6.49%		7.89%		8.57%		8.57%

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

	-		-		-		-		-
\$	-	\$	-	\$	-	\$	-	\$	-
	<i>Current Yr</i>								
	-		-		-		-		-
\$	-	\$	-	\$	-	\$	-	\$	-
	<i>Current Yr</i>								
	-		-		-		-		-
\$	-	\$	-	\$	-	\$	-	\$	-
	<i>Current Yr</i>								
	-		-		-		-		-
\$	-	\$	-	\$	-	\$	-	\$	-
	<i>Current Yr</i>								
	-		-		-		-		-
\$	-	\$	-	\$	-	\$	-	\$	-

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

\$	11,557.25	\$	11,786.09	\$	12,216.16	\$	12,725.26	\$	13,187.16
\$	10,626.42	\$	10,837.28	\$	11,232.22	\$	11,700.37	\$	12,125.32
\$	10,940.92	\$	11,157.81	\$	11,564.51	\$	12,046.71	\$	12,484.69
\$	13,009.42	\$	13,268.40	\$	13,751.40	\$	14,324.46	\$	14,846.14

\$	9,919	\$	10,025	\$	10,256	\$	10,617	\$	11,002
\$	10,069	\$	10,177	\$	10,411	\$	10,777	\$	11,168
\$	10,367	\$	10,478	\$	10,719	\$	11,096	\$	11,499
\$	12,015	\$	12,144	\$	12,423	\$	12,860	\$	13,327

\$	1,032	\$	1,043	\$	1,067	\$	1,104	\$	1,144
\$	312	\$	316	\$	323	\$	334	\$	347

\$	10,951	\$	11,068	\$	11,323	\$	11,721	\$	12,146
\$	10,069	\$	10,177	\$	10,411	\$	10,777	\$	11,168
\$	10,367	\$	10,478	\$	10,719	\$	11,096	\$	11,499
\$	12,327	\$	12,460	\$	12,746	\$	13,194	\$	13,674

\$	9,919	\$	10,025	\$	10,256	\$	10,617	\$	11,002
\$	10,069	\$	10,177	\$	10,411	\$	10,777	\$	11,168
\$	10,367	\$	10,478	\$	10,719	\$	11,096	\$	11,499
\$	12,015	\$	12,144	\$	12,423	\$	12,860	\$	13,327

\$	1,032	\$	1,043	\$	1,067	\$	1,104	\$	1,144
\$	312	\$	316	\$	323	\$	334	\$	347

20%	20%	20%	20%	20%
-----	-----	-----	-----	-----

\$	2,190	\$	2,214	\$	2,265	\$	2,344	\$	2,429
\$	2,014	\$	2,035	\$	2,082	\$	2,155	\$	2,234
\$	2,073	\$	2,096	\$	2,144	\$	2,219	\$	2,300
\$	2,465	\$	2,492	\$	2,549	\$	2,639	\$	2,735

27.68%	32.44%	39.44%	42.84%	42.86%
--------	--------	--------	--------	--------

\$	606	\$	718	\$	893	\$	1,004	\$	1,041
\$	557	\$	660	\$	821	\$	923	\$	957
\$	574	\$	680	\$	846	\$	951	\$	986
\$	682	\$	808	\$	1,005	\$	1,130	\$	1,172

65%	65%	65%	65%	65%
-----	-----	-----	-----	-----

\$	7,118	\$	7,194	\$	7,360	\$	7,619	\$	7,895
\$	6,545	\$	6,615	\$	6,767	\$	7,005	\$	7,259
\$	6,739	\$	6,811	\$	6,967	\$	7,212	\$	7,474
\$	8,013	\$	8,099	\$	8,285	\$	8,576	\$	8,888

0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
---------	---------	---------	---------	---------

\$	-	\$	-	\$	-	\$	-	\$	-
\$	-	\$	-	\$	-	\$	-	\$	-
\$	-	\$	-	\$	-	\$	-	\$	-
\$	-	\$	-	\$	-	\$	-	\$	-

User Notes

2028-29	2029-30
3.49%	3.39%
0.00%	0.00%
0.00%	0.00%
490	500
210	214
42.86%	42.86%
465.50	475.00
465.50	475.00
Current Year	Current Year
-	-
-	-
\$5,382,324	\$5,678,293
236,208	248,839
\$5,618,532	\$5,927,132
481,620	508,074
-	-
\$6,100,152	\$6,435,206
-	-
-	-
-	-
-	-
-	-
-	-
\$-	\$-
\$6,100,152	\$6,435,206
-	-
\$ 6,100,152	\$ 6,435,206
\$ 13,105	\$ 13,548
-	-
6,100,152	6,435,206
\$ 4,537,070	\$ 4,629,664
\$ 93,100	\$ 95,000
\$ 1,469,982	\$ 1,710,543
\$ -	\$ -
\$ 6,100,152	\$ 6,435,206
\$ 1,469,982	\$ 1,710,543
\$ 93,100	\$ 95,000

\$	-	\$	-
\$	-	\$	-
	0.0000%		0.0000%
	4,537,070		4,629,664

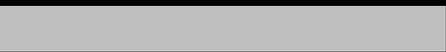


\$	-	\$	-
\$	6,100,152	\$	6,435,206
\$	-	\$	-
\$	-	\$	-
\$	-	\$	-
\$	6,100,152	\$	6,435,206



background color on rows 63-66 can be removed to see calculation if ne

\$	5,618,532	\$	5,927,132
\$	481,620	\$	508,074
\$	-	\$	-
	8.57%		8.57%



-	-	-	-
\$	-	\$	-

<i>Current Yr</i>	<i>Current Yr</i>
-------------------	-------------------

-	-	-	-
\$	-	\$	-

<i>Current Yr</i>	<i>Current Yr</i>
-------------------	-------------------

-	-	-	-
\$	-	\$	-

<i>Current Yr</i>	<i>Current Yr</i>
-------------------	-------------------

-	-	-	-
\$	-	\$	-

<i>Current Yr</i>	<i>Current Yr</i>
-------------------	-------------------

-	-	-	-
\$	-	\$	-

<i>Current Yr</i>	<i>Current Yr</i>
-------------------	-------------------

-	-	-	-
\$	-	\$	-



\$	13,647.50	\$	14,110.02
\$	12,548.75	\$	12,974.35
\$	12,920.07	\$	13,357.61
\$	15,364.02	\$	15,885.17
\$	11,386	\$	11,772
\$	11,558	\$	11,950
\$	11,900	\$	12,303
\$	13,792	\$	14,260
\$	1,184	\$	1,224
\$	359	\$	371
\$	12,570	\$	12,996
\$	11,558	\$	11,950
\$	11,900	\$	12,303
\$	14,151	\$	14,631
\$	11,386	\$	11,772
\$	11,558	\$	11,950
\$	11,900	\$	12,303
\$	13,792	\$	14,260
\$	1,184	\$	1,224
\$	359	\$	371
	20%		20%
\$	2,514	\$	2,599
\$	2,312	\$	2,390
\$	2,380	\$	2,461
\$	2,830	\$	2,926
	42.86%		42.86%
\$	1,078	\$	1,114
\$	991	\$	1,024
\$	1,020	\$	1,055
\$	1,213	\$	1,254
	65%		65%
\$	8,171	\$	8,447
\$	7,513	\$	7,768
\$	7,735	\$	7,997
\$	9,198	\$	9,510
	0.0000%		0.0000%
\$	-	\$	-
\$	-	\$	-
\$	-	\$	-
\$	-	\$	-

Additional columns are hidden to the right and available for optional use. For tips click on microsoft support link: [how to hide-unhi](#)



CASH FLOW	PRELIMINARY BUDGET	BUDGET	
		1	
		Budget	JULY
Revenue			
Revenue Limit Sources			Distrivution tab in
8011 LCFF Revenues	\$ 775,778.00	\$ 38,788.90	
8012 Education Protection Account Revenue	\$ 86,450.00	\$ -	
8019 Prior Year Income/Adjustments	\$ -	\$ -	
8096 Charter Schools Funding In-Lieu of Property Taxes	\$ 4,212,994.00	\$ -	
80XX ---	\$ -	\$ -	
80XX ---	\$ -	\$ -	
80XX ---	\$ -	\$ -	
80XX ---	\$ -	\$ -	
80XX ---	\$ -	\$ -	
80XX ---	\$ -	\$ -	
Total Revenue Limit Sources	\$ 5,075,222.00	\$ 38,788.90	
Federal Revenue			
8181 Special Education - Entitlement	\$ 56,810.00	\$ 4,734.17	
8182 Special Education - Mental Health	\$ 4,997.00	\$ 416.42	
8220 Federal Child Nutrition Programs	\$ 41,403.00	\$ -	
8285 LAUSD Federal SPED	\$ -	\$ -	
8290 All Other Federal Revenue	\$ -	\$ -	
8291 Title I Federal Revenue	\$ 45,156.00	\$ -	
8292 Title II	\$ 7,693.00	\$ -	
8293 Title III Federal Revenue	\$ -	\$ -	
8294 Title IV	\$ 10,000.00	\$ -	
8295 Title V Federal Revenue	\$ -	\$ -	
8299 ERC	\$ -	\$ -	
80XX ---	\$ -	\$ -	
80XX ---	\$ -	\$ -	
80XX ---	\$ -	\$ -	
80XX ---	\$ -	\$ -	
80XX ---	\$ -	\$ -	
80XX ---	\$ -	\$ -	
80XX ---	\$ -	\$ -	
80XX ---	\$ -	\$ -	
80XX ---	\$ -	\$ -	
Total Federal Income	\$ 166,059.00	\$ 5,150.58	
State Revenue			
8520 State Child Nutrition Program	\$ 51,754.00	\$ -	
8550 Mandated Block Grant	\$ 9,273.19	\$ 463.66	
8560 State Lottery Revenue	\$ 123,191.25	\$ -	
8590 All Other State Revenues	\$ 734,473.00	\$ -	
8591 SB 740 Revenue	\$ -	\$ -	
8599 Prior Year State Income	\$ -	\$ -	
8791 SPED State/Other Transfers of Apportionments from D	\$ -	\$ -	

8792 SPED State/Other Transfers of Apportionments from C	\$	372,071.00	\$	18,603.55
8596 ASES	\$	-	\$	-
80XX ---	\$	-	\$	-
80XX ---	\$	-	\$	-
80XX ---	\$	-	\$	-
80XX ---	\$	-	\$	-
80XX ---	\$	-	\$	-
80XX ---	\$	-	\$	-
80XX ---	\$	-	\$	-
80XX ---	\$	-	\$	-
80XX ---	\$	-	\$	-
Total State Revenue	\$	1,290,762.44	\$	19,067.21
Local Revenue				
8639 Student Lunch revenue	\$	-	\$	-
8650 Rental Income	\$	-	\$	-
8660 Interest Income	\$	100,000.00	\$	-
8662 Net Increase/Decrease in Investment	\$	-	\$	-
8677 State Local SPED Revenue	\$	-	\$	-
8682 Foundation Grants/Donations	\$	-	\$	-
8684 Student Body (ASB) Fundraising Revenue	\$	-	\$	-
8685 School Site fundraising	\$	124,944.00	\$	-
8688 In Kind Contributions	\$	-	\$	-
8694 Field Trip Revenues	\$	-	\$	-
8698 E-rate Revenues	\$	-	\$	-
8699 All Other Local Revenue	\$	-	\$	-
8785 CMO Management Fee Income	\$	-	\$	-
80XX ---	\$	-	\$	-
80XX ---	\$	-	\$	-
80XX ---	\$	-	\$	-
80XX ---	\$	-	\$	-
80XX ---	\$	-	\$	-
80XX ---	\$	-	\$	-
80XX ---	\$	-	\$	-
80XX ---	\$	-	\$	-
Total Local Revenues	\$	224,944.00	\$	-
TOTAL REVENUE	\$	6,756,987.44	\$	63,006.69
EXPENSES				
Certified Salaries				
1100 Teachers' Salaries	\$	2,277,387.18	\$	45,547.74
1105 Teachers' Bonuses	\$	-	\$	-
1106 Teachers Stipends	\$	-	\$	-
1120 Substitute Expense	\$	-	\$	-
1121 Teachers' Salaries short term subs	\$	-	\$	-
1122 Short Term Subs	\$	-	\$	-
1123 Teachers' Salaries long term subs	\$	-	\$	-
1200 Certificated Pupil Support Salaries	\$	286,000.00	\$	23,833.33

1300	Certificated Supervisor and Administrator Salaries	\$	332,000.00	\$	27,666.67
1305	Certificated Supervisor and Administrator Bonuses	\$	-	\$	-
1900	Other Certificated Salaries	\$	72,000.00	\$	6,000.00
1910	Other Certificated Overtime	\$	-	\$	-
10XX	---	\$	-	\$	-
10XX	---	\$	-	\$	-
10XX	---	\$	-	\$	-
10XX	---	\$	-	\$	-
10XX	---	\$	-	\$	-
10XX	---	\$	-	\$	-
10XX	---	\$	-	\$	-
10XX	---	\$	-	\$	-
10XX	---	\$	-	\$	-
10XX	---	\$	-	\$	-
10XX	---	\$	-	\$	-
	Total Certified Salaries	\$	2,967,387.18	\$	103,047.74
	Classified Salaries				
2100	Instructional Aide Salaries	\$	234,013.50	\$	19,501.13
2103	Classified Long Term Sub	\$	-	\$	-
2105	Instructional Aide Bonus	\$	-	\$	-
2110	Instructional Aide Overtime	\$	-	\$	-
2200	Classified Support Salaries (Maintenance, Food)	\$	208,182.00	\$	17,348.50
2205	Classified Support Salaries Bonus	\$	-	\$	-
2210	Classified Support Overtime	\$	-	\$	-
2300	Classified Supervisor and Administrator Salaries	\$	-	\$	-
2305	Classified Supervisor and Admin Bonus	\$	-	\$	-
2400	Clerical, Technical, and Office Staff Salaries	\$	174,320.00	\$	14,526.67
2405	Clerical Technical and Office Staff Bonus	\$	-	\$	-
2410	Clerical, Technical, and Office Staff Overtime	\$	-	\$	-
2900	Other Classified Salaries (Noon and Yard Sup, etc.)	\$	-	\$	-
2901	Other Classified Salaries Substitute	\$	-	\$	-
2905	Other Stipends	\$	-	\$	-
2910	Other Classified Overtime	\$	-	\$	-
20XX	---	\$	-	\$	-
20XX	---	\$	-	\$	-
20XX	---	\$	-	\$	-
20XX	---	\$	-	\$	-
20XX	---	\$	-	\$	-
20XX	---	\$	-	\$	-
20XX	---	\$	-	\$	-
20XX	---	\$	-	\$	-
20XX	---	\$	-	\$	-
20XX	---	\$	-	\$	-
	Total Classified Salaries	\$	616,515.50	\$	51,376.29
	Employee Benefits				
3101	State Teachers' Retirement System, certificated position	\$	566,770.95	\$	47,230.91
3102	Employer STRS Classified	\$	-	\$	-
3201	Employer PERS Certificated	\$	-	\$	-
3202	Public Employees' Retirement System, classified position	\$	-	\$	-

40XX ---	\$ -	\$ -
Total Books and Supplies	\$ 351,000.00	\$ 33,216.67
Services, Other Operating Expenses		
5100 Subagreements for Services	\$ 177,395.00	\$ 14,782.92
5200 Travel and Conferences	\$ 5,000.00	\$ 416.67
5206 Parking Expense	\$ -	\$ -
5210 Training and Development Expense	\$ 30,000.00	\$ 2,500.00
5300 Dues and Memberships	\$ 12,000.00	\$ 1,000.00
5400 Insurance	\$ 75,000.00	\$ 6,250.00
5450 Property Taxes	\$ -	\$ -
5500 Operation and Housekeeping Services	\$ 85,000.00	\$ 7,083.33
5501 Utilities	\$ 210,000.00	\$ 17,500.00
5505 Student Transportation/Field Trips	\$ -	\$ -
5600 Space Rental/Leases Expense	\$ 120.00	\$ 10.00
5601 Building Maintenance	\$ 50,000.00	\$ 4,166.67
5602 Other Space Rental	\$ 1,500.00	\$ 125.00
5603 Engagement Space Rental	\$ -	\$ -
5605 Equipment Rental/Lease Expense	\$ 30,000.00	\$ 2,500.00
5610 Equipment Repair	\$ 5,000.00	\$ 416.67
5621 Facilities Costs	\$ -	\$ -
5710 Transfer of Direct Costs	\$ -	\$ -
5800 Professional/Consulting Services and Operating Expenses	\$ 45,000.00	\$ 3,750.00
5803 Banking and Payroll Service Fees	\$ 20,000.00	\$ 1,666.67
5805 Legal Services	\$ 65,000.00	\$ 5,416.67
5806 Audit Services	\$ 10,500.00	\$ 875.00
5807 Legal Settlements	\$ 30,000.00	\$ 2,500.00
5809 Employee Tuition Reimbursement	\$ 5,000.00	\$ 416.67
5810 Educational Consultants	\$ 310,000.00	\$ 25,833.33
5811 Student Transportation	\$ 7,000.00	\$ 583.33
5812 Other Student Activities	\$ 580.00	\$ 48.33
5813 Residential Placement	\$ -	\$ -
5815 Advertising/Recruiting	\$ 30,000.00	\$ 2,500.00
5820 Fundraising Expense	\$ 6,000.00	\$ 500.00
5825 School Pathways	\$ -	\$ -
5830 Field Trip Expenses	\$ 110,000.00	\$ 9,166.67
5836 Transportation Services	\$ -	\$ -
5842 Services Student Athletics	\$ -	\$ -
5850 Scholarships Awarded	\$ -	\$ -
5873 Financial Services	\$ 80,000.00	\$ 6,666.67
5874 Personnel Services	\$ 3,000.00	\$ 250.00
5875 District Oversight Fee	\$ 50,752.22	\$ 4,229.35
5877 IT Services	\$ 8,000.00	\$ 666.67
5885 Summer School Expenses	\$ -	\$ -
5890 Interest Expense/Fees	\$ 10,000.00	\$ 833.33
5891 Charter School Capital Fees	\$ -	\$ -
5892 ASB Activities Expense	\$ -	\$ -
5894 ASB Activities Expense	\$ -	\$ -
5899 CMO Management Fee Expense	\$ -	\$ -
5900 Communications (Tele., Internet, Copies, Postage, Mess)	\$ 32,000.00	\$ 2,666.67

Total Other Outgoing Costs (Direct Support/Indirect Costs)

\$ - \$ -

TOTAL EXPENDITURES

\$ 6,620,870.91 \$ 411,471.39



\$ 136,116.52 \$ (348,464.70)

BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET
2	3	4	5	6	7
AUGUST	SEPT	OCT	NOV	DEC	JAN

1 CY

\$ 38,788.90	\$ 69,820.02	\$ 69,820.02	\$ 69,820.02	\$ 69,820.02	\$ 69,820.02
\$ -	\$ 21,612.50	\$ -	\$ -	\$ 21,612.50	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 252,779.64	\$ 505,559.28	\$ 337,039.52	\$ 337,039.52	\$ 337,039.52	\$ 337,039.52
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 291,568.54	\$ 596,991.80	\$ 406,859.54	\$ 406,859.54	\$ 428,472.04	\$ 406,859.54

\$ 4,734.17	\$ 4,734.17	\$ 4,734.17	\$ 4,734.17	\$ 4,734.17	\$ 4,734.17
\$ 416.42	\$ 416.42	\$ 416.42	\$ 416.42	\$ 416.42	\$ 416.42
\$ -	\$ 4,140.30	\$ 4,140.30	\$ 4,140.30	\$ 4,140.30	\$ 4,140.30
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ 11,289.00	\$ -	\$ -	\$ 11,289.00
\$ -	\$ -	\$ 1,923.25	\$ -	\$ -	\$ 1,923.25
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ 2,500.00	\$ -	\$ -	\$ 2,500.00
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 5,150.58	\$ 9,290.88	\$ 25,003.13	\$ 9,290.88	\$ 9,290.88	\$ 25,003.13

\$ -	\$ -	\$ -	\$ 5,175.40	\$ 5,175.40	\$ 5,175.40
\$ 463.66	\$ 834.59	\$ 834.59	\$ 834.59	\$ 834.59	\$ 834.59
\$ -	\$ -	\$ -	\$ 12,319.13	\$ 12,319.13	\$ 12,319.13
\$ -	\$ -	\$ 183,618.25	\$ -	\$ -	\$ 183,618.25
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

\$	-	\$	-	\$	-	\$	-	\$	-
\$	38,516.67	\$	32,836.67	\$	25,416.67	\$	30,516.67	\$	33,016.67
\$	-	\$	-	\$	-	\$	-	\$	-

\$	14,782.92	\$	14,782.92	\$	14,782.92	\$	14,782.92	\$	14,782.92
\$	416.67	\$	416.67	\$	416.67	\$	416.67	\$	416.67
\$	-	\$	-	\$	-	\$	-	\$	-
\$	2,500.00	\$	2,500.00	\$	2,500.00	\$	2,500.00	\$	2,500.00
\$	1,000.00	\$	1,000.00	\$	1,000.00	\$	1,000.00	\$	1,000.00
\$	6,250.00	\$	6,250.00	\$	6,250.00	\$	6,250.00	\$	6,250.00
\$	-	\$	-	\$	-	\$	-	\$	-
\$	7,083.33	\$	7,083.33	\$	7,083.33	\$	7,083.33	\$	7,083.33
\$	17,500.00	\$	17,500.00	\$	17,500.00	\$	17,500.00	\$	17,500.00
\$	-	\$	-	\$	-	\$	-	\$	-
\$	10.00	\$	10.00	\$	10.00	\$	10.00	\$	10.00
\$	4,166.67	\$	4,166.67	\$	4,166.67	\$	4,166.67	\$	4,166.67
\$	125.00	\$	125.00	\$	125.00	\$	125.00	\$	125.00
\$	-	\$	-	\$	-	\$	-	\$	-
\$	2,500.00	\$	2,500.00	\$	2,500.00	\$	2,500.00	\$	2,500.00
\$	416.67	\$	416.67	\$	416.67	\$	416.67	\$	416.67
\$	-	\$	-	\$	-	\$	-	\$	-
\$	-	\$	-	\$	-	\$	-	\$	-
\$	3,750.00	\$	3,750.00	\$	3,750.00	\$	3,750.00	\$	3,750.00
\$	1,666.67	\$	1,666.67	\$	1,666.67	\$	1,666.67	\$	1,666.67
\$	5,416.67	\$	5,416.67	\$	5,416.67	\$	5,416.67	\$	5,416.67
\$	875.00	\$	875.00	\$	875.00	\$	875.00	\$	875.00
\$	2,500.00	\$	2,500.00	\$	2,500.00	\$	2,500.00	\$	2,500.00
\$	416.67	\$	416.67	\$	416.67	\$	416.67	\$	416.67
\$	25,833.33	\$	25,833.33	\$	25,833.33	\$	25,833.33	\$	25,833.33
\$	583.33	\$	583.33	\$	583.33	\$	583.33	\$	583.33
\$	48.33	\$	48.33	\$	48.33	\$	48.33	\$	48.33
\$	-	\$	-	\$	-	\$	-	\$	-
\$	2,500.00	\$	2,500.00	\$	2,500.00	\$	2,500.00	\$	2,500.00
\$	500.00	\$	500.00	\$	500.00	\$	500.00	\$	500.00
\$	-	\$	-	\$	-	\$	-	\$	-
\$	9,166.67	\$	9,166.67	\$	9,166.67	\$	9,166.67	\$	9,166.67
\$	-	\$	-	\$	-	\$	-	\$	-
\$	-	\$	-	\$	-	\$	-	\$	-
\$	-	\$	-	\$	-	\$	-	\$	-
\$	6,666.67	\$	6,666.67	\$	6,666.67	\$	6,666.67	\$	6,666.67
\$	250.00	\$	250.00	\$	250.00	\$	250.00	\$	250.00
\$	4,229.35	\$	4,229.35	\$	4,229.35	\$	4,229.35	\$	4,229.35
\$	666.67	\$	666.67	\$	666.67	\$	666.67	\$	666.67
\$	-	\$	-	\$	-	\$	-	\$	-
\$	833.33	\$	833.33	\$	833.33	\$	833.33	\$	833.33
\$	-	\$	-	\$	-	\$	-	\$	-
\$	-	\$	-	\$	-	\$	-	\$	-
\$	-	\$	-	\$	-	\$	-	\$	-
\$	-	\$	-	\$	-	\$	-	\$	-
\$	2,666.67	\$	2,666.67	\$	2,666.67	\$	2,666.67	\$	2,666.67

\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
----	---	----	---	----	---	----	---	----	---	----	---

\$	485,093.00	\$	593,282.36	\$	585,862.36	\$	590,962.36	\$	593,462.36	\$	597,962.36
----	------------	----	------------	----	------------	----	------------	----	------------	----	------------

\$	(169,306.67)	\$	69,815.70	\$	86,433.94	\$	(100,502.04)	\$	(81,389.54)	\$	91,828.46
----	--------------	----	-----------	----	-----------	----	--------------	----	-------------	----	-----------

\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
\$	591,162.36	\$	586,062.36	\$	586,062.36	\$	580,542.36	\$	418,945.26	\$	-
\$	(100,702.04)	\$	178,790.10	\$	61,598.52	\$	(132,211.98)	\$	580,226.76	\$	329,898.63

P1-12 Total	ACCRUAL

\$	775,778.00	0
\$	86,450.00	0
\$	-	0
\$	4,212,994.00	0
\$	-	0
\$	-	0
\$	-	0
\$	-	0
\$	-	0
\$	-	0
\$	5,075,222.00	0

\$	56,810.00	0
\$	4,997.00	0
\$	41,403.00	0
\$	-	0
\$	-	0
\$	45,156.00	0
\$	7,693.00	0
\$	-	0
\$	10,000.00	0
\$	-	0
\$	-	0
\$	-	0
\$	-	0
\$	-	0
\$	-	0
\$	-	0
\$	-	0
\$	-	0
\$	166,059.00	0

\$	51,754.00	0
\$	9,273.19	0
\$	123,191.25	0
\$	734,473.00	0
\$	-	0
\$	-	0
\$	-	0

\$	-	0
\$	351,000.00	0
\$	177,395.00	0
\$	5,000.00	0
\$	-	0
\$	30,000.00	0
\$	12,000.00	0
\$	75,000.00	0
\$	-	0
\$	85,000.00	0
\$	210,000.00	0
\$	-	0
\$	120.00	0
\$	50,000.00	0
\$	1,500.00	0
\$	-	0
\$	30,000.00	0
\$	5,000.00	0
\$	-	0
\$	-	0
\$	45,000.00	0
\$	20,000.00	0
\$	65,000.00	0
\$	10,500.00	0
\$	30,000.00	0
\$	5,000.00	0
\$	310,000.00	0
\$	7,000.00	0
\$	580.00	0
\$	-	0
\$	30,000.00	0
\$	6,000.00	0
\$	-	0
\$	110,000.00	0
\$	-	0
\$	-	0
\$	-	0
\$	80,000.00	0
\$	3,000.00	0
\$	50,752.22	0
\$	8,000.00	0
\$	-	0
\$	10,000.00	0
\$	-	0
\$	-	0
\$	-	0
\$	-	0
\$	32,000.00	0

\$	-	0
\$	6,620,870.91	0

\$	136,116.52	0
----	------------	---

Copy & Paste your MYP Budget for FY25-26 thru FY27-28 or use template provided

Include enrollment, ADA rate, and lines for each revenue and expenditure account utilized

Description
Projected Enrollment ADA Rate Projected ADA Projected Unduplicated Pupil Count
A. REVENUES (8000-8799)
1. Local Control Funding Formula (LCFF) Sources - (8011-8097) LCFF State Aid - Current Year (CY) <i>(Res 0000)</i> Education Protection Account State Aid (EPA) - CY <i>(Res 1400)</i> State Aid - Prior Years <i>(LCFF State Aid and EPA) (Res 0000 and Res 1400)</i> Transfers to Charter Schools In Lieu of Property Taxes - CY & PY <i>(Res 0000)</i> Other LCFF Transfers Total, LCFF Sources
2. Federal Revenues (8100-8299) ESEA (ESSA), Title I, Part A, Basic Grants Low-Income and Neglected (Res 3010) ESEA (ESSA): Title II, Part A, Improving Teacher Quality Program (Res 4035) ESEA (ESSA): Title III, Limited English Proficient Student Program (Res 4203) ESEA (ESSA): Title III, Immigrant Education Program (Res 4201) ESEA (ESSA): Title IV, 21st Century Learning Communities (Res 4124) ESEA (ESSA): Title IV, Part A, Student Support and Academic Enrichment Grants (F ESSA: Title V, Part B, Public Charter Schools Grant Program (Res 4610) Fed SpEd, IDEA Basic Local Assistance Entitlement, Part B, Sec 611 (Res 3310) Fed Sp Ed, IDEA Mental Health Allocation Plan, Part B, Sec 611 (Res 3327) Child Nutrition - Federal (NSLP) (Res 5310 and others) Maintenance and Operations (Public Law 81-874) (Res 0000) Other Federal Revenues <i>(All other resources not reported separately)</i> Total - Federal Revenues
3. Other State Revenues (8300-8599) State Special Education (Res 6500) State Special Education Mental Health Services (Res 6512) Mandate Block Grant (Res 0000) After School Education and Safety (ASES) (Res 6010) Common Core Standards Implementation (Res 7405) Charter School Facility Grant Program (SB 740) (Res 6030) COVID-19 LEA Response Funds (SB 117) (Res 7388) Lottery, Unrestricted (Res 1100) Lottery, Restricted - Prop 20 (Res 6300) Proposition 39 - California Clean Energy Jobs Act (Res 6230) Other State Revenues <i>(All other resources not reported separately)</i> Total - Other State Revenues
4. Local Revenue (8600-8799) All Local Revenues Total - Local Revenues
5. TOTAL REVENUES
B. EXPENDITURES AND OTHER OUTGO (1000-7499)
1. Certificated Salaries Teachers' Salaries

Pupil Support Salaries
Supervisors' and Administrators' Salaries
Other Certificated Salaries

Total, Certificated Salaries

2. Classified Salaries

Instructional Salaries
Support Salaries
Supervisors' and Administrators' Salaries
Clerical and Office Salaries
Other Classified Salaries

Total, Classified Salaries

3. Employee Benefits

STRS
PERS
OASDI/Medicare (Social Security)
Health and Welfare Benefits
Unemployment Insurance
Workers' Compensation Insurance
OPEB, Allocated
OPEB, Active Employees
Other Employee Benefits

Total, Employee Benefits

4. Books and Supplies

Approved Textbooks and Core Curricula Materials
Books and Other Reference Materials
Materials and Supplies
Non-capitalized Equipment
Food (Food used in food-service activities for which the purpose is nutrition)

Total, Books and Supplies

5. Services and Other Operating Expenditures

Subagreements for Services
Travel and Conferences
Dues and Memberships
Insurance
Operations and Housekeeping Services
Rentals,Leases,Repairs,and Noncapitalized Improvements
Transfer of Direct Costs (**MUST** net to zero)
Prof/Consulting Svcs and Operating Expend (**Include District Oversight**)
Communications

Total, Services and Other Operating Expenditures

6. Capital Outlay

Depreciation Expense (See Sections G.9 & F.2.a)

Total, Capital Outlay

7. Other Outgo

Tuition to Other Schools (*Include contribution to unfunded cost of Sp Ed.*)
Transfers of Pass-Through Revenues to Other LEAs
Transfers of Apportionments to Other LEAs - Spec Ed and All Others
All Other Transfers
Transfers of Indirect Costs (**MUST** net to zero)
Debt Service - Interest
Debt Service - Principal (FOR MODIFIED ACCRUAL BASIS ONLY)

Total, Other Outgo

8. TOTAL EXPENDITURES

C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPEND.
BEFORE OTHER FINANCING SOURCES AND USES (A5-B8)

D. OTHER FINANCING SOURCES/USES (7600-7699, 8930-8999)

1. All Other Financing Sources
2. Other Uses
3. Contributions between unrestricted and restricted accounts (***MUST*** net to zero)
(Include contribution to the unfunded cost of Special Education)
4. TOTAL OTHER FINANCING SOURCES/USES

E. NET INCREASE (DECREASE) IN FUND BALANCE/NET POSITION (C + D.4.)

Object Code	FY25-26 Revised 1st Interim Budget	FY26-27	FY27-28
	475 95% 451.25	489 95% 464.78	504 95% 478.73
8011	775,778	799,051	823,023
8012	86,450	89,044	91,715
8019	-	-	-
8096	4,212,994	4,339,384	4,469,565
8091, 8097	-	-	-
	5,075,222	5,227,479	5,384,303
8290	45,156	46,811	48,515
8290	7,693	7,924	8,162
8290	-	-	-
8290	-	-	-
8290	-	-	-
8290	10,000	10,000	10,000
8290	-	-	-
8181	-	-	-
8182	-	-	-
8220	41,403	42,645	43,924
8110	-	-	-
8100-8299	61,807	63,661	65,571
	166,059	171,041	176,172
8792	372,071	383,233	394,730
8590	34,455	35,489	36,553
8550	8,582	9,551	9,838
8677, 8590	-	-	-
8590	-	-	-
8590	-	-	-
8590	-	-	-
8560	82,560	88,774	91,438
8560	35,445	38,113	39,256
8590	-	-	-
8300-8599	751,772	641,572	660,819
	1,284,885	1,196,732	1,232,634
8600-8799	224,944	231,692	238,643
	224,944	231,692	238,643
	6,751,110	6,826,944	7,031,752
1100	2,277,387	2,345,709	2,416,080

1200	286,000	294,580	303,417
1300	332,000	341,960	352,219
1900	72,000	74,160	76,385
	2,967,387	3,056,409	3,148,101
2100	234,014	241,034	248,265
2200	208,182	214,427	220,860
2300	-	-	-
2400	174,320	179,550	184,936
2900	-	-	-
	616,516	635,011	654,061
3101-3102	566,771	583,774	601,287
3201-3202	-	-	-
3301-3302	90,191	92,896	95,683
3401-3402	390,000	401,700	413,751
3501-3502	25,200	28,057	28,899
3601-3602	44,799	18,457	19,011
3701-3702	-	-	-
3751-3752	-	-	-
3901-3902	-	-	-
	1,116,961	1,124,885	1,158,631
4100	13,000	13,390	13,792
4200	13,000	13,390	13,792
4300	85,000	87,550	90,177
4400	130,000	133,900	137,917
4700	110,000	113,300	116,699
	351,000	361,530	372,376
5100	177,395	182,717	188,198
5200	35,000	36,050	37,132
5300	12,000	12,360	12,731
5400	75,000	77,250	79,568
5500	295,000	303,850	312,966
5600	86,620	89,219	91,895
5700	-	-	-
5800	892,337	814,557	838,994
5900	32,000	32,960	33,949
	1,605,352	1,548,963	1,595,432
6900	90,000	92,700	95,481
	90,000	92,700	95,481
7110-7143	-	-	-
7211-7213	-	-	-
7221-7223	-	-	-
7280-7299	-	-	-
7300-7399	-	-	-
7430-7439	-	-	-
7439	-	-	-
	-	-	-

	6,747,215	6,819,497	7,024,082
	3,895	7,447	7,670
8930-8979	-		
7630-7699	-		
8980-8999	-		
	-	-	-
	3,895	7,447	7,670



Innovations Academy Charter School

Charter #1024

Financial Statements
June 30, 2025

DRAFT



Innovations Academy Charter School

Financial Statements
Year Ended June 30, 2025

Table of Contents

<u>INDEPENDENT AUDITOR’S REPORT</u>	<u>1</u>
<u>FINANCIAL STATEMENTS</u>	<u>4</u>
Statement of Financial Position	4
Statement of Activities.....	5
Statement of Functional Expenses	6
Statement of Cash Flows	7
Notes to the Financial Statements.....	8
<u>SUPPLEMENTARY INFORMATION</u>	<u>20</u>
Schedule of Average Daily Attendance.....	20
Schedule of Instructional Time.....	21
Schedule of Financial Trends & Analysis	22
Reconciliation of Unaudited Actual Financial Report with Audited Financial Statements.....	23
Notes to Supplementary Information.....	24
<u>OTHER INFORMATION</u>	<u>25</u>
LEA Organization Structure	25
<u>OTHER INDEPENDENT AUDITOR’S REPORTS</u>	<u>26</u>
Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	26
Independent Auditor’s Report on State Compliance and on Internal Controls over State Compliance	28
<u>AUDITOR’S RESULTS, FINDINGS & RECOMMENDATIONS</u>	<u>31</u>
Schedule of Auditor’s Results	31
Schedule of Findings and Questioned Costs.....	32
Corrective Action Plan.....	35
Schedule of Prior Year Audit Findings.....	36

Independent Auditor's Report

To the Board of Directors
Innovations Academy Charter School

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Innovations Academy Charter School (the School), a California charter school, which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the School as of June 30, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the School and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the School's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 School's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the School's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School’s basic financial statements. The accompanying supplementary information, as identified in the Table of Contents and as required by the *2024-25 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, are presented for purposes of additional analysis and are not a required part of the basic 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole, except as noted on the schedules.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Other Information section of the report but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 5, 2025 on our consideration of the School'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 solely 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 the effectiveness of the School's 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 the School's internal control over financial reporting and compliance.

El Cajon, California
December 5, 2025

Financial Statements

Innovations Academy Charter School
Statement of Financial Position
June 30, 2025

Assets

Cash and cash equivalents	\$ 4,569,350
Accounts receivable	696,263
Prepaid expenses	82,727
Property and equipment, net	126,232
Right-of-use assets, operating lease	
Facilities and equipment	95,760
Accumulated amortization	(21,855)
Total Assets	<u>\$ 5,548,477</u>

Liabilities and Net Assets

Liabilities

Accounts payable - vendors	\$ 85,902
Accounts payable - grantor government	118,856
Accrued payroll liabilities	70,015
Operating leases payable	76,282
Unearned revenue	892,948
Total Liabilities	<u>1,244,003</u>

Net Assets

Without donor restrictions	
Undesignated	4,178,242
Invested in property and equipment, net of related debt	126,232
	<u>4,304,474</u>

With donor restrictions

	<u>-</u>
Total Net Assets	4,304,474
Total Liabilities and Net Assets	<u>\$ 5,548,477</u>

The accompanying notes are an integral part of this statement.

Innovations Academy Charter School

Statement of Activities Year Ended June 30, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue, Support, and Gains			
Local Control Funding Formula (LCFF) sources			
State aid	\$ 511,443	\$ -	\$ 511,443
Education protection account state aid	83,520	-	83,520
Transfers in lieu of property taxes	4,131,278	-	4,131,278
Total LCFF sources	4,726,241	-	4,726,241
Federal contracts and grants	-	176,175	176,175
Employee retention credit	-	619,639	619,639
State contracts and grants	348,222	741,465	1,089,687
Local contracts and grants	38,280	-	38,280
Donations and fundraising	129,238	-	129,238
Interest income and FMV adjustment	303,583	-	303,583
Net assets released from restriction -			
Grant restrictions satisfied	1,537,279	(1,537,279)	-
Total revenue, support, and gains	7,082,843	-	7,082,843
Expenses and Losses			
Program services expense	5,500,086	-	5,500,086
Supporting services expense	1,234,866	-	1,234,866
Total expenses and losses	6,734,952	-	6,734,952
Change in Net Assets	347,891	-	347,891
Net Assets, Beginning of Year	3,956,583	-	3,956,583
Net Assets, End of Year	\$ 4,304,474	\$ -	\$ 4,304,474

The accompanying notes are an integral part of this statement.

Innovations Academy Charter School

Statement of Functional Expenses

Year Ended June 30, 2025

	<u>Program Services</u>	<u>Supporting Services</u>		Total
	Educational Programs	Management and General	Fundraising and Development	
Salaries and wages	\$ 3,100,975	\$ 413,174	\$ -	\$ 3,514,149
Pension expense	660,061	87,947	-	748,008
Other employee benefits	304,237	40,537	-	344,774
Payroll taxes	92,080	12,269	-	104,349
Fees for services:				
Business services	-	153,024	-	153,024
Legal and audit	-	108,857	-	108,857
Professional consulting	481,054	39,211	-	520,265
District oversight	-	141,787	-	141,787
Banking and payroll services	-	21,894	-	21,894
Advertising	-	38,289	-	38,289
Office expenses	243,139	-	-	243,139
Communication	33,694	-	-	33,694
Conferences, conventions, and meetings	39,847	-	-	39,847
Operations and housekeeping	37,788	-	-	37,788
Depreciation	33,590	-	-	33,590
Amortization	16,688	-	-	16,688
Insurance	-	68,685	-	68,685
Other expenses:				
Books and supplies	297,936	-	-	297,936
Equipment rental and repair	11,449	-	-	11,449
Student transportation & activities	137,611	-	-	137,611
Dues and memberships	9,937	-	-	9,937
Miscellaneous	-	106,413	2,779	109,192
Total expenses by function	<u>\$ 5,500,086</u>	<u>\$ 1,232,087</u>	<u>\$ 2,779</u>	<u>\$ 6,734,952</u>

The accompanying notes are an integral part of this statement.

Innovations Academy Charter School

Statement of Cash Flows

Year Ended June 30, 2025

Cash Flows from Operating Activities	
Receipts from federal, state, and local contracts and grants	\$ 2,351,655
Receipts from property taxes	4,131,278
Receipts from donations and fundraising	129,238
Receipts from operating interest and FMV adjustment	303,583
Payments to employees for services provided	(4,698,384)
Payments to vendors	(2,052,810)
Net Cash Provided by Operating Activities	<u>164,560</u>
Cash Flows from Investing Activities	
Purchases of property and equipment	<u>(13,800)</u>
Net Cash Used for Investing Activities	<u>(13,800)</u>
Net Change in Cash and Cash Equivalents	150,760
Cash and Cash Equivalents, Beginning of Year	<u>4,418,590</u>
Cash and Cash Equivalents, End of Year	<u>\$ 4,569,350</u>
Reconciliation of Change in Net Assets to Net Cash Used For Operating Activities	
Change in net assets	\$ 347,891
Adjustments to reconcile change in net assets to net cash:	
Depreciation	33,590
Amortization	16,688
(Increase) Decrease in assets	
Accounts receivable	(142,827)
Prepaid expenses	(15,841)
Right-of-use assets	-
Increase (Decrease) in liabilities	
Accounts payable - vendors	(46,335)
Accounts payable - grantor governments	21,297
Accrued payroll liabilities	12,896
Operating leases payable	(17,240)
Unearned revenue	(45,559)
Net Cash Provided by Operating Activities	<u>\$ 164,560</u>

The accompanying notes are an integral part of this statement.

Innovations Academy Charter School
Notes to the Financial Statements
Year Ended June 30, 2025

A. Principal Activity and Summary of Significant Accounting Policies

Organization Structure

Innovations Academy Charter School is a nonprofit organization organized in the State of California. The School's mission is to provide quality education to students in kindergarten through eighth grade. Innovations Academy Charter School was formed in July 2009 as a charter school pursuant to California Education Code Section 47600 under a charter agreement with the San Diego Unified School District.

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 corporations. The School 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.

Cash and Cash Equivalents

The School considers all cash and highly liquid financial instruments with original maturities of three months or less, which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents.

Accounts Receivable

Accounts receivable consist primarily of non-interest bearing amounts due to the School for federal, state, and local grants and contracts receivable. The amounts in accounts receivable are considered fully collectable and as such there has not been an allowance for uncollectable accounts or discount established for the School.

Prepaid Expenses

Prepaid expenses are recorded to account for expenditures during the benefiting period.

Property and Equipment

The School records property and equipment additions over \$5,000 at cost, or if donated, at fair value on the date of donation. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets ranging from 3 to 30 years, or in the case of capitalized leased assets or leasehold improvements, the lesser of the useful life of the asset or the lease term. When assets are sold or otherwise disposed of, the cost and related depreciation or amortization are removed from the accounts, and any resulting gain or loss is included in the statement of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed in the current period.

The School reviews the carrying values of property and equipment for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. There were no indicators of asset impairment during the year ended June 30, 2025.

Innovations Academy Charter School
Notes to the Financial Statements, Continued
Year Ended June 30, 2025

Investments

The School's method of accounting for investments, in accordance with generally accepted accounting principles, is the fair value method. Fair value is determined by published quotes. Changes in fair value of investments result in increases or decreases in unrealized fair values of equity investments. Adjustments to fair values are reflected as unrealized gain/loss on investments in the accompanying statement of activities. The School's policy is to follow the fair value measurement and reporting requirements contained in FASB ASC 820 *Fair Value Measurements and Disclosures*.

Leases

The School leases facilities and equipment which are utilized in its charitable purpose. The School determines if an arrangement is a lease at inception. Operating leases are included in the operating lease right-of-use assets, other current liabilities, and operating lease liabilities in the Statement of Financial Position. Financing leases are included in the financing lease right-of-use assets, other current liabilities, and financing lease liabilities in the Statement of Financial Position.

Right-of-use assets represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the lease. Operating lease right-of-use assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As most of our leases do not provide an implicit rate, we use our incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments. The operating lease right-of-use asset also includes any lease payments made and excludes lease incentives. Our lease term may include options to extend or terminate the lease when it is reasonably certain that we will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

The lease agreements do not contain any material residual value guarantees or material restrictive covenants.

The School has lease agreements with lease and non-lease components, which are generally accounted for separately. The School has elected to apply the short-term lease exemption to any leases with terms of 12 months or less or any leases below the threshold of \$5,000.

In evaluating contracts to determine if they qualify as a lease, the School considers factors such as whether they have obtained substantially all of the rights to the underlying asset through exclusivity, if the School can direct the use of the asset by making decisions about how and for what purpose the asset will be used and if the lessor has substantive substitution rights. This evaluation may require significant judgment.

In allocating consideration in the contract to the separate lease components and the non-lease components, the School uses the stand-alone prices of the lease and non-lease components. Observable stand-alone prices are used, if available. If the stand-alone price for a component has a high level of variability or uncertainty, this allocation may require significant judgment.

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Innovations Academy Charter School
Notes to the Financial Statements, Continued
Year Ended June 30, 2025

Net Assets

Net assets, revenues, gains and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Donated Services and In-Kind Contributions

Volunteers contribute significant amounts of time to our program services, administration, and fundraising and developing activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles.

Revenue and Revenue Recognition

The School follows the provisions of FASB ASC 958-605 thereby recognizing revenue when applicable performance related barriers have been satisfied and the revenue is earned. A performance-related barrier represents something that must be achieved, performed or delivered in order to receive funds. Performance related barriers are required to be measurable, limit discretion by recipient on the conduct of the activity, and the stipulations are related to the purpose of the agreement or grant. When funds are received and performance-related barriers are not satisfied, the School records the funds as unearned revenue.

After the School has determined that performance related barriers have been satisfied, the revenue is recognized as either restricted or unrestricted based on the nature of the resources and conditions of the grantor. Restrictions on recognized revenue could constitute allowable uses of the resources that are narrower than the School's mission but are not considered performance-related barriers. Restricted resources are released from their restriction once the restricted purpose has been satisfied.

The School primarily receives funds from the California Department of Education (CDE). Local Control Funding Formula revenue and state revenues received from CDE are based on the School's average daily attendance (ADA) of students and recognized in the period the ADA occurs. In addition, the School receives 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.

Income Taxes

The School is a 509(a)(1) publicly supported non-profit charter school that is exempt from income taxes under Sections 501(a) and 501(c)(3) of the Internal Revenue Code. The School is also exempt from California franchise or income tax under Section 23701d of the California Revenue and Taxation Code. The School may be subject to tax on income which is not related to its exempt purpose. For the year ended June 30, 2025, no such unrelated business income was reported and, therefore, no provision for income taxes has been made.

Innovations Academy Charter School
Notes to the Financial Statements, Continued
Year Ended June 30, 2025

The School follows provisions of uncertain tax positions as addressed in ASC 958. The School recognizes accrued interest and penalties associated with uncertain tax positions as part of the income tax provision, when applicable. There are no amounts accrued in the financial statements related to uncertain tax positions for the year ended June 30, 2025.

The School files informational and income tax returns in the United States and in the state of California. The federal income tax and informational returns are subject to examination by the Internal Revenue Service for three years after the returns are filed. State and local jurisdictions have statutes of limitation that generally range from three to five years.

Advertising

Advertising costs are expensed as incurred and approximated \$38,289 during the year ended June 30, 2025.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the School to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates, and those differences could be material.

Financial Instruments and Credit Risk

The School manages deposit concentration risk by placing cash, money market accounts, and certificates of deposit with financial institutions believed by the School to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. To date, the School has not experienced losses in any of these accounts. Credit risk associated with contributions receivable is considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from government agencies.

LCFF Revenues and Payments in Lieu of Property Taxes

The School's primary funding source is a combination of local property taxes and state revenues. The California Department of Education computes the Local Control Funding Formula (LCFF) on statewide charter school rates multiplied by the School's average daily attendance (ADA) as reported at the second principal apportionment period (P2). The result is then reduced by property tax revenues transferred from the District to the School, which is funding in lieu of property taxes, and education protection account funds paid by the state under Proposition 30. The remaining balance is paid from the state general fund, in the form of LCFF State Aid. LCFF funding sources, inclusive of state and local sources, made up 66.73% of the School's revenue.

The LCFF includes the following components applicable to the School:

1. Provides a base grant for each school based on the school's ADA. The actual base grant varies based on grade span.
2. Provides an adjustment of 2.6 percent on the base grant amount for grades nine through twelve.
3. Provides a supplemental grant equal to 20 percent of the adjusted base grants for targeted disadvantaged students. Targeted students are those classified as English Learners (EL), eligible to receive a free or reduced price meal (FRPM), foster youth, homeless youth, or any combination of these factors (unduplicated count).
4. Provides a concentration grant equal to 65 percent of the adjusted base grant for targeted students exceeding 55 percent of the school's enrollment.

Innovations Academy Charter School
Notes to the Financial Statements, Continued
Year Ended June 30, 2025

The School is not at risk of losing these funding sources, as long as the School maintains a steady level of ADA, as these funding sources are mandated by the California State Constitution to fund schools.

New Accounting Guidance

The Financial Accounting Standards Board (FASB) issues accounting standards updates and additional guidance for not-for-profit and for-profit agencies to establish consistent accounting across all organizations in the United States. The following table represents items that have been issued by FASB that became effective in the 2024-25 fiscal year:

Description	Date Issued
FASB Accounting Standards Update 2018-12 - <i>Financial Services Insurance (Topic 944)</i>	Aug-18
FASB Accounting Standards Update 2019-09 - <i>Financial Services, Insurance (Topic 944)</i>	Nov-19
FASB Accounting Standards Update 2020-06 - <i>Debt (Topic 470-20)</i>	Aug-20
FASB Accounting Standards Update 2020-06 - <i>Derivatives and Hedging (Topic 815-40)</i>	Aug-20
FASB Accounting Standards Update 2021-08 - <i>Business Combinations (Topic 805)</i>	Oct-21
FASB Accounting Standards Update 2022-01 - <i>Derivatives and Hedging (Topic 815): Fair Value Hedging - Portfolio Layer Method</i>	Mar-22
FASB Accounting Standards Update 2023-01 - <i>Leases (Topic 842): Common Control Arrangements</i>	Mar-23
FASB Accounting Standards Update 2023-05 - <i>Business Combinations - Joint Venture Formations (Subtopic 805-60)</i>	Aug-23
FASB Accounting Standards Update 2023-07 - <i>Segment Reporting (Topic 280)</i>	Nov-23

These updates were issued to provide clarification and simplification in accounting for certain transactions. In addition, they provide for additional note disclosures to create transparency involving these transactions. The School has adopted provisions of effective Accounting Standards Updates. The issuance of these standards did not result in a presentation or accounting change that impacted these financial statements.

Subsequent Events

In preparing these financial statements, the School has evaluated events and transactions for potential recognition or disclosure through December 5, 2025, the date the financial statements were available to be issued.

Innovations Academy Charter School
Notes to the Financial Statements, Continued
Year Ended June 30, 2025

B. Liquidity and Availability

The School's financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

Cash and cash equivalents	\$ 4,569,350
Accounts receivable	696,263
Total	<u>\$ 5,265,613</u>

C. Fair Value Measurements and Disclosure

The School reports certain assets and liabilities at fair value in the financial statements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available. A three-tier hierarchy categorizes the inputs as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that we can access at the measurement date.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs.
- Level 3: Unobservable inputs for the asset or liability. In these situations, the School develops inputs using the best information available in the circumstances.

In some cases, the inputs used to measure the fair value of an asset or a liability might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the measurement. Assessing the significance of a particular input to entire measurement requires judgment, taking into account factors specific to the asset or liability. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to the School's assessment of the quality, risk, or liquidity profile of the asset or liability.

Innovations Academy Charter School
Notes to the Financial Statements, Continued
Year Ended June 30, 2025

The following table presents assets and liabilities measured at fair value on a recurring basis at June 30, 2025:

Assets	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
External investment pools measured at fair value				
Cash in county treasury	\$ 3,176,973	\$ -	\$ 3,176,973	\$ -
Total investments by fair value level	<u>\$ 3,176,973</u>	<u>\$ -</u>	<u>\$ 3,176,973</u>	<u>\$ -</u>

D. Cash and Cash Equivalents

The School's cash and cash equivalents on June 30, 2025, consisted of the following:

Cash in county treasury	\$ 3,175,448
Fair market value adjustment	1,525
Cash in bank accounts	<u>1,392,377</u>
Total cash and cash equivalents	<u>\$ 4,569,350</u>

Cash in County Treasury

The School is a voluntary participant and therefore maintains a portion of its cash in the San Diego County Treasury as part of the common investment pool (\$3,175,448 as of June 30, 2025). The County Treasury is restricted by Government Code §53635 pursuant to §53601 to invest in time deposits, U.S. Government Securities, state registered warrants, notes or bonds, State Treasurer's investment pool, banker's acceptances, commercial paper, negotiable certificates of deposit, and repurchase or reverse agreements.

The fair value of the School's investment in this pool (\$3,176,973 as of June 30, 2025) is reported in the accompanying financial statements at amounts based upon the School's pro-rata share of the fair value provided by the County Treasury for the entire County Treasury portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the County Treasury, which are recorded on an amortized cost basis. Cash may be added or withdrawn from the investment pool without limitation.

Cash in Bank

The remainder of the School's cash (\$1,392,377 as of June 30, 2025) is held in financial institutions which are insured by the Federal Deposit Insurance Corporation (FDIC) up to a limit of \$250,000 per depositor. As of June 30, 2025, the School held \$925,512 in excess of the FDIC insured amounts. The School reduces its exposure to risk by maintaining such deposits with high quality financial institutions. The School has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk.

Innovations Academy Charter School
Notes to the Financial Statements, Continued
Year Ended June 30, 2025

E. Accounts Receivable

As of June 30, 2025, the School's accounts receivable consisted of the following:

Federal Government	
Special Education	\$ 81,535
Employee Retention Credit	113,794
Child Nutrition	12,439
Other Federal Programs	4,711
State Government	
Lottery Funding	32,889
Special Education	39,696
Local Government	
Property Tax Payments	381,753
Other Local Sources	
Interest	29,446
Total Accounts Receivable	\$ 696,263

F. Prepaid Expenses

As of June 30, 2025, the School's prepaid expenses consisted of the following:

Health and welfare benefits	\$ 27,473
Prepaid vendors	29,634
Software licenses	16,764
Membership fees	8,856
Total Prepaid Expenses	\$ 82,727

G. Property and Equipment

Property and equipment for the School consisted of the following at June 30, 2025:

	Beginning Balance	Additions	Deletions	Ending Balance
Depreciable Capital Assets				
Leasehold Improvements	\$ 123,115	\$ -	\$ -	\$ 123,115
Equipment, Furniture, and Fixtures	196,956	13,800	-	210,756
Total Depreciable Capital Assets	320,071	13,800	-	333,871
Total Capital Assets	320,071	13,800	-	333,871
Less Accumulated Depreciation	(174,049)	(33,590)	-	(207,639)
Capital Assets, Net	\$ 146,022	\$ (19,790)	\$ -	\$ 126,232

Innovations Academy Charter School
Notes to the Financial Statements, Continued
Year Ended June 30, 2025

H. Unearned Revenue

At year end the School had performance obligations remaining to expend funds for multiple federal and state grants. As such, unexpended cash received is reflected in unearned revenue.

The following table provides information about significant changes in unearned revenue for the year ended June 30, 2025:

Unearned Revenue, beginning of period	\$ 938,507
Increases in unearned revenue due to cash received during the period	528,498
Decreases in unearned revenue due to performance obligations met during the period	<u>(574,057)</u>
Unearned Revenue, end of period	<u><u>\$ 892,948</u></u>

As of June 30, 2025, unearned revenue consisted of the following:

ELO-P	\$ 109,957
Prop 28 Arts and Music	105,644
Arts, Music, and Instructional Materials	283,007
Learning Recovery Emergency	287,374
Educator Effectiveness	23,026
Literacy Screenings	2,964
Kitchen Infrastructure and Training Funds	80,362
Pandemic EBT Local Administrative Grant	614
Total	<u><u>\$ 892,948</u></u>

I. Operating Leases

The School entered into lease agreements for the use of facilities and equipment. The components of lease expense were as follows:

Operating lease cost	
Amortization of right-of-use assets	\$ 16,688
Interest on lease liabilities	<u>3,383</u>
Total operating lease cost	<u>20,071</u>
Short-term lease cost	<u>4,163</u>
Total lease expense	<u><u>\$ 24,234</u></u>

Innovations Academy Charter School
Notes to the Financial Statements, Continued
Year Ended June 30, 2025

The following represents additional information related to the School's leases:

Right-of-use assets obtained in exchange for lease obligations:	
Operating leases	\$ 95,760
Total	<u>\$ 95,760</u>
Weighted average remaining lease term:	
Operating leases	48 Months
Weighted average discount rate:	
Operating leases	4%

Future minimum lease payments on the School's leases are as follows:

<u>Year Ended June 30,</u>	<u>Operating Leases</u>
2026	\$ 20,623
2027	20,623
2028	20,623
2029	<u>20,623</u>
Total future minimum lease payments	82,492
Less imputed interest	<u>(6,210)</u>
Net future minimum lease payments	<u>\$ 76,282</u>

J. Employee Retirement System

Qualified employees are covered under a multiple-employer defined benefit pension plan by agencies of the State of California. Certificated employees are members of the California State Teachers' Retirement System (CalSTRS). The risks of participating in this multi-employer plan are different from single-employer plans in the following aspects:

- a. Assets contributed to the multi-employer plan by one employer may be used to provide benefits to employees of the other participating employers.
- b. If a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers.
- c. If the School chooses to stop participating in some of its multi-employer plans, the School may be required to pay those plans an amount based on the underfunded status of the plan, referred to as a withdrawal liability.

Innovations Academy Charter School
Notes to the Financial Statements, Continued
Year Ended June 30, 2025

The School’s participation in this plan for the fiscal year ended June 30, 2025, is outlined in the table below. The “EIN/Pension Plan Number” column provides the Employee Identification Number (EIN) and the three-digit plan number, if applicable. Unless otherwise noted, the most recent Pension Protection Act (PPA) zone status available in 2025, 2024 and 2023 is for the plan’s year-end at June 30, 2025, 2024 and 2023, respectively. The zone status is based on information that the School received from the plan and is certified by the plan’s actuary. Among other factors, plans in the red zone are generally less than 65% funded, plans in the yellow zone are less than 80% funded, and plans in the green zone are at least 80% funded. The “FIP/RP Status Pending/Implemented” column indicates plans for which a financial improvement plan (FIP) or a rehabilitation plan (RP) is either pending or has been implemented.

Period to Period Comparability:

Innovations Academy Charter School increased in CalSTRS contributions from 2023 to 2024 by 13.48% followed by an increase in 2025 of 7.63%. The years are generally comparable.

Pension Fund	EIN/ Pension Plan Number	Pension Protection Act Zone Status Year Ended June 30,			FIP/RP Status Pending/ Implemented
		2025	2024	2023	
CalSTRS	26-0418421	Green	Green	Green	No
		Contributions			Surcharge Imposed
Pension Fund	2025	2024	2023	Number of Employees	
CalSTRS	\$ 748,008	\$ 694,952	\$ 612,422	38	No
Total	\$ 748,008	\$ 694,952	\$ 612,422	38	

CalSTRS:

The School contributes to the California State Teachers’ Retirement System (CalSTRS), a cost-sharing multiple employer public employee retirement system defined benefit pension plan administered by CalSTRS. Required contribution rates are set by the California Legislature and detailed in Teachers’ Retirement Law. Contribution rates are expressed as a level of percentage of payroll using the entry age normal actuarial cost method. CalSTRS also uses the level of percentage of payroll method to calculate the amortization of any unfunded liability. Copies of the STRS annual report may be obtained from the STRS, 7667 Folsom Boulevard, Sacramento, California 95826.

For the fiscal year ended June 30, 2025, active plan members were required to contribute between 10.205% and 10.25% of their salary, depending on their hire date. The employer contribution rate was 19.10% of annual payroll. CalSTRS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. The School made contributions as noted above. For the year ended June 30, 2025, the State contributed \$251,776 (10.828% of certificated salaries) on behalf of the School.

Innovations Academy Charter School
Notes to the Financial Statements, Continued
Year Ended June 30, 2025

K. Upcoming Changes in Accounting Pronouncements

The Financial Accounting Standards Board (FASB) has issued the following Accounting Standards Updates (ASU) that become effective over the next few fiscal years:

Description	Date Issued	Fiscal Year Effective
FASB Accounting Standards Update 2020-10 - <i>Codification Improvements</i>	Nov-20	2025-26
FASB Accounting Standards Update 2022-03 - <i>Fair Value Measurement (Topic 820): Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions</i>	Jun-22	2025-26
FASB Accounting Standards Update 2022-05 - <i>Financial Services - Insurance (Topic 944): Transition for Sold Contracts</i>	Dec-22	2025-26
FASB Accounting Standards Update 2023-02 - <i>Investments (Topic 323): Accounting for Investments in Tax Credit Structures</i>	Mar-23	2025-26
FASB Accounting Standards Update 2023-08 - <i>Intangibles - Goodwill and Other - Crypto Assets (Subtopic 350-60)</i>	Dec-23	2025-26
FASB Accounting Standards Update 2023-09 - <i>Income Taxes (Topic 740)</i>	Dec-23	2026-27
FASB Accounting Standards Update 2024-01 - <i>Compensation - Stock Compensation (Topic 718)</i>	Mar-24	2026-27
FASB Accounting Standards Update 2024-02 - <i>Codification Improvements - Amendments to Remove References to the Concepts Statements</i>	Mar-24	2026-27
FASB Accounting Standards Update 2024-03 - <i>Income Statement - Reporting Comprehensive Income-Expense Disaggregation Disclosures</i>	Nov-24	2027-28
FASB Accounting Standards Update 2024-04 - <i>Debt with Conversion and Other Options</i>	Nov-24	2026-27
FASB Accounting Standards Update 2025-01 - <i>Income Statement - Reporting Comprehensive Income-Expense Disaggregation Disclosures</i>	Jan-25	2027-28
FASB Accounting Standards Update 2025-02 - <i>Liabilities Amendments to SEC Paragraphs Pursuant to SEC Staff Accounting Bulletin No. 122</i>	Mar-25	2025-26
FASB Accounting Standards Update 2025-03 - <i>Business Combinations and Consolidation</i>	May-25	2027-28
FASB Accounting Standards Update 2025-04 - <i>Stock Compensation and Revenue from Contracts with Customers</i>	May-25	2027-28
FASB Accounting Standards Update 2025-05 - <i>Measurement of Credit Losses for Accounts Receivable and Contract Assets</i>	Jul-25	2026-27
FASB Accounting Standards Update 2025-06 - <i>Intangibles - Goodwill and Other Internal Use Software</i>	Sep-25	2028-29

These updates were issued to provide clarification and simplification in accounting for certain transactions. In addition, they provide for additional note disclosures to create transparency involving these transactions. The updates effective during the future fiscal years are not expected to impact the financial accounting or presentation for the School.

Supplementary Information

Innovations Academy Charter School
 Schedule of Average Daily Attendance
 Year Ended June 30, 2025

	Second Period Report		Annual Report	
	Original 17B0BD4E	Revised N/A	Original F2334666	Revised N/A
Classroom Based Attendance				
Grades K-3	154.85	N/A	155.00	N/A
Grades 4-6	141.34	N/A	141.54	N/A
Grades 7-8	57.81	N/A	58.00	N/A
Total Classroom Based Attendance	354.00	N/A	354.54	N/A
Non-Classroom Based Attendance				
Grades K-3	33.83	N/A	34.35	N/A
Grades 4-6	20.84	N/A	21.00	N/A
Grades 7-8	8.93	N/A	9.00	N/A
Total Non-Classroom Based Attendance	63.60	N/A	64.35	N/A
Total ADA	417.60	N/A	418.89	N/A

See accompanying notes to supplementary information.

Innovations Academy Charter School
 Schedule of Instructional Time
 Year Ended June 30, 2025

Grade Level	Annual Minutes Requirement	Actual Minutes Offered	J-13A Minutes*	Total Minutes	Number of Actual Days Offered (Traditional)	J-13A Days*	Total Instructional Days	Status
Kindergarten	36,000	48,585	0	48,585	176	0	176	Complied
1st Grade	50,400	54,405	0	54,405	176	0	176	Complied
2nd Grade	50,400	54,405	0	54,405	176	0	176	Complied
3rd Grade	50,400	54,405	0	54,405	176	0	176	Complied
4th Grade	54,000	54,405	0	54,405	176	0	176	Complied
5th Grade	54,000	54,405	0	54,405	176	0	176	Complied
6th Grade	54,000	54,405	0	54,405	176	0	176	Complied
7th Grade	54,000	54,405	0	54,405	176	0	176	Complied
8th Grade	54,000	54,405	0	54,405	176	0	176	Complied

*Innovations Academy Charter School did not submit a request for a J-13A emergency waiver of instructional minutes or days.

See accompanying notes to supplementary information.

Innovations Academy Charter School
Schedule of Financial Trends & Analysis
Year Ended June 30, 2025

	Budget 2026 (See Note 1)	2025	2024 (See Note 1)	2023 (See Note 1)
Revenues	\$ 6,751,109	\$ 7,082,843	\$ 6,405,689	\$ 6,224,077
Expenses	6,747,216	6,734,952	6,461,349	5,560,155
Change in Net Assets	3,893	347,891	(55,660)	663,922
Ending Net Assets	\$ 4,308,367	\$ 4,304,474	\$ 3,956,583	\$ 4,012,243
Unrestricted Net Assets	\$ 4,308,367	\$ 4,304,474	\$ 3,956,583	\$ 4,009,307
Unrestricted net assets as a percentage of total expenses	64%	64%	61%	72%
Total Long Term Debt	\$ -	\$ -	\$ -	\$ -
ADA at P2	432	418	357	440

The School's ending net assets has increased by \$292,231 (7.28%) over the past two fiscal years. The significant increase is in large due to additional funding received as a result of the COVID-19 pandemic.

Average daily attendance (ADA) has decreased by 22 over the past two fiscal years.

Note 1:

AU-C §725.05 requires the following conditions be met to provide an opinion on whether supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole:

- 1) The supplementary information was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements.
- 2) The supplementary information relates to the same period as the financial statements.
- 3) The auditor issued an audit report on the financial statements that contained neither an adverse opinion nor a disclaimer of opinion.
- 4) The supplementary information will accompany the audited financial statements or such audited financial statements will be made readily available by the School.

Three of the above columns are not related to the same period as the financial statements and as such we do not provide an opinion on whether the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole. Additionally, the analysis presented utilizes information from periods outside the period of the financial statements and as such we do not provide an opinion on whether the analysis is fairly stated, in all material respects, to the financial statements as a whole. The information has been presented for analysis only and has not been audited.

See accompanying notes to supplementary information.

Innovations Academy Charter School
Reconciliation of Unaudited Actual Financial Report with Audited Financial Statements
Year Ended June 30, 2025

June 30, 2025 annual financial alternative form net assets:	\$ 4,304,473
Adjustments and reclassifications:	
Rounding	<u>1</u>
Total adjustments and reclassifications	<u>1</u>
June 30, 2025 audited financial statements net assets:	<u><u>\$ 4,304,474</u></u>

See accompanying notes to supplementary information.

Innovations Academy Charter School

Notes to Supplementary Information

Year Ended June 30, 2025

A. Purpose of Schedules

Schedule of Average Daily Attendance

Average daily attendance is a measurement of the number of pupils attending classes of the School. The purpose of attendance accounting from a fiscal standpoint is to provide the basis on which apportionments of state funds are made to charter schools. This schedule provides information regarding the attendance of students by grade span and adjustments to the attendance as a result of an audit finding, when applicable.

Schedule of Instructional Time

This schedule provides information regarding compliance with Education Code §47612.

Compliance with Education Code §47612 includes the following:

- 1) Charter schools may operate up to 5 tracks for attendance reporting.
- 2) Each track must be operated for a minimum of 175 days.
- 3) Each track must offer the required number of instructional minutes specified in Education Code §47612.5.
- 4) No track shall have less than 55% of its school days before April 15 each school year.

Compliance with Education Code §47612.5 involves offering a minimum number of annual instructional minutes as defined by grade level. Non-classroom based charters do not have a requirement for auditing/testing offered instructional minutes, as a result the offerings are not reported in the schedule of instructional time.

An LEA that closed due to a qualifying emergency in the 2024-25 fiscal year may submit a Form J-13A to avoid a penalty for not meeting the annual instructional day requirements. The School did not have an emergency closure and as such there are no credited days to account for on the Schedule of Instructional Time.

Schedule of Financial Trends & Analysis

This schedule displays summarized information from the current year and two previous years, along with budget information for the upcoming year. The information from this schedule is used to evaluate whether there are any financial indicators the School will not be able to continue operations in the next fiscal year. Based upon the information presented, the School appears to have sufficient reserves to continue operations for the 2025-26 fiscal year.

Reconciliation of Unaudited Actual Financial Report to Audited Financial Statements

This schedule provides information necessary to reconcile between the audited financial statements and the financial data submitted to the authorizing agency via the unaudited actual financial report.

Other Information

Innovations Academy Charter School
LEA Organization Structure
Year Ended June 30, 2025

Innovations Academy Charter School (Charter #1024) was established in 2008. The authorizing entity is San Diego Unified School District. Innovations Charter School provides services for Kindergarten through Eighth Grade.

GOVERNING BOARD

<u>Name</u>	<u>Office</u>	<u>Term and Term Expiration</u>
Stephen Rosen	President	Three Year Term Expires January 2028
Danielle Strachman	Member	Three Year Term Expires December 2025
Tom Keliinoi	Treasurer	Three Year Term Expires May 2028
Kiran Simma	Director	Three Year Term Expires May 2028
Tom Marchand	Director	Three Year Term Expires May 2028

ADMINISTRATION

Christine Kuglen
Director

Devon Woodruff
Assistant Director

Other Independent Auditor's Reports

Independent Auditor's 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*

To the Board of Directors
Innovations Academy Charter School

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 (*Government Auditing Standards*), the financial statements of Innovations Academy Charter School (the School) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the School's basic financial statements, and have issued our report thereon dated December 5, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School's internal control over financial reporting (internal control) as a basis for designing 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 the School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School'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 School'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 or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 2025-001 that we consider to be significant deficiencies.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School'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 financial statements. 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*.

Innovations Academy Charter School's Response to the Finding

Government Auditing Standards requires the auditor to perform limited procedures on Innovation Academy Charter School's response to the finding identified in our audit and described in the accompanying schedule of findings and questioned costs. The School's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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 School'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 School's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

El Cajon, California
December 5, 2025

Independent Auditor's Report on State Compliance and on
Internal Controls over State Compliance

To the Board of Directors
Innovations Academy Charter School

Report on Compliance for Applicable State Programs

Opinion on Each Applicable State Program

We have audited Innovations Academy Charter School's (the School) compliance with the requirements specified in the *2024-25 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, prescribed in Title 5, *California Code of Regulations*, Section 19810 applicable to the School's statutory requirements identified below for the year ended June 30, 2025.

In our opinion, the School 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 applicable state programs for the year ended June 30, 2025.

Basis for Opinion on Each Applicable State Program

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 audit requirements of *2024-25 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, prescribed in Title 5, *California Code of Regulations*, Section 19810 (the Audit Guide). Our responsibilities under those standards and the Audit Guide are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the School and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each applicable state program. Our audit does not provide a legal determination of the School's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the School's state programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the School's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Audit Guide will always detect material noncompliance when it exists.

The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the School’s compliance with the requirements of each applicable state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Audit Guide, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the School’s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the School’s internal control over state compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Audit Guide, but not for the purpose of expressing an opinion on the effectiveness of the School’s internal control over compliance. Accordingly, no such opinion is expressed.
- Select and test transactions and records to determine the School’s compliance with the state laws and regulations applicable to the following items:

	Procedures Performed
<u>School Districts, County Offices of Education, and Charter Schools</u>	
T. Proposition 28 Arts & Music in Schools.....	Yes
U. After/Before School Education and Safety Program.....	N/A
V. Proper Expenditure of Education Protection Account Funds.....	Yes
W. Unduplicated Local Control Funding Formula Pupil Counts.....	Yes
X. Local Control and Accountability Plan.....	Yes
Y. Independent Study - Course Based.....	N/A
Z. Immunizations.....	No
AZ. Educator Effectiveness.....	Yes
BZ. Expanded Learning Opportunities Grant (ELO-G).....	No
CZ. Career Technical Education Incentive Grant.....	N/A
DZ. Expanded Learning Opportunities Program (ELO-P).....	Yes
EZ. Transitional Kindergarten.....	N/A
FZ. Kindergarten Continuance.....	Yes
 <u>Charter Schools</u>	
AA. Attendance.....	Yes
BB. Mode of Instruction.....	Yes
CC. Nonclassroom-Based Instruction/Independent Study.....	Yes
DD. Determination of Funding for Nonclassroom-Based Instruction.....	N/A
EE. Annual Instructional Minutes - Classroom Based.....	Yes
FF. Charter School Facility Grant Program.....	N/A

N/A – The School did not offer the program during the current fiscal year or the requirement applied to a different type of LEA.

We did not perform procedures for Immunizations because the school did not appear on the California Department of Public Health list of LEAs that are subject to the audit of Immunizations.

We did not perform procedures for Expanded Learning Opportunities Grant (ELO-G) because ELO-G amounts were fully expended in prior years.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over State Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Audit Guide. Accordingly, this report is not suitable for any other purpose.

El Cajon, California
December 5, 2025

Auditor's Results, Findings & Recommendations

Innovations Academy Charter School
Schedule of Auditor's Results
Year Ended June 30, 2025

FINANCIAL STATEMENTS

Type of auditor's report issued:	<u>Unmodified</u>	
Internal control over financial reporting:		
One or more material weakness(es) identified?	<u> </u> Yes	<u> X </u> No
One or more significant deficiencies identified that are not considered material weakness(es)?	<u> X </u> Yes	<u> </u> No
Noncompliance material to financial statements noted?	<u> </u> Yes	<u> X </u> No

STATE AWARDS

Type of auditor's report issued on compliance for state programs:	<u>Unmodified</u>	
Internal control over applicable state programs:		
One or more material weakness(es) identified?	<u> </u> Yes	<u> X </u> No
One or more significant deficiencies identified that are not considered material weakness(es)?	<u> </u> Yes	<u> X </u> No
Any audit findings disclosed that are required to be reported in accordance with <i>2024-25 Guide for Annual Audits of California K-12 Local Education Agencies</i> ?	<u> </u> Yes	<u> X </u> No

Innovations Academy Charter School
Schedule of Findings and Questioned Costs
Year Ended June 30, 2025

Findings represent significant deficiencies, material weaknesses, and/or instances of noncompliance related to the financial statements that are required to be reported in accordance with *Government Auditing Standards*, or the *2024-25 Guide for Annual Audits of California K-12 Local Education Agencies and State Compliance Reporting* (the Audit Guide). Finding codes as identified in the Audit Guide are as follows:

<u>Five Digit Code</u>	<u>AB 3627 Finding Type</u>
10000	Attendance
20000	Inventory of Equipment
30000	Internal Control
40000	State Compliance
42000	Charter School Facilities
43000	Apprenticeship: Related and Supplemental Instruction
50000	Federal Compliance
60000	Miscellaneous
61000	Classroom Teacher Salaries
62000	Local Control Accountability Plan
70000	Instructional Materials
71000	Teacher Misassignments
72000	School Accountability Report Card

A. Financial Statement Findings

Finding Number: 2025-001
Repeat Finding: No
Description: Internal Controls Over Expenses
Type of Finding: Internal Control (30000)

Criteria or Specific Requirement

The School’s board-approved financial policy requires that all expenses exceeding \$15,000 must receive prior approval from the board of directors before payment is made.

Condition

During our review of sixty-five expense transactions at the School, we noted that five expenses, totaling \$170,145, were paid prior to receiving approval from the board of directors.

Cause

The expenses were processed prior to obtaining board approval. The School’s internal controls did not prevent or detect this noncompliance in a timely manner.

Effect

Processing expenses in excess of the approval threshold without prior board approval increases the risk of unauthorized or inappropriate expenses that may violate the School’s internal policies and could undermine the board’s fiduciary oversight responsibilities.

Innovations Academy Charter School
Schedule of Findings and Questioned Costs, Continued
Year Ended June 30, 2025

Recommendation

We recommend that the School reinforce its expense approval procedures to ensure that all expenses exceeding the board approval threshold are submitted for and receive board approval prior to payment. Staff should receive training on the policy, and management should implement controls (such as a pre-payment checklist or system flag) to prevent payment of unapproved expenses.

Views of Responsible Officials

See Corrective Action Plan

B. State Award Findings

None

[CHARTER SCHOOL LETTERHEAD]

December 5, 2025

To Whom it May Concern:

The accompanying Corrective Action Plan has been prepared as required by the *2024-25 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* published by the Education Audit Appeals Panel. The name of the contact person responsible for corrective action, the planned corrective action, and the anticipated completion date for each finding included in the current year's Schedule of Findings and Questioned Costs have been provided.

In addition, we have also prepared the accompanying Summary Schedule of Prior Audit Findings which includes the status of audit findings reported in the prior year's audit.

Sincerely,

Innovations Academy Charter School
Corrective Action Plan
Year Ended June 30, 2025

Financial Statement Finding

Finding Number: 2025-001
Description: Internal Controls over Expenses
Contact Person:
Anticipated Completion Date:

Planned Corrective Action:

Innovations Academy Charter School
Schedule of Prior Year Audit Findings
Year Ended June 30, 2025

Finding/Recommendation	Status	Explanation if Not Implemented
Finding 2024-001 Non-Classroom Based Attendance / Independent Study (10000) Significant Deficiency in Internal Control over Independent Study (30000)		
In review of independent study master agreements it was noted that 13 out of 13 tested did not contain one of the required elements identified in Education Code §51747.		
It was recommended to establish an internal review process over master agreements.	Implemented	N/A

DRAFT BOARD INVESTMENT POLICY

Innovations Academy Charter School

Board of Directors – Investment Policy (DRAFT)

Date: _____

1. Purpose

The purpose of this Investment Policy is to establish clear guidelines for the prudent investment of surplus cash reserves held by **Innovations Academy**, a California nonprofit public charter school. This policy ensures compliance with:

- California Government Code §§ **53600–53609** (Prudent Investor Rule)
- Government Code § **16429.1** (Local Agency Investment Fund)
- California Education Code §§ **41001–41003**
- Requirements of the **school’s independent auditor**
- Requirements of the **authorizer (SDUSD)**
- All applicable nonprofit fiduciary duties

The primary objectives of the school’s investment program are:

1. **Safety of principal**
 2. **Liquidity to support operations**
 3. **Reasonable yield** consistent with public-school investment regulations
-

2. Scope

This policy applies to all funds held by the school, including:

- Operating reserves
 - Facilities reserves
 - SPED or restricted reserves
 - Board-designated reserves
 - Any cash balances not required for immediate expenditure
-

3. Standard of Care – Prudent Investor Rule

All investments shall be made with judgment and care—under circumstances then prevailing—that a prudent person acting in a like capacity and familiar with such matters would use to safeguard principal and achieve reasonable income.

Board members, officers, and staff involved in the investment process must:

- Act in the best interest of the students and the school
- Avoid speculative or high-risk investments

- Ensure compliance with all legal constraints
-

4. Delegation of Authority

The Board of Directors delegates operational oversight of investment activities to:

- **Executive Director**
- **CSMC**

However, **only the Board** may approve:

- The initial investment strategy
- Any allocation changes
- Any investments not specifically pre-authorized in this policy

Quarterly investment reports shall be provided to the Board.

5. Authorized Investment Instruments

Under this policy and California Government Code, the school may invest in the following categories:

5.1 Local Agency Investment Fund (LAIF) – Gov Code §16429.1

A pooled fund managed by the State Treasurer.

- Highly liquid
 - Extremely low risk
 - Historically strong returns (current \approx 4.75–5.00%)
-

5.2 U.S. Treasury Securities – Gov Code §53601(b)

Includes T-Bills, T-Notes, and laddered short-term maturities.

- Full faith & credit of the U.S.
 - Highly secure
 - Allows a 3–12 month maturity ladder
-

5.3 Federal Agency Obligations – Gov Code §53601(f)

Issued by:

- Fannie Mae (FNMA)
- Freddie Mac (FHLMC)
- Federal Home Loan Bank (FHLB)
- Federal Farm Credit Bank (FFCB)

- Must be AA or higher.
-

5.4 Bank Deposits / Federally Insured Accounts – Gov Code §53630 et seq.

Includes:

- FDIC-insured CDs (within limits)
 - Insured sweep accounts
 - Government Money Market Funds (Treasury-only)
-

5.5 Money Market Mutual Funds (Government / Treasury Only) – Gov Code §53601(k)

Must hold:

- U.S. Treasuries
 - U.S. Government Agency securities
 - Repurchase agreements backed by Treasuries
-

6. Prohibited Investments

To comply with state law, auditors, and authorizer requirements, the following are *not* permitted:

- Equities, stocks, mutual funds, ETFs
 - Corporate bonds below AA
 - Municipal bonds not explicitly authorized
 - Private placements, hedge funds, cryptocurrency
 - Real estate purchased solely for investment
 - Options, derivatives, commodities
 - Any investment requiring accredited investor status
-

7. Portfolio Structure & Asset Allocation Strategy

To balance **safety**, **liquidity**, and **yield**, the school adopts the following investment allocation target:

Asset Class	Allocation %	Rationale
LAIF	40%	High liquidity, state-managed, diversifies risk
U.S. Treasury Ladder (3-, 6-, 12-month)	40%	Highest safety, predictable returns
Government MMF (Treasury-only)	20%	Immediate liquidity, strong yields

This allocation remains flexible based on interest-rate conditions and Board approval.

8. Maturity Limits

- Maximum average maturity: **12 months**
 - Maximum single security maturity: **24 months**
 - Minimum liquidity threshold: **10% of portfolio available within 24 hours**
-

9. Reporting Requirements

The Executive Director, Board President or Board Treasurer shall prepare quarterly reports showing:

- Portfolio holdings
- Interest earnings
- Market values
- Maturity ladders
- Compliance with policy
- Recommended adjustments

Reports will be included in board packets and retained for audit.

ESTIMATED - ROI ANALYSIS: If \$2,000,000 is Invested

Using the recommended allocation:

Allocation Breakdown

Vehicle	Percent	Amount	Est. Yield	Annual Return
LAIF	40%	\$800,000	4.75%	\$38,000
Treasury Ladder	40%	\$800,000	5.0%	\$40,000
Gov Money Market (Treasury-only)	20%	\$400,000	4.8%	\$19,200

Total ESTIMATED Annual ROI
\$38,000 + \$40,000 + \$19,200 =
\$97,200 per year

Board Resolution – Creation of Investment Committee

Resolved, that the Board of Directors hereby establishes a two-member Investment Committee made up of the Board President and the Board Treasurer charged with finalizing the Investment Policy. The Committee is authorized to engage outside counsel selected by the Committee for the purpose of ensuring full legal and regulatory compliance of the final Investment Policy. The Investment Committee shall report its final recommendations to the Board for approval.

CONFIDENTIAL

ENROLLMENT MARKETING SERVICES AGREEMENT

This Enrollment Marketing Services Agreement (“**Agreement**”) is entered into and made effective as of November 26, 2025 (the “**Effective Date**”), by and between **INNOVATIONS ACADEMY**, a California nonprofit public benefit corporation, as operator of **INNOVATIONS ACADEMY** (hereinafter, collectively “**Client**”) having its principal place of business at:

Organization Name: Innovations Academy
 Address: 5454 Ruffin Road
 City State, Zip: San Diego, CA 92123
 Phone: (858) 271-1414
 Fax: (858) 271-1418
 Signer Contact: Christine Kuglen, Director
 Signer Contact Email: christine@innovationsacademy.org
 Billing Contact: Christine Kuglen, Director
 Billing Contact Email: christine@innovationsacademy.org

and **KIDS TO FILL LLC**, a Delaware limited liability company (“**KTF**”), having its principal place of business at:

Organization Name: Kids to Fill LLC
 Address: 9450 SW Gemini Drive PMB 559064
 City State, Zip: Beaverton, OR 97008-7105
 Phone: (503) 227-2910
 Fax: (855) 972-0187
 Email: enrollment@growschools.com

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. TERM

The initial term (“**Term**”) of this Agreement shall commence on the Effective Date and shall continue until the Agreement Termination Date (as referenced in Schedule 3), unless earlier terminated in accordance with Paragraph 10. The Term may be extended only by a written agreement signed by both parties.

2. SERVICES

2.1 Client hereby engages KTF, and KTF hereby accepts such engagement, as an independent contractor to provide the enrollment marketing services set forth on Schedule 1 (the “**Services**”) to Client on the terms and conditions set forth in this Agreement. KTF may subcontract the provision of Services (or any portion thereof) in KTF’s sole discretion. KTF may also utilize the services of third party in performing the Services.

- 2.2 Client acknowledges that performance of the Services may require frequent and timely exchanges of information between Client and KTF. Materials and information requested by KTF will be provided by Client in a prompt, timely manner so as not to hinder or delay KTF's performance of Services and/or KTF's collection of Fees (as hereinafter defined) hereunder. In the course of performing the Services, KTF shall comply with all applicable policies of Client relating to the use of school logos, marks and other materials and information supplied by Client to the extent KTF has been notified of same.
- 2.3 Client agrees that KTF will take direction solely from the authorized representative(s) listed as "Contact Person" for Client in the Recitals to this Agreement. Client represents and warrants to KTF that each authorized representative has been vested with full legal power and all authority required to act on behalf of, and bind, Client with respect to both the Services to be performed by KTF and the Fees (as hereinafter defined).

3. FEES AND EXPENSES

- 3.1 As compensation for the Services, Client shall pay KTF the fees, as more particularly described in Schedule 2 (the "Fees"), payable in accordance with the terms set forth in Schedule 2 and Schedule 3.
- 3.2 If Client fails to pay, when due, any Fees and/or fails to perform any obligations imposed on Client pursuant to the terms of this Agreement (including without limitation, the Client Reporting Obligations (as defined hereinbelow)), KTF may, in its sole and absolute discretion, (a) immediately suspend the provision of all Services to Client and/or (b) terminate the Agreement, with cause, in the manner described in Paragraph 10 and invoice Client for all Breakage Fees (as referenced in Schedule 2) then due and owing by Client in the time, manner and amount set forth on Schedule 2. Client expressly acknowledges and agrees that KTF will have no liability to Client whatsoever if KTF elects to suspend any provision of Services and/or terminate this Agreement (even if KTF has been advised of the possibility of damages (which include, but are not limited to, loss of profits, loss of savings or revenue, and/or the claims of third parties)). The term, "**Client Reporting Obligations**," shall have the meaning ascribed thereto in Schedule 1.
- 3.3 If Client shall fail to timely pay the Fees or any other amounts due and owing hereunder, and/or perform any obligations imposed on Client hereunder (including without limitation, Client Reporting Obligations) in a prompt, timely manner as required hereunder, then, to the maximum extent permitted by law, KTF is hereby authorized to set off or recoup the amounts that Client owes to KTF against all amounts under KTF's possession or control at such time or in the future, whether pursuant to this Agreement or otherwise, and to otherwise pursue all remedies available at law or equity.

CONFIDENTIAL

- 3.4 Any amounts not paid to KTF when due will result in the assessment of penalties (“**Late Payment Penalties**”), in the amount set forth in Schedule 2. Any Client Reporting Obligations not performed in a prompt, timely manner when required will result in the assessment of penalties (“**Client Performance Penalties**”) in the amount set forth in Schedule 2.
- 3.5 Client will be solely responsible for, and will pay, any and all sales, use, gross receipt, goods and services, value-added, and personal property taxes, any other taxes and levies, and any interest and penalties related to the foregoing (other than taxes based on the income of KTF) that are imposed by any governmental authority in connection with this Agreement and/or the provision of the Services hereunder, and such taxes, if any, will be billed to Client as a separate line item.

4. RELATIONSHIP OF THE PARTIES

- 4.1 KTF is an independent contractor to Client. KTF has the sole right to control and direct the means, manner and method by which the Services required by this Agreement will be performed.
- 4.2 This Agreement shall not be construed to create a partnership, joint venture, employment or agency relationship between KTF and Client for any purpose. KTF has no authority (and shall not hold itself out as having authority) to bind Client and KTF shall not make any agreements or representations on Client’s behalf without Client’s prior written consent.
- 4.3 KTF has the right to perform services similar to the Services for others during the term of this Agreement.

5. OWNERSHIP

- 5.1 Each party hereto is and shall be, the sole and exclusive owner of all right, title and interest in and to any information or materials provided by such party to the other party.
- 5.2 To the extent that Services performed for the benefit of Client contain any of KTF’s Intellectual Property (as defined below), Client agrees that KTF is and shall be the sole and exclusive owner of all rights, intellectual and otherwise, to all KTF’s Intellectual Property in existence prior to the Effective Date and all Intellectual Property made, conceived, developed, discovered or reduced to practice by KTF (alone or in conjunction with others) after the Effective Date. KTF hereby grants to Client a royalty-free, perpetual, non-exclusive, non-transferrable license to use, publish, reproduce, display, and distribute copies of Works of Authorship (as defined below) solely for marketing programs or campaigns developed by KTF under this Agreement, provided that Client complies with all Client Reporting Obligations and other obligations imposed upon the Client under this Agreement. Except for the license granted above, no other license or right

shall be deemed granted or implied under this Agreement. Any unauthorized use of the Works of Authorship shall be at Client's sole risk and without liability to KTF.

- 5.3 To the extent that Services performed for the benefit of Client contain any of Client's Intellectual Property (as defined below), KTF agrees that Client is and shall be the sole and exclusive owner of all rights, intellectual and otherwise, to all Client's Intellectual Property in existence prior to the Effective Date and all Intellectual Property made, conceived, developed, discovered or reduced to practice by Client (alone or in conjunction with others) after the Effective Date. For the term of this Agreement, Client hereby grants to KTF a royalty-free, non-exclusive, non-transferrable license to use, publish, reproduce, display, and distribute copies of Works of Authorship (as defined below) solely for marketing programs or campaigns developed by KTF under this Agreement. Except for the license granted above, no other license or right shall be deemed granted or implied under this Agreement.
- 5.4 For purposes of this Agreement, "**Intellectual Property**" means any and all Inventions, patents, patentable subject matter (irrespective of whether a patent application has been filed), Works of Authorship, trade secrets, trademarks, mask works, copyrights, and any other intellectual property; "**Inventions**" means any and all discoveries, improvements, ideas, concepts, creative works, and designs, whether or not in writing or reduced to practice, and whether or not they are patentable, including, but not limited to, processes, methods, formulas, and techniques and know-how; and "**Works of Authorship**" means those works fixed in any tangible medium of expression from which they can be perceived, reproduced, or otherwise communicated, either directly or with the aid of a machine or device, whether or not they are copyrightable.

6. CONFIDENTIALITY

- 6.1 Each party acknowledges that the other party will have access to information that is treated as confidential and proprietary by the owner of that information, including, without limitation, any trade secrets, technology and information pertaining to business operations and strategies, customers, pricing, marketing, finances, sourcing, personnel or operations of the other party, its affiliates or their suppliers or customers, in each case whether spoken, printed, electronic or in any other form or medium (collectively, the "**Confidential Information**"). As used herein, "**Confidential Information**" includes without limitation, all information concerning or related to the business, operations, financial condition or prospects of a party (whether prepared by a party, its affiliates, advisors, or otherwise, and regardless of the form in which such information appears and whether or not such information has been reduced to a tangible form), and shall specifically include (without limitation): (i) all Intellectual Property, software, inventions, discoveries, trade secrets, processes, techniques, methods, ideas and know-how; and (ii) all financial statements, audit reports, budgets and business plans or forecasts, (iii) marketing plans and strategies and pricing and Fee structure for Services, (iv) enrollment materials, and (v) student information. During the Term and for a period of two (2) years after expiration of the

CONFIDENTIAL

Term, each party agrees to treat all Confidential Information as strictly confidential, not to disclose Confidential Information or permit it to be disclosed, in whole or part, to any third party without the prior written consent of the owner of such Confidential Information in each instance, and not to use any Confidential Information for any purpose except as required in the performance of the Services or as otherwise required in connection with this Agreement. Each party shall promptly notify the other party in the event it becomes aware of any loss or disclosure of any Confidential Information.

- 6.2 Confidential Information shall not include information that:
- (a) is or becomes generally available to the public other than through a party's breach of this Agreement; or
 - (b) is communicated to Client or KTF by a third party that had no confidentiality obligations with respect to such information.
- 6.3 Each party may disclose Confidential Information that is required to be disclosed by law or pursuant to the terms of a subpoena or court order; provided that the party being compelled to disclose that information shall have given the other party prior notice of such disclosure and an opportunity to contest such disclosure and disclose only the minimum Confidential Information necessary to comply with such law or order and otherwise continue to maintain the confidentiality of the Confidential Information.

7. REPRESENTATIONS AND WARRANTIES; COVENANTS

- 7.1 Each party represents and warrants to the other that:
- (a) it has the full right, power and authority to enter into this Agreement and to perform its obligations hereunder; and
 - (b) the execution, delivery and performance of this Agreement and the performance of its obligations hereunder does not and will not: (i) conflict with, or constitute a default under any agreement or other instrument to which such party is party, including but not limited to the Client's charter agreement or (ii) result in a violation of any law, rule, regulation, order, judgment or other restriction of any court or governmental authority to which such party is subject;
 - (c) the execution of this Agreement by its representative whose signature is set forth at the end hereof has been duly authorized by all necessary actions; and
 - (d) Client is in compliance with all applicable federal, state, and local laws, rules, regulations, practices, procedures, and policies, and with the school's charter agreement (as defined in Schedule 1), with respect to the recruitment, application, admission, and enrollment of students, including but not limited to anti-discrimination laws and policies, non-sectarian laws and policies, enrollment preferences and

CONFIDENTIAL

procedures, lottery requirements, open enrollment, enrollment caps, applicable geographical limitations, applicable desegregation orders, building and fire codes with respect to occupancy, and privacy laws such as FERPA.

7.2 During the term of this Agreement, Client covenants and agrees as follows:

- (a) Client shall comply in all material respects with all applicable local, state and federal laws pertaining to student recruitment, student enrollment and lottery procedures, including without limitation, anti-discrimination provisions regarding admissions, enrollment preferences and procedures, lottery requirements, open enrollment, enrollment caps, applicable geographic limitations, applicable desegregation orders, building and fire codes with respect to occupancy, and privacy laws such as FERPA. Client acknowledges and agrees that KTF shall perform enrollment marketing services with the intended objective of increasing inquiries for admission to the School and submission of admission applications to Client, and that KTF is not responsible for compliance with laws regarding student recruitment, student enrollment and lottery procedures.
- (b) Client agrees to comply with all responsibilities and obligations of Client hereunder, including without limitation, the Client Reporting Obligations set forth in Schedule 1 to this Agreement.

8. **DISCLAIMER**

KTF MAKES NO WARRANTY, REPRESENTATION, GUARANTY OR CONDITION OF ANY KIND, WHETHER EXPRESS, IMPLIED, STATUTORY OR OTHERWISE (INCLUDING, WITHOUT LIMITATION, WARRANTIES OF RELIABILITY, TIMELINESS, QUALITY, SUITABILITY, AVAILABILITY, ACCURACY, COMPLETENESS, TITLE, NON-INFRINGEMENT OR MARKET ACCEPTANCE, OR IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE), WITH RESPECT TO ANY SERVICES PROVIDED TO CLIENT PURSUANT TO THIS AGREEMENT. KTF DOES NOT REPRESENT, WARRANT OR GUARANTY THAT (I) THE SERVICES WILL BE ERROR-FREE OR OPERATE IN COMBINATION WITH ANY OTHER APPLICATION, SOFTWARE, HARDWARE, SYSTEM OR DATA; (II) THE SERVICES WILL MEET CLIENT'S REQUIREMENTS OR EXPECTATIONS; (III) ANY DATA STORED USING THE SERVICES WILL BE ACCURATE, RELIABLE, OR SECURE; OR (IV) THE PRODUCTS AND/OR SERVICES WILL BE ACCEPTED AND/OR USED IN THE MARKETPLACE. CLIENT ACKNOWLEDGES AND AGREES THAT KTF HAS NOT PROVIDED ANY GUARANTEE OF SUCCESS OR OF SPECIFIC RESULTS IN CONNECTION WITH THE SERVICES AND HAS NOT PROVIDED ANY REPRESENTATIONS OR WARRANTIES REGARDING THE OUTCOME FROM SUCH SERVICES (INCLUDING, WITHOUT LIMITATION, ANY SPECIFIC LEVEL

OF ENROLLMENT TO BE GENERATED BY CLIENT THEREFROM). KTF IS NOT RESPONSIBLE FOR THE ACTIONS, OMISSIONS, PRODUCTS, SERVICES OR CONTENT OF ANY THIRD PARTY OR THE IMPACT OF SUCH ACTIONS, OMISSIONS, PRODUCTS, SERVICES OR CONTENT ON THE SERVICES OR DELIVERABLES PROVIDED HEREUNDER.

9. INDEMNIFICATION

Client shall defend, indemnify and hold harmless KTF and its affiliates and their officers, directors, employees, successors and permitted assigns from and against any and all claims, losses, damages, liabilities, deficiencies, actions, judgments, interest, awards, penalties, fines, costs or expenses of whatever kind (including reasonable attorneys' fees) arising out of or resulting from: (a) any misrepresentations made or factually incorrect information provided wilfully or negligently by Client to KTF, (b) any claim that any product or service that Client develops, creates and/or sells which incorporates any portion of the Services provided by KTF hereunder infringes or violates the intellectual property or other rights of any third party, (c) any claim that logos, marks or other materials supplied by Client infringe or violate the intellectual property or other rights of any third party, (d) any taxes, levies, interest and penalties described in Paragraph 3.5 and (e) except as provided hereinbelow in this Paragraph 9, any claim alleging violations of applicable local, state and federal laws, rules, policies, procedures or practices, or violations of Client's charter agreement for any School, relating to student recruitment, admission, or enrollment.

Client shall not be obligated to defend, indemnify or hold harmless KTF, its affiliates or their officers, directors, employees, successors or permitted assigns from and against any claim alleging violation of federal non-discrimination laws to the extent such claim arises strictly from the content of posts or blogs created by KTF (and not supplied and/or reviewed in any form by Client prior to its use) in KTF's performance of Services (i.e. social media engagement) described in Paragraph 1(c) of Schedule 1, where the creation and use of such content in posts or blogs is deemed to have resulted from the willful misconduct or gross negligence of KTF (as determined by a final, non-appealable order from a court of competent jurisdiction).

10. TERMINATION

10.1 Termination by Either Party. Either party may terminate this Agreement with or without cause within ninety (90) days of the Effective Date upon 30 days' prior written notice to the other party delivered to the other party at the address specified above in this Agreement. Thereafter either party may terminate this Agreement, effective upon written notice to the other party, in the event that the other party breaches this Agreement and fails to cure such breach within fifteen (15) days after written notice of such breach.

10.2 Reserved.

- 10.3 Obligations Following Termination. Upon expiration or termination (with or without cause) of this Agreement for any reason:
- (a) KTF shall immediately cease work on the provision of Services then being provided to Client pursuant to this Agreement and all outstanding Fees or any other amounts outstanding hereunder shall immediately be due and payable without further demand or action by KTF;
 - (b) Upon written request by a party, the other party shall return, destroy and/or permanently erase from its computer systems all Confidential Information of the requesting party; and
 - (c) With regards to Fees, if any, earned by KTF prior to the Termination Date, Client shall pay KTF such Fees within fifteen (15) days upon Client's receipt of an invoice for the same. To the degree that Client terminates this Agreement prior to the Final Enrollment Calculation Date (as designated in Schedule 3), Client shall pay KTF Breakage Fees within fifteen (15) days upon Client's receipt of an invoice for the same.

As used in this Agreement, "**Agreement Termination Date**" shall mean the date on which the Agreement is terminated or expires.

- 10.4 Survival of Provisions. The terms and conditions of Paragraphs 3, 6, 9, 11, 13 and 14 shall survive the expiration or termination of this Agreement.

11. NON-SOLICITATION

Client recognizes that KTF's personnel (whether a full-time or part-time employee of KTF, or an independent contractor engaged by KTF to perform Services hereunder) ("**KTF Service Providers**") are a valuable resource of KTF. Client agrees that during the Term (and any extension of such Term agreed upon in writing by the parties) and for a period of twenty-four (24) months thereafter, Client shall not make any solicitation to employ or directly contract with KTF Service Providers without the prior written consent of KTF (which may be given or withheld in KTF's sole discretion). Client acknowledges that (a) its hiring of any KTF Service Providers will cause KTF to invest substantial time and money to locate, hire and train a replacement; (b) each of the KTF Service Providers perform concurrent services for multiple KTF clients, so KTF will be required to locate, hire and train replacements to cover its other clients and KTF may lose one or more of its other clients; and (c) the nature of KTF's business model will create additional risks and expenses if Client hires (or directly contracts with) any KTF Service Provider.

12. ASSIGNMENT

Client shall not assign this Agreement or any rights under this Agreement without the prior written consent of KTF (which may be given or withheld in KTF's sole discretion). Any assignment in violation of the foregoing shall be deemed null and void. Subject to the limits on assignment stated in this Paragraph, this Agreement will inure to the benefit of, be binding upon, and be enforceable against, each of the parties hereto and their respective successors and assigns.

13. LIMITATION OF LIABILITY

(A) UNDER NO CIRCUMSTANCES WILL KTF BE LIABLE TO CLIENT OR ANY THIRD PARTY FOR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL, PUNITIVE, EXEMPLARY OR MULTIPLE DAMAGES ARISING OUT OF OR RELATED TO THIS AGREEMENT (INCLUDING, WITHOUT LIMITATION, ALL SERVICES PROVIDED THEREUNDER), REGARDLESS OF THE LEGAL THEORY ON WHICH SUCH CLAIM IS BASED (WHETHER BASED IN CONTRACT, TORT OR ANY OTHER LEGAL THEORY), EVEN IF KTF HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES (WHICH INCLUDE, BUT ARE NOT LIMITED TO, LOSS OF PROFITS, LOSS OF SAVINGS OR REVENUE, THE CLAIMS OF THIRD PARTIES, AND/OR INJURY TO PERSONS OR PROPERTY).

(B) THE PARTIES EXPRESSLY AGREE THAT THE TOTAL LIABILITY OF KTF UNDER THIS AGREEMENT (INCLUDING, WITHOUT LIMITATION, FOR KTF'S GROSS NEGLIGENCE, WILLFUL MISCONDUCT OR BREACH OF CONTRACT) WILL BE EXPRESSLY LIMITED TO AN AMOUNT EQUAL TO THE AGGREGATE FEES ACTUALLY RECEIVED BY KTF FROM CLIENT PURSUANT TO THIS AGREEMENT. CLIENT ACCEPTS THE RESTRICTIONS ON ITS RIGHT TO RECOVER ADDITIONAL DAMAGES AS PART OF ITS BARGAIN WITH KTF, AND CLIENT UNDERSTANDS AND ACKNOWLEDGES THAT, WITHOUT SUCH RESTRICTIONS, THE CONSIDERATION FOR THE SERVICES PROVIDED HEREUNDER WOULD BE HIGHER.

14. MISCELLANEOUS

- 14.1 All notices, requests, consents, claims, demands, waivers and other communications hereunder (each, a "Notice") shall be in writing and addressed to the parties at the addresses set forth on the first page of this Agreement (or to such other address that may be designated by the receiving party from time to time in accordance with this Paragraph). A Notice is effective only if the party giving the Notice has complied with the requirements of this Paragraph. Except as otherwise provided in this Agreement, a Notice shall be deemed effective (i) upon delivery if delivered in person or sent by certified or registered mail (in each case, return receipt

CONFIDENTIAL

requested, postage prepaid) or a nationally-recognized overnight courier (with all fees pre-paid) or (ii) when sent via an electronic mail of a PDF document if a written confirmation of delivery is obtained and notice is also sent via a nationally recognized overnight courier the same business day or the next succeeding business day thereafter.

- 14.2 This Agreement, together with any other documents incorporated herein by reference and related Schedules, constitutes the sole and entire agreement of the parties to this Agreement with respect to the subject matter contained herein, and supersedes all prior and contemporaneous understandings, agreements, representations and warranties, both written and oral, with respect to such subject matter.
- 14.3 This Agreement may only be amended, modified or supplemented by an agreement in writing signed by each party hereto, and any of the terms thereof may be waived, only by a written document signed by each party to this Agreement or, in the case of waiver, by the party or parties waiving compliance.
- 14.4 This Agreement shall be governed by and construed in accordance with the internal laws of the State of Oregon without giving effect to any choice or conflict of law provision or rule. Any claim, action, suit or proceeding that arises from or relates to this Agreement shall be brought and conducted solely and exclusively within the Circuit Court of Multnomah County, for the State of Oregon, or in the United States District Court for the District of Oregon. The parties to this Agreement expressly consent to the in personam jurisdiction of such courts.
- 14.5 If either party takes any action to enforce its rights under this Agreement, then the prevailing party to such action may recover from the other all of such prevailing party's costs incurred in connection with bringing or defending such action, as the case may be, including (without limitation) reasonable attorneys' fees and costs of appeals.
- 14.6 If a question of interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties, and no presumption or burden of proof shall arise favoring or disfavoring either Party by virtue of the authorship of any provision of this Agreement.
- 14.7 If any portion or provision of this Agreement (including, without limitation, any portion or provision of any paragraph or section of this Agreement) shall to any extent be deemed illegal or unenforceable, then the remainder of this Agreement, or the application of such portion or provision in circumstances other than those as to which it is so declared illegal or unenforceable, shall not be affected thereby, and each portion and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

CONFIDENTIAL

- 14.8 Ambiguities and uncertainties in this Agreement, if any, shall not be interpreted against either party, irrespective of which party may be deemed to have caused the ambiguity or uncertainty to exist. All references in this Agreement to the singular shall include the plural where applicable, and all references to gender shall include both genders and the neuter. The word “including” shall be deemed to be immediately followed by the words “without limitation.”
- 14.9 Except as otherwise expressly provided in this Agreement, KTF shall not be liable to Client for any delay in or failure of its performance under this Agreement resulting from any act of God, fire, flood, explosion or other natural disaster, actions or impositions by Federal, state or local authorities, strike, labor dispute, vandalism, riot, commotion, act of public enemies, blockage or embargo, acts or omissions of third parties, pandemic, or any other cause beyond the reasonable control of KTF (“**Force Majeure**”). Upon the occurrence of any such event that results in, or will result in, a delay or failure to perform, KTF shall be relieved from fulfilling its obligations under this Agreement during the period of such Force Majeure event and shall provide written notice to Client of such occurrence and the anticipated effect of such occurrence.
- 14.10 KTF has the right to list Client as a client of KTF in all advertising, marketing and promotional materials designed to promote KTF and its services anywhere in the world. Client hereby grants KTF a non-exclusive, royalty-free, perpetual, worldwide license to use in all advertising, marketing and promotional materials designed to promote KTF and its services anywhere in the world: (i) Client’s name and logo, (ii) a screen-capture of Client’s website with a link to such website, and (iii) non-confidential details of the project(s) completed for Client. Client agrees that no monetary or other consideration shall be due to Client for the rights granted or the uses described in this Paragraph.
- 14.11 This Agreement may be executed in multiple counterparts and by facsimile signature, each of which shall be deemed an original and all of which together shall constitute one instrument.

(Signature Page Follows)

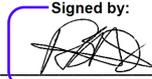
CONFIDENTIAL

The parties, intending to be bound, have executed this Enrollment Marketing Services Agreement effective as of the Effective Date.

INNOVATIONS ACADEMY, a California nonprofit public benefit corporation, as operator of **INNOVATIONS ACADEMY**

By: _____
Name: Christine Kuglen
Title: Director

KIDS TO FILL LLC, a Delaware limited liability company

Signed by: 
By: _____
Name: Robert Hellman
Title: Managing Director

SCHEDULE 1**DESCRIPTION OF SERVICES
AND
CLIENT OBLIGATIONS****1. DESCRIPTION OF SERVICES**

KTF will provide Services to Client with an intended objective of increasing awareness and lead generation for Client – specifically, driving student enrollments in combination with open house events and other social events undertaken by Client staff and teachers to promote enrollment at Client’s school all as described below in Paragraph 4 of this Schedule 1.

KTF will research, develop, and design a marketing plan for Client. Thereafter, KTF will implement any combination of the following marketing tactics (to the extent determined effective by KTF):

- a. Provide updates to Client’s website – such updates may include landing page to capture enrollment inquiries and/or other front- or back-end updates as needed;
- b. Conduct Search Engine Optimization (“SEO”) campaign to increase visibility of Client’s website and boost organic search traffic;
- c. Provide Social Media content for enrollment activities on Facebook, Instagram, YouTube, Twitter, and/or Client’s other social media platforms;
- d. Conduct paid digital media campaigns – such campaigns may include paid search ad placements, online display advertising/banners, social media advertising, remarketing to website visitors, and/or other online placements;
- e. Design and print assets such as yard signs, banners or signage, postcards, and/or fliers as needed; and/or
- f. Content creation including story arcs, social media copy, blog posts, email campaigns, video/photography, and/or other content as needed.

The Services will be performed by KTF during the period commencing on the EM Program Commencement Date through and including the EM Program End Date as set forth in Schedule 2. The Services shall include the progress reports described in Paragraph 2 of this Schedule 2.

2. PROGRESS REPORTS TO THE CLIENT

KTF will report on its activities and accomplishments in writing at least monthly. Client is responsible

CONFIDENTIAL

for providing prompt feedback regarding results of KTF marketing activities on a timely basis so that KTF may complete (or make adjustments, as necessary, to enhance) performance of Services to allow for maximum desired impact in increasing lead generation and enrollment activities for Client.

3. CLIENT INFORMATION AND MATERIALS TO KTF

Client will furnish to KTF such marks, logos and school photos in electronic form, and other miscellaneous materials required in order for KTF to perform the Services (collectively, “**Client Materials**”), including without limitation, such information as may be requested by KTF for the purpose of generating web content for landing pages, email and social media campaigns and brochures. Client Materials shall be submitted by Client to KTF on or before the submission date set forth in Schedule 3.

4. CLIENT REPORTING OBLIGATIONS AND OTHER OBLIGATIONS:

Client shall be solely responsible for the administration and implementation of all processes and procedures relating to student recruitment, student enrollment and lottery procedures for all existing and prospective students applying for admission to (and/or selected for admission to) Client.

Client shall be solely responsible for all reporting to all governmental and regulatory entities or agencies with jurisdiction over Client as it relates to student recruitment, student enrollment and lottery procedures (including without limitation, the collection of vaccination records and other student information) and all other matters relating to its operation of a charter school.

Client shall be responsible for compliance with all applicable federal, state, and local laws, rules, regulations, practices, procedures, and policies, and with the school’s charter agreement, with respect to the recruitment, application, admission, and enrollment of students, including but not limited to anti-discrimination laws and policies, non-sectarian laws and policies, enrollment preferences and procedures, lottery requirements, open enrollment, enrollment caps, applicable geographical limitations, applicable desegregation orders, building and fire codes, and privacy laws such as FERPA.

Client shall be responsible for delivering to KTF completed Student Application Reports in the form attached hereto as Schedule 4 (collectively, “**Client Reporting Obligations**”), on the dates specified in Schedule 3.

Client shall be responsible to make arrangements for, and hold a minimum of five (5) open house or social events any time during the period commencing within 60 days of the EM Program Commencement Date through the EM Program End Date (as specified in Schedule 3) for the purpose of promoting enrollment for the current school year and the next succeeding school year.

SCHEDULE 2

FEEES

LATE PAYMENT PENALTIES

CLIENT PERFORMANCE PENALTIES

BREAKAGE FEES

1. FEE CALCULATION FOR SERVICES

In consideration for the value of the Services performed by KTF, Client agrees, in return, to pay to KTF a base fee of \$42,336.00 (“**Base Fee**”), paid in monthly installments of \$3,848.73 as well as performance-based compensation (“**Performance Fee**”) and together with the Base Fee, collectively, the (“**Fee**”). The Performance Fee payable to KTF shall be calculated as follows:

The net change in Enrollment (“**Net Change in Enrollment**”) shall be calculated by subtracting the Total Reported Enrollment (collectively, the “**Final Enrollment Count**”) as published on the **Cumulative Enrollment Report** published on or around **10/30/2026** **LESS**, the **Baseline Total Enrollment** as published on the **Cumulative Enrollment Report** published on or around **05/15/2026** substantially in the form of **SCHEDULE 5**.

To the extent the Net Change in **Enrollment** is greater than zero, the Performance Fee shall be calculated by multiplying the Net Change in **Enrollment** by the performance fee multiplier (“**Performance Fee Multiplier**”). The Performance Fee Multiplier and Net Change in **Enrollment** schedule is as follows:

Net Change in Enrollment	Performance Fee Multiplier
< or = 0	\$0
>0	\$1,435.00

Provided that the Agreement is not terminated by either KTF or the Client as contemplated in Paragraph 10 of the Agreement, Client shall not be required to reimburse KTF for expenses incurred by KTF with respect to the performance of Services under this Agreement.

Provided that the Agreement is not terminated by either KTF or the Client as contemplated in Paragraph 10 of the Agreement, Fees shall be due in full no later than thirty (30) days following Client’s receipt

of an invoice for Services rendered. The invoice (“**Invoice Fees**”) will be issued with respect to the Performance Fee due and owing. The timing for the issuance of such invoices is outlined in Schedule 3.

2. LATE PAYMENT PENALTIES

Fees not paid to KTF within thirty (30) days after the stated due date shall accrue a Late Payment Penalty at an annual default interest rate of eighteen percent (18%), unless otherwise limited by applicable law. The Late Payment Penalty will be calculated on the unpaid balance, prorated for the period during which any portion of the Fees remains outstanding, and will continue to accrue until all Fees are paid in full. Any accrued Late Payment Penalty will be added to the outstanding balance and shall be payable upon invoice.

3. CLIENT PERFORMANCE PENALTIES

Failure of the Client to deliver to KTF the final Student Application Reports or otherwise comply with any other Client Reporting Obligations in accordance with the time frames set forth in Schedule 3 shall result in the assessment of Client Performance Penalties for each 30-day period in which Client fails to deliver the final Student Application Report (or any other report required in accordance with Client Reporting Obligations). The Client Performance Penalty shall equal an annual rate of 18%, unless otherwise limited by applicable law, multiplied by the Fee, prorated for time. Such Client Performance Penalty shall be added to the Fee (plus any other penalties assessed, if applicable) then outstanding at that time.

4. BREAKAGE FEES

If the Client terminates the Agreement, the Client shall be required to reimburse KTF in an amount equal to one hundred and thirty percent (130%) multiplied by the total amount of expenses incurred by KTF with respect to the performance of Services under this Agreement up to, and including, the effective date of the termination, less any Fees previously paid by the Client for such Services. If the Client terminates the Agreement and a performance fee would be owed as of that day (because net enrollment has increased over baseline), a Performance Fee of \$25,000 will be owed.

If KTF terminates the Agreement (with cause), the Client shall be required to reimburse KTF in an amount equal to one hundred and thirty percent (130%) multiplied by the total amount of expenses incurred by KTF with respect to the performance of Services under this Agreement up to, and including, the effective date of the termination, less any Fees previously paid by the Client for such Services.

Any amounts due and payable to KTF upon a termination of the Agreement (whether by KTF or Client) shall be due in full no later than fifteen (15) days following Client’s receipt of an invoice for such amount. Upon the Client’s reasonable request, KTF shall provide supporting documentation evidencing the expenses incurred by KTF through the effective date of termination.

5. METHOD FOR PAYMENT

CONFIDENTIAL

Client elects to pay Fees (along with Late Payment Penalties and Client Performance Penalties, if applicable) or Breakage Fee, as applicable, as follows: **[CHECK ONE BOX ONLY]**

- Client will wire transfer payment in full to KTF-designated deposit account.
- Client will submit payment by check to KTF in full payment for each invoice issued for Fees referenced on, and in accordance with, Schedule 2 and Schedule 3 hereof. If the check provided for payment under this contract is returned by the bank due to insufficient funds, closed account, stop payment, or any other reason a \$50.00 fee will be applied to the account.
- Client will execute an ACH authorization form with respect to any one or more checking/savings account(s) maintained and established in the name of Client at a depository bank, which provides for the drafting of such account by such depository bank for the Fees, and the crediting of an account listed in instructions provided by KTF to such depository bank.
- Client will finance payment of the Fees through a KTF receivables purchase facility. The amount of financing will be determined by actual student enrollment at Client's school at the time of application for financing. Approval for financing shall be subject to satisfactory completion of the KTF underwriting and due diligence process.

SCHEDULE 3

DATES FOR REQUIRED PERFORMANCE

KEY PROGRAM DATES

	<u>RESPONSIBLE PARTY</u>	<u>RECEIVING PARTY</u>	<u>DUE DATE FOR PERFORMANCE</u>	<u>SECTION OF AGREEMENT</u>
Effective Date of Agreement	KTF; Client	N/A	11/26/2025	Opening Paragraph
Deliver Client Materials	Client	KTF	Ongoing	Paragraph 3, <u>Schedule 1</u>
EM Program Commencement Date	KTF; Client	N/A	12/01/2025	Paragraph 1, <u>Schedule 1</u>
Deliver Student Application Report (for pre-applications submitted during preceding month)	Client	KTF	Ongoing	Paragraph 4, <u>Schedule 1</u>
Baseline Enrollment Calculation Date	Client; KTF	Client; KTF	05/15/2026	<u>Schedule 2</u>
Final Enrollment Calculation Date	Client; KTF	Client; KTF	10/30/2026	<u>Schedule 2</u>
EM Program End Date	KTF; Client	N/A	10/30/2026	Paragraph 1, <u>Schedule 1</u>
Agreement Termination Date¹	KTF; Client	N/A	11/16/2026	Paragraph 1

OPEN HOUSE DATES

	<u>RESPONSIBLE PARTY</u>	<u>DUE DATE FOR PERFORMANCE</u>	<u>SECTION OF AGREEMENT</u>
Open House or Social Event	Client	March 2026	Paragraph 4, <u>Schedule 1</u>
Open House or Social Event	Client	April 2026	Paragraph 4, <u>Schedule 1</u>
Open House or Social Event	Client	May 2026	Paragraph 4, <u>Schedule 1</u>

¹ Subject to extension by written agreement of the parties.

Open House or Social Event	Client	June 2026	Paragraph 4, <u>Schedule 1</u>
Open House or Social Event	Client	July 2026	Paragraph 4, <u>Schedule 1</u>

BILLING DATES

	<u>RESPONSIBLE PARTY</u>	<u>RECEIVING PARTY</u>	<u>DUE DATE FOR PERFORMANCE</u>	<u>SECTION OF AGREEMENT</u>
Delivery Invoice for Base Fee of \$3,848.73	KTF	Client	Dec 15, 2025	<u>Schedule 2</u>
Delivery Invoice for Base Fee of \$3,848.73	KTF	Client	Jan 15, 2026	<u>Schedule 2</u>
Delivery Invoice for Base Fee of \$3,848.73	KTF	Client	Feb 15, 2026	<u>Schedule 2</u>
Delivery Invoice for Base Fee of \$3,848.73	KTF	Client	Mar 15, 2026	<u>Schedule 2</u>
Delivery Invoice for Base Fee of \$3,848.73	KTF	Client	Apr 15, 2026	<u>Schedule 2</u>
Delivery Invoice for Base Fee of \$3,848.73	KTF	Client	May 15, 2026	<u>Schedule 2</u>
Delivery Invoice for Base Fee of \$3,848.73	KTF	Client	Jun 15, 2026	<u>Schedule 2</u>
Delivery Invoice for Base Fee of \$3,848.73	KTF	Client	Jul 15, 2026	<u>Schedule 2</u>
Delivery Invoice for Base Fee of \$3,848.73	KTF	Client	Aug 15, 2026	<u>Schedule 2</u>
Delivery Invoice for Base Fee of \$3,848.73	KTF	Client	Sep 15, 2026	<u>Schedule 2</u>
Delivery Invoice for Base Fee of \$3,848.73	KTF	Client	Oct 15, 2026	<u>Schedule 2</u>

CONFIDENTIAL

Delivery Invoice for Base Fee of	KTF	Client		<u>Schedule 2</u>
Delivery of Invoice for Performance Fee	KTF	Client	Nov 16, 2026	<u>Schedule 2</u>

DRAFT PROCESS

SCHEDULE 4
FORM OF STUDENT APPLICATION REPORT

March Monthly Enrollment Count Breakdown						
Grade	NEW Applied & Confirmed	NEW Registrations in Process	NEW Waitlisted	CURRENT Enrolled on 30th of month	CURRENT Pending Exits	Net Projected Current Students
TK/PreK						0
K						0
1						0
2						0
3						0
4						0
5						0
6						0
7						0
8						0
9						0
10						0
11						0
12						0
Total	0	0	0	0	0	0

Definitions:
Enrollment Process: Apply > Be Offered Space > Accept Seat > Register > Officially Enrolled
"NEW Applied & Confirmed" - number of new students who have applied, been offered space, and accepted that space
"NEW Registrations in Process" - number of "Applied & Confirmed" students whose registration is officially in process
"NEW Wait listed" - number of students who have applied and been notified that they are on the waiting list
"CURRENT Enrolled on 30th of month" - Number of existing students in each grade level as of 30th
"CURRENT Pending Exits" - Number of "Enrolled on 30th" students who have initiated a withdrawal process or are on track for graduation
"Net Projected CURRENT Students" - "Enrolled on 30th" minus "Pending Exits"

SCHEDULE 5

EXAMPLE ENROLLMENT REPORT



Innovations Academy Independent Study 25-26 Year

Enrollment Summary: Scheduling/Reporting Ethnicity as of 10/31/2025 (A)

View: Scheduling/Reporting Ethnicity		Students: <input checked="" type="radio"/> All Active Enrollments <input type="radio"/> Current Selection	Date: 10/31/2025
Grade Level	Total in Grade	Unclassified	
K	7 M 6 /F 1	7 M 6 /F 1	
1	6 M 1 /F 5	6 M 1 /F 5	
2	7 M 2 /F 5	7 M 2 /F 5	
3	10 M 5 /F 5	10 M 5 /F 5	
4	9 M 7 /F 2	9 M 7 /F 2	
5	6 M 6 /F 0	6 M 6 /F 0	
6	8 M 3 /F 5	8 M 3 /F 5	
7	6 M 1 /F 5	6 M 1 /F 5	
8	3 M 2 /F 1	3 M 2 /F 1	
Total	62 M 33 /F 29	62 M 33 /F 29	

The Scheduling/Reporting Ethnicity view displays student ethnicity data that is used in scheduling and preconfigured reporting. See the help for more information.

Legend

SCHEDULE 5 - Cont

EXAMPLE ENROLLMENT REPORT



5day FT Program
 Innovations Academy 25-26 Semester 1

Enrollment Summary: Scheduling/Reporting Ethnicity as of 10/31/2025 (A)

View: Scheduling/Reporting Ethnicity		Students: <input checked="" type="radio"/> All Active Enrollments <input type="radio"/> Current Selection	Date: 10/31/2025
Grade Level	Total in Grade	Unclassified	
K	30 M 14 /F 16	30	M 14 /F 16
1	35 M 25 /F 10	35	M 25 /F 10
2	40 M 19 /F 21	40	M 19 /F 21
3	45 M 24 /F 21	45	M 24 /F 21
4	49 M 17 /F 32	49	M 17 /F 32
5	50 M 24 /F 26	50	M 24 /F 26
6	42 M 30 /F 12	42	M 30 /F 12
7	49 M 23 /F 26	49	M 23 /F 26
8	37 M 22 /F 15	37	M 22 /F 15
Total	377 M 198 /F 179	377	M 198 /F 179

The Scheduling/Reporting Ethnicity view displays student ethnicity data that is used in scheduling and preconfigured reporting. See the help for more information.

Legend

Innovations Academy

Cell Phone and other Electronic Communication Device Policy

From 25-26 Family Handbook, page 51

Handbook approved by board 7/22/25, board reviewed 12/9/25

We at IA powerfully create our lives through self-expression, compassionate connection, and purposeful learning. This is the first sentence of our mission statement, and we recognize that it is also the reason why families have entrusted us with their children. We believe that the authentic, face-to-face, compassionate communication that ties not only teachers and students, but students to each other, must take place in the absence of cell phones and other communication devices (such as communication watches).

No "smart" device that connects to the internet (cell phones, watches, iPads, computers) may be brought to campus by students at any time, unless:

- A student transfers homes between guardians/parents during the week or is meeting a parent off campus after school. They may bring a device but it must be turned into the front office or at the gate at the start of the school day and retrieved at the office at the end of the day.
- A licensed physician and surgeon determines that the possession or use of a private device is necessary for the health or well-being of the student.

Any student found using a "smart" device (one that connects to the internet) will have it immediately taken away and parent/guardian will be required to come to a scheduled meeting with the school counselor, Director, and Assistant Director. The device will be returned to the parent/guardian at that meeting. If this happens a second time, the student will be forbidden from bringing the device to school.

Parents who need to contact their children during the school day should leave a message at the front desk. Students are allowed to come to the office to make a phone call during class time only with the permission of the teacher, and at breaks and lunch as well as before and after school.

**BYLAWS
OF
INNOVATIONS ACADEMY**

(A California Nonprofit Public Benefit Corporation)

**ARTICLE I
NAME**

Section 1. NAME. The name of this corporation is Innovations Academy (referred to herein as “Charter School”).

**ARTICLE II
PRINCIPAL OFFICE OF THE CHARTER SCHOOL**

Section 1. PRINCIPAL OFFICE OF THE CHARTER SCHOOL. The principal office for the transaction of the activities and affairs of the Charter School is located in San Diego County, California. The Board of Directors of Innovations Academy (referred to herein as “Board”) may change the location of the principal office. Any such change of location must be noted by the Secretary on these bylaws opposite this Section; alternatively, this Section may be amended to state the new location.

Section 2. OTHER OFFICES OF THE CHARTER SCHOOL. The Board may at any time establish branch or subordinate offices at any place or places where the Charter School is qualified to conduct its activities.

**ARTICLE III
GENERAL AND SPECIFIC PURPOSES; LIMITATIONS**

Section 1. GENERAL AND SPECIFIC PURPOSES. The purpose of the Charter School is to manage, operate, guide, direct and promote the Charter School, a California public charter school in the San Diego Unified School District. Also in the context of these purposes, the Charter School shall not, except to an insubstantial degree, engage in any other activities or exercise of power that do not further the purposes of the Charter School.

The Charter School shall not carry on any other activities not permitted to be carried on by: (a) a corporation exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code; or (b) a corporation, contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code, or the corresponding section of any future federal tax code. No substantial part of the activities of the Charter School shall consist of the carrying on of propaganda, or otherwise attempting to influence legislation, and the Charter School shall not participate in, or intervene in (including the publishing or distributing of statements) any political campaign on behalf of or in opposition to any candidate for public office.

**ARTICLE IV
CONSTRUCTION AND DEFINITIONS**

Section 1. CONSTRUCTION AND DEFINITIONS. Unless the context indicates otherwise, the general provisions, rules of construction, and definitions in the California Nonprofit Corporation Law shall govern the construction of these bylaws. Without limiting the generality of the preceding sentence, the masculine gender includes the feminine and neuter, the singular includes the plural, and the plural includes the singular, and the term “person” includes both a legal entity and a natural person.

**ARTICLE V
DEDICATION OF ASSETS**

Section 1. DEDICATION OF ASSETS. The Charter School’s assets are irrevocably dedicated to public benefit purposes as set forth in the Charter School’s Charter. No part of the net earnings, properties, or assets of the Charter School, on dissolution or otherwise, shall inure to the benefit of any private person or individual, or to any Board Member or officer of the Charter School. On liquidation or dissolution, all properties and assets remaining after payment, or provision for payment, of all debts and liabilities of the Charter School shall be distributed to a nonprofit fund, foundation, or corporation that is organized and operated exclusively for charitable purposes and that has established its exempt status under Internal Revenue Code section 501(c)(3).

**ARTICLE VI
CORPORATIONS WITHOUT MEMBERS**

Section 1. CORPORATIONS WITHOUT MEMBERS The Charter School shall have no voting members within the meaning of the Nonprofit Corporation Law. The Charter School’s Board may, in its discretion, admit individuals to one or more classes of nonvoting members; the class or classes shall have such rights and obligations as the Board finds appropriate.

**ARTICLE VII
BOARD OF DIRECTORS**

Section 1. GENERAL POWERS. Subject to the provisions and limitations of the California Nonprofit Public Benefit Corporation Law and any other applicable laws, and subject to any limitations of the articles of incorporation or bylaws, the Charter School’s activities and affairs shall be managed, and all corporate powers shall be exercised, by or under the direction of the Board. The Board may delegate the management of the Charter School’s activities to any person(s), management company or Board Committees, however composed, provided that the activities and affairs of the Charter School shall be managed and all corporate powers shall be exercised under the ultimate direction of the Board.

Section 2. SPECIFIC POWERS Without prejudice to the general powers set forth in Section 1 of these bylaws, but subject to the same limitations, the Board shall have the power to:

- a. Appoint and remove, at the pleasure of the Board, all corporate officers, agents, and employees; prescribe powers and duties for them as are consistent with the law, the articles of incorporation, and these bylaws; fix their compensation; and require from them security for faithful service; subject to the terms of any employment contracts and authority previously delegated to the Director of the Charter School (referred to herein as “Director”).
- b. Change the principal office or the principal business office in California from one location to another; cause the Charter School to be qualified to conduct its activities in any other state, territory, dependency, or country; conduct its activities in or outside California; and designate a place in California for holding any meeting of members.
- c. Borrow money and incur indebtedness on the Charter School’s behalf and cause to be executed and delivered for the Charter School’s purposes, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, and other evidences of debt and securities.
- d. Adopt and use a corporate seal; prescribe the forms of membership certificates; and alter the forms of the seal and certificates.

Section 3. DESIGNATED BOARD MEMBERS AND TERMS The number of Board Members shall be no less than three (3) and no more than seventeen (17), unless changed by amendments to these bylaws. The number of Board Members shall be established by resolution. All Board Members shall be designated by the existing Board. All Board Members whose terms are expiring are to be designated at the Charter School’s annual meeting of the Board. The Board shall consist of at least three (3) Board Members unless changed by amendment to these bylaws. Terms of the Board Members shall be staggered so that one-third (or as near to one-third as practicable) shall be elected at each annual meeting.

Section 4. RESTRICTION ON INTERESTED PERSONS AS BOARD MEMBERS; QUALIFICATIONS No more than 49 percent of the persons serving on the Board may be interested persons. An interested person is (a) any person compensated by the Charter School for services rendered to it within the previous 12 months, whether as a full-time or part-time employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a Board Member as Board Member; and (b) any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of such person. However, any violation of this paragraph shall not affect the validity or enforceability of transactions entered into by the Charter School. The Board may adopt other policies circumscribing potential conflicts of interest.

One Board Member shall be a parent of a student who is currently enrolled in the Charter School designated by the Board from among those nominated by a parent organization or by the nominating committee appointed pursuant to Section 6.

One Board Member shall be a teacher currently employed at the Charter School and designated by the Board from among those nominated by the teachers or by the nominating committee appointed pursuant to Section 6.

The remaining Board Members shall be persons who support the mission of the Charter School and who have expertise in business, education, finance, law, public relations or marketing, government, or represent the community; provided that such persons shall not also be parents of children enrolled at the Charter School at the time of their initial election to the Board. These Board Members shall be elected from among those nominated by the nominating committee appointed pursuant to Section 6, and those nominated by the Chief Educational Officer. Notwithstanding the foregoing, if no more than one candidate is nominated for any position on the Board, the Board may also consider nominations from any other source.

Section 5. BOARD MEMBERS' TERM Each Board Member shall hold office for three (3) years and until a successor Board Member has been designated and qualified.

Section 6. NOMINATIONS BY COMMITTEE The Chairman of the Board or, if none, the Vice-Chairman will appoint a committee to designate qualified candidates for election to the Board at least thirty (30) days before the date of the annual meeting at which the election of Board Members is to occur. The nominating committee shall make its report at least seven (7) days before the date of the election or at such other time as the Board may set and the Secretary shall forward to each Board Member, with the notice of meeting required by these bylaws, a list of all candidates nominated for each Board Member position.

Section 7. USE OF CORPORATE FUNDS TO SUPPORT NOMINEE If more people have been nominated for Board Member than can be elected, no corporation funds may be expended to support a nominee without the Board's authorization.

Section 8. EVENTS CAUSING VACANCIES ON BOARD A vacancy or vacancies on the Board shall occur in the event of (a) the death, resignation, or removal of any Board Member; (b) the declaration by resolution of the Board of a vacancy in the office of a Board Member who has been convicted of a felony, declared of unsound mind by a court order, or found by final order or judgment of any court to have breached a duty under California Nonprofit Public Benefit Corporation Law, Chapter 2, Article, 3; (c) the increase of the authorized number of Board Members; or (d) the failure of the members, at any meeting of members at which any Board Member or Board Members are to be elected, to elect the number of Board Members required to be elected at such meeting; (e) for the parent- Board Member, whenever the Board Member no longer has a child enrolled at the Charter School; and (f) for the teacher- Board Member, upon termination of employment with the Charter School; (g) for any other Board Member, upon taking an office or employment which is inconsistent with, or incompatible with continued service to the Charter School, as determined by the Board.

Section 9. RESIGNATION OF BOARD MEMBERS Except as provided below, any Board Member may resign by giving written notice to the Chairman of the Board, if any, or to the Director, or the Secretary, or to the Board. The resignation shall be effective when the notice is given unless the notice specifies a later time for the resignation to become effective. If a

Board Member's resignation is effective at a later time, the Board may elect a successor to take office as of the date when the resignation becomes effective.

Section 10. BOARD MEMBER MAY NOT RESIGN IF NO BOARD MEMBER REMAINS. Except on notice to the California Attorney General, no Board Member may resign if the Charter School would be left without a duly elected Board Member or Board Members.

Section 11. REMOVAL OF BOARD MEMBERS Any Board Member may be removed, with or without cause, by the vote of the majority of the members of the entire Board at a special meeting called for that purpose, or at a regular meeting, provided that notice of that meeting and of the removal questions are given in compliance with the provisions of the Ralph M. Brown Act. (Chapter 9 (commencing with Section 54950) of Division 2 of Title 5 of the Government Code). Any vacancy caused by the removal of a Board Member shall be filled as provided in Section 12.

Section 12. VACANCIES FILLED BY BOARD. Vacancies on the Board may be filled by approval of the Board or, if the number of Board Members then in office is less than a quorum, by (a) the unanimous consent of the Board Members then in office, (b) the affirmative vote of a majority of the Board Members then in office at a meeting held according to notice or waivers of notice complying with Corporations Code Section 5211, or (c) a sole remaining Board Member. In the event of a vacancy, the Chairman of the Board shall notify the persons or organizations entitled to make nominations pursuant to Section 4 of their right to propose nominees for that vacancy and the date on which the Board will consider filling the vacancy. Notwithstanding Section 6, the Board may consider filling a vacancy at any meeting of the Board which is called in accordance with the Brown Act which occurs at least 7 days after notice is given by the Chairman to the persons or organizations entitled to make nominations.

Section 13. NO VACANCY ON REDUCTION OF NUMBER OF BOARD MEMBERS. Any reduction of the authorized number of Board Members shall not result in any Board Members being removed before his or her term of office expires.

Section 14. PLACE OF BOARD MEETINGS. Meetings shall be held at the principal office of the Charter School. The Board may designate that a meeting be held at any place within the San Diego Unified School District that has been designated by resolution of the Board or in the notice of the meeting. All meetings of the Board shall be called, held and conducted in accordance with the terms and provisions of the Ralph M. Brown Act, California Government Code Sections 54950, et seq., as said chapter may be modified by subsequent legislation.

Section 15. MEETINGS; ANNUAL MEETINGS All meetings of the Board and its Board Committees created pursuant to Section 23 shall be called, noticed, and held in compliance with the provisions of the Ralph M. Brown Act ("Brown Act"). (Chapter 9 (commencing with Section 54950) of Division 2 of Title 5 of the Government Code).

The Board shall meet annually on the first Monday in October, or as soon thereafter as practicable, for the purpose of electing Board Members, organization, appointment of officers, and the transaction of such other business as may properly be brought before the meeting. This

meeting shall be held at a time, date, and place as may be specified and noticed by resolution of the Board.

Section 16. **REGULAR MEETINGS** Regular meetings of the Board, including annual meetings, shall be held at such times and places as may from time to time be fixed by the Board. At least 72 hours before a regular meeting, the Board, or its designee shall post an agenda containing a brief general description of each item of business to be transacted or discussed at the meeting.

Section 17. **SPECIAL MEETINGS** Special meetings of the Board for any purpose may be called at any time by the Chairman of the Board, if there is such an officer, or a majority of the Board. The party calling a special meeting shall determine the place, date, and time thereof.

Section 18. **NOTICE OF SPECIAL MEETINGS** In accordance with the Brown Act, special meetings of the Board may be held only after twenty-four (24) hours notice is given to each Board Member and to the public through the posting of an agenda. Pursuant to the Brown Act, the Board shall adhere to the following notice requirements for special meetings:

- a. Any such notice shall be addressed or delivered to each Board Member at the Board Member's address as it is shown on the records of the Charter School, or as may have been given to the Charter School by the Board Member for purposes of notice, or, if an address is not shown on the Charter School's records or is not readily ascertainable, at the place at which the meetings of the Board are regularly held.
- b. Notice by mail shall be deemed received at the time a properly addressed written notice is deposited in the United States mail, postage prepaid. Any other written notice shall be deemed received at the time it is personally delivered to the recipient or is delivered to a common carrier for transmission, or is actually transmitted by the person giving the notice by electronic means to the recipient. Oral notice shall be deemed received at the time it is communicated, in person or by telephone or wireless, to the recipient or to a person at the office of the recipient whom the person giving the notice has reason to believe will promptly communicate it to the receiver.
- c. The notice of special meeting shall state the time of the meeting, and the place if the place is other than the principal office of the Charter School, and the general nature of the business proposed to be transacted at the meeting. No business, other than the business the general nature of which was set forth in the notice of the meeting, may be transacted at a special meeting.

Section 19. **QUORUM** A majority of the number of Board Members currently in office shall constitute a quorum. If a quorum is present, the affirmative vote of the majority of the voting power represented at the meeting, entitled to vote, and voting on any matter shall be a

decision of the Board. Should there be fewer than a majority of the Board Members present at any meeting, the meeting shall be adjourned. Voting Board Members may not vote by proxy.

Section 20. TELECONFERENCE MEETINGS. Board Members may participate in teleconference meetings so long as all of the following requirements in the Brown Act are complied with:

- a. At a minimum, a quorum of the Board Members shall participate in the teleconference meeting from locations within the boundaries of the State of California;
- b. All votes taken during a teleconference meeting shall be by roll call;
- c. If the Board 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;
- d. All locations where a Board Member 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;¹
- e. 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 directly at each teleconference location; and
- f. 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.²

Section 21. ADJOURNMENT A majority of the Board Members present, whether or not a quorum is present, may adjourn any Board meeting to another time or place and shall cause a notice of adjournment to be posted within 24 hours. If a meeting is adjourned for more than five days, notice of such adjournment to another time or place shall be given, prior to the time schedule for the continuation of the meeting, to the Board Members who were not present at the time of the adjournment, and to the public in the manner prescribed by any applicable public open meeting law.

Section 22. COMPENSATION AND REIMBURSEMENT Board Members may receive such compensation, if any, for their services as Board Members or officers, and such reimbursement of expenses, as the Board may establish by resolution to be just and reasonable as to the Charter School at the time that the resolution is adopted.

¹ This means that Board Members who choose to utilize their homes or offices as teleconference locations must open these locations to the public and accommodate any members of the public who wish to attend the meeting at that location.

² 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.

Section 23. CREATION AND POWERS OF BOARD COMMITTEES The Board, by resolution adopted by a majority of the Board Members then in office, may create one or more Board Committees, each consisting of two or more voting Board Members and no one who is not a Board Member, to serve at the pleasure of the Board. Appointments to Board Committees of the Board shall be recommended by the Chairman and approved by majority vote of the Board Members then in office. The Board may appoint one or more Board Members as alternate members of any such Board Committee, who may replace any absent member at any meeting. Any such Board Committee may have all the authority of the Board, if so provided in the Board' resolution, except that no Board Committee may:

- a. Fill vacancies on the Board or any Board Committee of the Board;
- b. Fix compensation of the Board Members for serving on the Board or on any Board Committee;
- c. Amend or repeal bylaws or adopt new bylaws;
- d. Amend or repeal any resolution of the Board that by its express terms is not so amendable or subject to repeal;
- e. Create any other Board Committees of the Board or appoint the members of Board Committees of the Board;
- f. Expend corporate funds to support a nominee for Board Member if more people have been nominated for Board Member than can be elected; or
- g. Approve any contract or transaction to which the Charter School is a party and in which one or more of its Board Members has a material financial interest.

Other committees, not having the authority of the Board and not limited in composition to Board Members, but serving in an advisory capacity either to the Board or to the Director, may be established from time to time by the Board or the Director. Such committees, if created by formal action of the Board, will comply with the Brown Act.

Section 24. MEETINGS AND ACTION OF BOARD COMMITTEES Meetings and actions of Board Committees of the Board shall be governed by, held, and taken under the provisions of these bylaws concerning meetings, other Board' actions, and the Brown Act, if applicable, except that the time for general meetings of such Board Committees and the calling of special meetings of such Board Committees may be set either by Board' resolution or, if none, by resolution of the Board Committee. Minutes of each meeting shall be kept and shall be filed with the corporate records. The Board may adopt rules for the governance of any Board Committee as long as the rules are consistent with these bylaws. If the Board has not adopted rules, the Board Committee may do so.

Section 25. NON-LIABILITY OF BOARD MEMBERS No Board Member shall be personally liable for the debts, liabilities, or other obligations of the Charter School.

Section 26. COMPLIANCE WITH LAWS GOVERNING STUDENT RECORDS
The Charter School and the Board shall comply with an applicable provisions of the Family Education Rights Privacy Act (“FERPA”) as set forth in Title 20 of the United States Code Section 1232g and attendant regulations as they may be amended from time to time.

ARTICLE VIII OFFICERS OF THE CHARTER SCHOOL

Section 1. OFFICES HELD. The officers of the Charter School shall be a Chairman of the Board, a Director of the Charter School, a Secretary, and a Chief Financial Officer who shall be referred to as “Treasurer.” The Board shall elect a Chairman of the Board, and may appoint a Vice Chairman, one or more assistant secretaries, one or more assistant treasurers, and such other officers as may be appointed under Article VIII, Section 4, of these bylaws. The officers shall have the corporate duties set forth in this Article VIII, and, if employees of the Charter School, shall also have administrative duties as set forth in any applicable contract for employment or job specification.

Section 2. DUPLICATION OF OFFICE HOLDERS Any number of offices may be held by the same person, except that neither the Secretary nor the Treasurer may serve concurrently as either the Director or Chairman or Vice-Chairman of the Board.

Section 3. ELECTION OF OFFICERS The officers of the Charter School shall be chosen annually by the Board and shall serve at the pleasure of the Board, subject to the rights of any officer under any employment contract.

Section 4. APPOINTMENT OF OTHER OFFICERS The Board may appoint, or authorize the Chairman of the Board to appoint any other officers that the Charter School may require. Each appointed officer shall have the title and authority, hold office for the period, and perform the duties specified in the bylaws or established by the Board.

Section 5. REMOVAL OF OFFICERS Without prejudice to the rights of any officer under an employment contract, the Board may remove any officer with or without cause. An officer who was not chosen by the Board may be removed by any other officer on whom the Board confers the power of removal.

Section 6. RESIGNATION OF OFFICERS Any officer may resign at any time by giving written notice to the Board. The resignation shall take effect on the date the notice is received or at any later time specified in the notice. Unless otherwise specified in the notice, the resignation need not be accepted to be effective. Any resignation shall be without prejudice to any rights of the Charter School under any contract to which the officer is a party.

Section 7. VACANCIES IN OFFICE A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed in these bylaws for normal appointment to that office, provided, however, that vacancies need not be filled on an annual basis.

Section 8. CHAIRMAN OF THE BOARD The Chairman of the Board shall preside at the Board' meetings and shall exercise and perform such other powers and duties as the Board may assign from time to time. If there is no Director, and no interim Director has been appointed, the Chairman of the Board shall also be the Director and shall have the powers and duties of the Charter School set forth in these bylaws. There may also be a Vice-Chairman of the Board. In the absence of the Chairman, the Vice-Chairman shall preside at Board meetings and shall exercise and perform such other powers and duties as the Board may assign from time to time.

Section 9. DIRECTOR OF THE CHARTER SCHOOL Subject to such supervisory powers as the Board may give to the Chairman of the Board, if any, and subject to the control of the Board, and subject to the Director's contract of employment, the Director shall be the general manager of the Charter School and shall supervise, direct, and control the Charter School's activities, affairs, and officers as fully described in any applicable employment contract, agreement, or job specification. The Director shall have such other powers and duties as the Board or the bylaws may require.

Section 10. SECRETARY The Secretary shall keep or cause to be kept, at the Charter School's principal office or such other place as the Board may direct, a book of minutes of all meetings, proceedings, and actions of the Board and of Board Committees. The Secretary may be, but is not required to be a Board Member. The minutes of meetings shall include the time and place that the meeting was held; whether the meeting was annual, regular, special, or emergency and, if special or emergency, how authorized; the notice given; and the names of the Board Members present at Board and Board Committee meetings.

The Secretary shall keep or cause to be kept, at the principal California office, a copy of the articles of incorporation and bylaws, as amended to date.

The Secretary shall give, or cause to be given, notice of all meetings of the Board and Board Committees that these bylaws require to be given. The Secretary shall keep the corporate seal, if any, in safe custody and shall have such other powers and perform such other duties as the Board or the bylaws may require. The Board may appoint one or more deputy secretaries to assist the Secretary.

Section 11. TREASURER The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and accounts of the Charter School's properties and transactions. The Treasurer may be, but is not required to be a Board member. The Treasurer shall send or cause to be given to Board Members such financial statements and reports as are required to be given by law, by these bylaws, or by the Board. The books of account shall be open to inspection by any Board Member at all reasonable times.

The Treasurer shall (a) deposit, or cause to be deposited, all money and other valuables in the name and to the credit of the Charter School with such depositories as the Board may designate; (b) disburse the Charter School's funds as the Board may order, (c) render to the Director, Chairman of the Board, if any, and the Board, when requested, an account of all transactions as Treasurer and of the financial condition of the Charter School; and (d) have such other powers and perform such other duties as the Board, contract, job specification, or the bylaws may require.

If required by the Board, the Treasurer shall give the Charter School a bond in the amount and with the surety or sureties specified by the Board for faithful performance of the duties of the office and for restoration to the Charter School of all of its books, papers, vouchers, money, and other property of every kind in the possession or under the control of the Treasurer on his or her death, resignation, retirement, or removal from office. The Board may appoint one or more deputy treasurers to assist the Treasurer.

ARTICLE IX CONTRACTS WITH BOARD MEMBERS

Section 1. **CONTRACTS WITH BOARD MEMBERS** The Charter School shall not enter into a contract or transaction in which a Board Member directly or indirectly has a material financial interest (nor any other corporation, firm, association, or other entity in which one or more of the Charter School's Board Members are Board Members have a material financial interest) unless all of the following apply:

- a. The Board Member with a material financial interest in the proposed contract or transaction fully discloses his/her financial interest in such contract or transaction in good faith and said disclosure is noted in the Board meeting minutes.
- b. The Board Member with a material financial interest in the proposed contract or transaction recuses himself/herself from any participation whatsoever in the proposed contract or transaction (i.e., the interested Board Member who recuses himself/herself shall refrain from voting on the matter and shall leave the room during Board discussion and when the final vote is taken).
- c. Such contract or transaction is authorized in good faith by a majority of the Board by a vote sufficient for that purpose.
- d. Before authorizing or approving the transaction, the Board considers and in good faith decides after reasonable investigation that the Charter School could not obtain a more advantageous arrangement with reasonable effort under the circumstances.
- e. The Charter School for its own benefit enters into the transaction, which is fair and reasonable to the Charter School at the time the transaction was entered into.

This Section does not apply to a transaction that is part of an educational or charitable program of the Charter School if it (a) is approved or authorized by the Charter School in good faith and without unjustified favoritism and (b) results in a benefit to one or more Board Members or their families because they are in the class of persons intended to be benefited by the educational or charitable program of the Charter School.

ARTICLE X
CONTRACTS WITH NON-BOARD MEMBER DESIGNATED EMPLOYEES

Section 1. **CONTRACTS WITH NON-BOARD MEMBER DESIGNATED EMPLOYEES.** The Charter School shall not enter into a contract or transaction in which a non-Board Member designated employee (e.g., officers and other key decision-making employees) directly or indirectly has a material financial interest unless all of the requirements in the Innovations Academy Conflict of Interest Code adopted in accordance with the Political Reform Act have been fulfilled.

ARTICLE XI
LOANS TO BOARD MEMBERS AND OFFICERS

Section 1. **LOANS TO BOARD MEMBERS AND OFFICERS** The Charter School shall not lend any money or property to or guarantee the obligation of any Board Member or officer without the approval of the California Attorney General; provided, however, that the Charter School may advance money to a Board Member or officer of the Charter School for expenses reasonably anticipated to be incurred in the performance of his or her duties if that Board Member or officer would be entitled to reimbursement for such expenses of the Charter School.

ARTICLE XII
INDEMNIFICATION

Section 1. **INDEMNIFICATION** To the fullest extent permitted by law, the Charter School shall indemnify its Board Members, officers, employees, and other persons described in Corporations Code Section 5238(a), including persons formerly occupying any such positions, against all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred by them in connection with any “proceeding,” as that term is used in that section, and including an action by or in the right of the Charter School by reason of the fact that the person is or was a person described in that section. “Expenses,” as used in this bylaw, shall have the same meaning as in that section of the Corporations Code.

On written request to the Board by any person seeking indemnification under Corporations Code Section 5238(b) or Section 5238(c) the Board shall promptly decide under Corporations Code Section 5238(e) whether the applicable standard of conduct set forth in Corporations Code Section 5238(b) or Section 5238(c) has been met and, if so, the Board shall authorize indemnification.

Section 2. **STANDARD OF CARE**

A Board Member shall perform the duties of a Board Member, including duties as a member of any Board Committee upon which the Board Member may serve, in good faith, in a manner such Board Member believes to be in the best interests of the Charter School and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. In performing the duties of a Board Member, a Board Member

shall be entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by:

One or more officers or employees of the Charter School whom the Board Member believes to be reliable and competent in the matters presented;

Counsel, independent accountants or other persons as to matters which the Board Member believes to be within such person's professional or expert competence; or

A Board Committee upon which the Board Member does not serve as to matters within its designated authority, provided the Board Member believes the Board Committee merits confidence and the Board Member acts in good faith, after reasonable inquiry when the need therefor is indicated by the circumstances and without knowledge that would cause such reliance to be unwarranted.

Section 3. SELF-DEALING TRANSACTIONS.

Self-dealing transactions means transactions to which the Charter School is a party and in which one or more of the Board Members (“interested Board Member(s)”) has a material financial interest. Notwithstanding this definition of self-dealing transaction, the following transactions do not constitute self-dealing transactions:

- A. An action by the Board fixing the compensation of a Board Member as a Board Member or officer of the Charter School;
- B. A transaction which is part of a public or charitable program of the Charter School if the transaction is (1) approved or authorized by the Charter School in good faith and without unjustified favoritism, and (2) results in a benefit to one or more Board Members or their families because they are in a class of persons intended to be benefited by the public or charitable program;
- C. A transaction of which the interested Board Members have no actual knowledge, and which does not exceed the lesser of one percent (1%) of the Charter School’s gross receipts for the fiscal year immediately preceding the year in which such transaction occurs or One Hundred Thousand Dollars (\$100,000).
- D. A transaction the Attorney General has approved either before or after it was consummated.
- E. A transaction with respect to which the following facts are established:

The Charter School entered into the transaction for its own benefit;

The transaction was fair and reasonable as to the Charter School at the time the Charter School entered into the transaction;

Prior to consummating the transaction or any part thereof, the Board authorized or approved the transaction in good faith by vote of a majority of the Board Members then in office excluding the vote of the interested Board Member(s) and with knowledge of the material facts concerning the transaction and the interested Board Member's interest in it. Except as provided in this sub-paragraph of this subsection, action by a Board Committee will not satisfy this requirement; and

Prior to authorizing or approving the transaction, the Board considered and in good faith determined after reasonable investigation under the circumstances that the Charter School could not have obtained a more advantageous arrangement with reasonable effort under the circumstances, or the Charter School in fact could not have obtained a more advantageous arrangement with reasonable effort under the circumstances; *or*

A Board Committee or person authorized by the Board approved the transaction in a manner consistent with the standards prescribed for approval by the Board under this subsection; it was not reasonably practical to obtain approval of the Board prior to entering into the transaction; and the Board, after determining in good faith that the conditions set forth in paragraphs (A) and (B) were satisfied, ratified the transaction at its next meeting by a vote of a majority of the Board Members then in office, excluding the vote of the interested Board Member(s).

Section 4. INTERESTED BOARD MEMBER'S VOTE

In determining whether the Board validly met to authorize or approve a self-dealing transaction, interested Board Members may be counted to determine the presence of a quorum, but an interested shall not vote pursuant to Article 9 Section 1(b).

Section 5. PERSONS LIABLE AND EXTENT OF LIABILITY

If a self-dealing transaction has not been approved as provided in this Article, the interested Board Member(s) may be required to do such things and pay such damages as a court may provide as an equitable and fair remedy to the Charter School, considering any benefit received by it and whether or not the interested Board Member(s) acted in good faith and with the intent to further the best interests of the Charter School.

Section 6. CONTRACTS OR TRANSACTIONS WITH MUTUAL BOARD MEMBERS

No contract or other transaction between the Charter School and any domestic or foreign corporation, firm or association of which one or more of the Charter School's Board Members are Board Members is either void or voidable because such Board Member(s) are present at the meeting of the Board or Board Committee which authorizes, approves or ratifies the contract or transaction if:

The material facts as to the transaction and as to such Board Member's other Board Membership are fully disclosed or known to the Board or Board Committee, and the Board or Board Committee authorizes, approves or ratifies the contract or transaction in good faith by a vote sufficient without counting the vote of the common Board Member(s); or

As to contracts or transactions not approved as provided in subsection (i) of this Section, the contract or transaction is just and reasonable as to the Charter School at the time it is authorized, approved or ratified.

Notwithstanding the foregoing, this Section shall not apply to self-dealing transactions described in this Article.

Section 7. GENERAL PUBLIC AGENCY PROHIBITIONS GOVERNING CERTAIN TRANSACTIONS

Nothing in these bylaws shall be construed to authorize any transaction otherwise prohibited under the Political Reform Act (California Government Code Section 81000 et seq.), or other applicable laws.

**ARTICLE XIII
INSURANCE**

Section 1. INSURANCE The Charter School shall have the right to purchase and maintain insurance to the full extent permitted by law on behalf of its Board Members, officers, employees, and other agents, to cover any liability asserted against or incurred by any Board Member, officer, employee, or agent in such capacity or arising from the Board Member's, officer's, employee's, or agent's status as such.

**ARTICLE XIV
MAINTENANCE OF CORPORATE RECORDS**

Section 1. MAINTENANCE OF CORPORATE RECORDS The Charter School shall keep:

- a. Adequate and correct books and records of account;
- b. Written minutes of the proceedings of the Board and Board Committees; and
- c. Such reports and records as required by law.

**ARTICLE XV
INSPECTION RIGHTS**

Section 1. BOARD MEMBERS' RIGHT TO INSPECT. Every Board Member shall have the right at any reasonable time to inspect the Charter School's books, records, documents of every kind, physical properties, and the records of each subsidiary as permitted by California and federal law. The inspection may be made in person or by the Board Member's agent or attorney. The right of inspection includes the right to copy and make extracts of documents as permitted by California and federal law. This right to inspect may be circumscribed in instances where the right to inspect conflicts with California or federal law (e.g., restrictions on the release of educational records under FERPA) pertaining to access to books, records, and documents.

Section 2. ACCOUNTING RECORDS AND MINUTES. On written demand to the Charter School, any Board Member may inspect, copy, and make extracts of the accounting books and records and the minutes of the proceedings of the Board and Board Committees at any reasonable time for a purpose reasonably related to the Board Member's interest as a Board Member. Any such inspection and copying may be made in person or by the Board Member's agent or attorney. This right of inspection extends to the records of any subsidiary of the Charter School.

Section 3. MAINTENANCE AND INSPECTION OF ARTICLES AND BYLAWS. The Charter School shall keep at its principal California office the original or a copy of the articles of incorporation and bylaws, as amended to the current date, which shall be open to inspection by the Board Members at all reasonable times during office hours. If the Charter School has no business office in California, the Secretary shall, on the written request of any Board Member, furnish to that Board Member a copy of the articles of incorporation and bylaws, as amended to the current date.

ARTICLE XVI REQUIRED REPORTS

Section 1. ANNUAL REPORTS. The Board shall cause an annual report to be sent to itself (the members of the Board) within 120 days after the end of the Charter School's fiscal year. That report shall contain the following information, in appropriate detail:

- a. The assets and liabilities, including the trust funds, or the Charter School as of the end of the fiscal year;
- b. The principal changes in assets and liabilities, including trust funds;
- c. The Charter School's revenue or receipts, both unrestricted and restricted to particular purposes;
- d. The Charter School's expenses or disbursement for both general and restricted purposes;
- e. Any information required under these bylaws; and
- f. An independent accountant's report or, if none, the certificate of an authorized officer of the Charter School that such statements were prepared without audit from the Charter School's books and records.

Section 2. ANNUAL STATEMENT OF CERTAIN TRANSACTIONS AND INDEMNIFICATIONS. As part of the annual report to all Board Members, or as a separate document if no annual report is issued, the Charter School shall, within 120 days after the end of the Charter School's fiscal year, annually prepare and mail or deliver to each Board Member and furnish to each Board Member a statement of any transaction or indemnification of the following kind:

- a. Any transaction (i) in which the Charter School, or its parent or subsidiary, was a party, (ii) in which an “interested person” had a direct or indirect material financial interest, and (iii) which involved more than \$50,000 or was one of several transactions with the same interested person involving, in the aggregate, more than \$50,000. For this purpose, an “interested person” is either:
- (1) Any Board Member or officer of the Charter School, its parent, or subsidiary (but mere common Board Membership shall not be considered such an interest); or
 - (2) Any holder of more than 10 percent of the voting power of the Charter School, its parent, or its subsidiary.

The statement shall include a brief description of the transaction, the names of interested persons involved, their relationship to the Charter School, the nature of their interest, provided that if the transaction was with a partnership in which the interested person is a partner, only the interest of the partnership need be stated.

ARTICLE XVII BYLAW AMENDMENTS

Section 1. BYLAW AMENDMENTS. The Board may adopt, amend or repeal any of these bylaws by a majority of the Board Members present at a meeting duly held at which a quorum is present, except that no amendment shall change any material provisions of the Charter that created the Charter School or make any provisions of these bylaws inconsistent with that Charter, the Charter School’s Articles of Incorporation, or any laws.

ARTICLE XVIII FISCAL YEAR

Section 1. FISCAL YEAR OF THE CHARTER SCHOOL. The fiscal year of the Charter School shall begin on July 1st and end on June 30th of each year.

CERTIFICATE OF SECRETARY

I certify that I am the duly elected and acting Secretary of the Innovations Academy, Inc, a California nonprofit public benefit corporation; that these bylaws, consisting of 17 pages, are the bylaws of the Charter School as adopted by the Board on November __, 2013 and that these bylaws have not been amended or modified since that date.

Executed on 11/19 _____, 2013, at San Diego, California.

Secretary

CHAIRMAN OF THE BOARD The Chairman of the Board shall preside at the Board' meetings and shall exercise and perform such other powers and duties as the Board may assign from time to time. If there is no Director, and no interim Director has been appointed, the Chairman of the Board shall also be the Director and shall have the powers and duties of the Charter School set forth in these bylaws. There may also be a Vice-Chairman of the Board. In the absence of the Chairman, the Vice-Chairman shall preside at Board meetings and shall exercise and perform such other powers and duties as the Board may assign from time to time.

DIRECTOR OF THE CHARTER SCHOOL Subject to such supervisory powers as the Board may give to the Chairman of the Board, if any, and subject to the control of the Board, and subject to the Director's contract of employment, the Director shall be the general manager of the Charter School and shall supervise, direct, and control the Charter School's activities, affairs, and officers as fully described in any applicable employment contract, agreement, or job specification. The Director shall have such other powers and duties as the Board or the bylaws may require.

SECRETARY The Secretary shall keep or cause to be kept, at the Charter School's principal office or such other place as the Board may direct, a book of minutes of all meetings, proceedings, and actions of the Board and of Board Committees. The Secretary may be, but is not required to be a Board Member. The minutes of meetings shall include the time and place that the meeting was held; whether the meeting was annual, regular, special, or emergency and, if special or emergency, how authorized; the notice given; and the names of the Board Members present at Board and Board Committee meetings.

The Secretary shall keep or cause to be kept, at the principal California office, a copy of the articles of incorporation and bylaws, as amended to date.

The Secretary shall give, or cause to be given, notice of all meetings of the Board and Board Committees that these bylaws require to be given. The Secretary shall keep the corporate seal, if any, in safe custody and shall have such other powers and perform such other duties as the Board or the bylaws may require. The Board may appoint one or more deputy secretaries to assist the Secretary.

TREASURER The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and accounts of the Charter School's properties and transactions. The Treasurer may be, but is not required to be a Board member. The Treasurer shall send or cause to be given to Board Members such financial statements and reports as are required to be given by law, by these bylaws, or by the Board. The books of account shall be open to inspection by any Board Member at all reasonable times.

From Innovations Academy Bylaws, Article VIII, Sections 8-11

The Treasurer shall (a) deposit, or cause to be deposited, all money and other valuables in the name and to the credit of the Charter School with such depositories as the Board may designate; (b) disburse the Charter School's funds as the Board may order, (c) render to the Director, Chairman of the Board, if any, and the Board, when requested, an account of all transactions as Treasurer and of the financial condition of the Charter School; and (d) have such other powers and perform such other duties as the Board, contract, job specification, or the bylaws may require.

If required by the Board, the Treasurer shall give the Charter School a bond in the amount and with the surety or sureties specified by the Board for faithful performance of the duties of the office and for restoration to the Charter School of all of its books, papers, vouchers, money, and other property of every kind in the possession or under the control of the Treasurer on his or her death, resignation, retirement, or removal from office. The Board may appoint one or more deputy treasurers to assist the Treasurer.