

**JLPAA**  
**REGULAR BOARD MEETING MINUETS**  
**December 5, 2019**  
**6:30 p.m.**  
**19740 Grand Avenue Lake Elsinore, California 92530**

**CALL TO ORDER 06:31 p.m.**

**ROLL CALL Board Members Present: Davis, Frazier, and Schramm**

**AGENDA ITEMS TO BE REMOVED - EXECUTIVE DIRECTOR ANNOUNCEMENT**

Sometimes it is necessary to remove items from the agenda. We apologize for any inconvenience this may cause you.

**PUBLIC BUSINESS FROM THE FLOOR - AGENDIZED ITEMS**

No public comments

**ACTION ITEMS**

**A 1. Approval of JLPAA Board Minutes for the following meeting date: 12/05//2019**

**Motion made by Frazier to approved the minutes 12/05/2019, Second by Davis**

**All in favor by: Frazier, Davis and Schramm. Motion carried and approved.**

**A 2. Approval of 2019-2020 First Interim**

**Motion made by Frazier to approved the 2019 2020 First Interim, Second by Davis**

**All in favor by: Frazier, Davis and Schramm. Motion carried and approved.**

**A 3. Approval of the 2018/2019 Annual Financial Audit.**

**Motion made by Davis to approved the 2018/2019 Annual Financial Audit, Second by Schramm**

**All in favor by: Frazier, Davis and Schramm. Motion carried and approved.**

**A 4. Ratification: Approval to sale receivables to Charter School Capital for the following amount and dates; 11/11/2019 \$215,100.00; 10/10/2019 \$71,400.00; 9/9/2019 \$149,100.00; 8/8/2019; \$186,300.00 3/3/2019; \$131,400.00; 1/1/2019 \$86,000.00; 12/12/2018; \$87,800.00 Initial Funding - 11/11/2018 \$230,900.00**

**Motion made by Frazier to approved the sale of receivables to Charter School Capital for the listed above, Second by Davis**

**All in favor by: Frazier, Davis and Schramm. Motion carried and approved.**

**A 5. Approval of Revised Fiscal Policy and Procedures for 2019/2020. Please see page 9, titled "Payment Authorization" point number 4.**

**Motion made by Schramm to approved the revised Fiscal Policy and Procedures for 2019/2020. Please see page 9, titled "Payment Authorization" point number 4.**

**, Second by Davis**

**All in favor by: Frazier, Davis and Schramm. Motion carried and approved.**

**ADJOURNMENT: 07:20 p.m.**

**Minutes respectfully submitted:**

**10 December 2019**

**Jamie Schramm**

Charter Number: 1988

To the chartering authority and the county superintendent of schools (or only to the county superintendent of schools if the county board of education is the chartering authority):

2019-20 CHARTER SCHOOL INTERIM REPORT: This report is hereby filed by the charter school pursuant to Education Code Section 47604.33(a).

Signed: \_\_\_\_\_

Charter School Official  
(Original signature required)

Date: \_\_\_\_\_

Printed

Name: Tanya Lee-Taylor

Title: Executive Director

For additional information on the interim report, please contact:

Charter School Contact:

Spencer Styles

Name

Charter Impact

Title

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Telephone

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E-mail Address

Description	Resource Codes	Object Codes	Original Budget (A)	Board Approved Operating Budget (B)	Actuals To Date (C)	Projected Year Totals (D)	Difference (Col B & D) (E)	% Diff Column B & D (F)
<b>A. REVENUES</b>								
1) LCFF Sources		8010-8099	2,006,773.00	2,006,773.00	442,399.00	2,363,033.01	356,260.01	17.8%
2) Federal Revenue		8100-8299	110,016.00	110,016.00	16,758.74	183,951.88	73,935.98	67.2%
3) Other State Revenue		8300-8599	355,767.00	355,767.00	6,878.25	401,181.85	45,414.85	12.8%
4) Other Local Revenue		8600-8799	0.00	0.00	819.36	819.36	819.36	New
5) TOTAL, REVENUES			2,472,556.00	2,472,556.00	466,855.35	2,948,886.20		
<b>B. EXPENSES</b>								
1) Certificated Salaries		1000-1999	772,227.00	772,227.00	183,476.97	801,368.04	(29,141.04)	-3.8%
2) Classified Salaries		2000-2999	388,108.10	388,108.10	141,671.84	547,997.90	(159,889.80)	-41.2%
3) Employee Benefits		3000-3999	310,499.90	310,499.90	65,568.18	305,349.60	5,150.30	1.7%
4) Books and Supplies		4000-4999	161,491.00	166,491.00	68,097.16	186,238.95	252.05	0.1%
5) Services and Other Operating Expenses		5000-5999	650,442.00	625,442.00	181,651.12	685,039.19	(59,597.19)	-9.5%
6) Depreciation		6000-6999	2,500.00	2,500.00	2,233.18	6,697.16	(4,197.16)	-167.9%
7) Other Outgo (excluding Transfers of Indirect Costs)		7100-7299, 7400-7499	22,726.00	22,726.00	25,817.00	45,177.00	(22,451.00)	-98.8%
8) Other Outgo - Transfers of Indirect Costs		7300-7399	0.00	0.00	0.00	0.00	0.00	0.0%
9) TOTAL, EXPENSES			2,307,984.00	2,307,984.00	668,513.43	2,577,867.84		
<b>C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE OTHER FINANCING SOURCES AND USES (A5 - B9)</b>			164,562.00	164,562.00	(201,658.08)	371,118.36		
<b>D. OTHER FINANCING SOURCES/USES</b>								
1) Interfund Transfers								
a) Transfers In		8900-8929	0.00	0.00	0.00	0.00	0.00	0.0%
b) Transfers Out		7600-7629	0.00	0.00	0.00	0.00	0.00	0.0%
2) Other Sources/Uses								
a) Sources		8930-8979	0.00	0.00	0.00	0.00	0.00	0.0%
b) Uses		7630-7699	0.00	0.00	0.00	0.00	0.00	0.0%
3) Contributions		8980-8999	0.00	0.00	0.00	0.00	0.00	0.0%
4) TOTAL, OTHER FINANCING SOURCES/USES			0.00	0.00	0.00	0.00		

2019-20 First Interim  
Charter Schools Enterprise Fund  
Revenues, Expenses and Changes in Net Position

33 10330 0137851  
Form 62!

Description	Resource Codes	Object Codes	Original Budget (A)	Board Approved Operating Budget (B)	Actuals To Date (C)	Projected Year Totals (D)	Difference (Col B & D) (E)	% Diff Column B & D (F)
<b>E. NET INCREASE (DECREASE) IN NET POSITION (C + D)</b>			164,562.00	164,562.00	(201,658.08)	371,118.36		
<b>F. NET POSITION</b>								
1) Beginning Net Position								
a) As of July 1 - Unaudited		9791	185,139.00	66,787.42		57,158.63	(9,628.79)	-14.4%
b) Audit Adjustments		9793	0.00	0.00		0.00	0.00	0.0%
c) As of July 1 - Audited (F1a + F1b)			185,139.00	66,787.42		57,158.63		
d) Other Restatements		9795	0.00	0.00		0.00	0.00	0.0%
e) Adjusted Beginning Net Position (F1c + F1d)			185,139.00	66,787.42		57,158.63		
2) Ending Net Position, June 30 (E + F1e)			349,701.00	231,349.42		428,276.99		
Components of Ending Net Position								
a) Net Investment in Capital Assets		9796	0.00	0.00		0.00		
b) Restricted Net Position		9797	0.00	9,628.79		0.00		
c) Unrestricted Net Position		9790	349,701.00	221,720.63		428,276.99		

Description	Resource Codes	Object Codes	Original Budget (A)	Board Approved Operating Budget (B)	Actuals To Date (C)	Projected Year Totals (D)	Difference (Col B & D) (E)	% Diff Column B & D (F)
<b>LCFF SOURCES</b>								
Principal Apportionment								
State Aid - Current Year		8011	1,625,978.00	1,625,978.00	368,489.00	1,908,339.59	282,361.59	17.4%
Education Protection Account State Aid - Current Year		8012	39,900.00	39,900.00	7,305.00	46,550.00	6,650.00	16.7%
State Aid - Prior Years		8019	0.00	0.00	0.00	0.00	0.00	0.0%
<b>LCFF Transfers</b>								
Unrestricted LCFF Transfers - Current Year	0000	8091	0.00	0.00	0.00	0.00	0.00	0.0%
All Other LCFF Transfers - Current Year	All Other	8091	0.00	0.00	0.00	0.00	0.00	0.0%
Transfers to Charter Schools in Lieu of Property Taxes		8096	340,895.00	340,895.00	66,605.00	408,143.42	67,248.42	19.7%
Property Taxes Transfers		8097	0.00	0.00	0.00	0.00	0.00	0.0%
LCFF/Revenue Limit Transfers - Prior Years		8099	0.00	0.00	0.00	0.00	0.00	0.0%
<b>TOTAL LCFF SOURCES</b>			<b>2,006,773.00</b>	<b>2,006,773.00</b>	<b>442,399.00</b>	<b>2,363,033.01</b>	<b>356,260.01</b>	<b>17.8%</b>
<b>FEDERAL REVENUE</b>								
Maintenance and Operations		8110	0.00	0.00	0.00	0.00	0.00	0.0%
Special Education Entitlement		8161	0.00	0.00	0.00	0.00	0.00	0.0%
Special Education Discretionary Grants		8182	0.00	0.00	0.00	0.00	0.00	0.0%
Child Nutrition Programs		8220	66,796.00	66,796.00	2,314.70	76,347.15	9,551.15	14.3%
Donated Food Commodities		8221	0.00	0.00	0.00	0.00	0.00	0.0%
Interagency Contracts Between LEAs		8265	0.00	0.00	0.00	0.00	0.00	0.0%
Title I, Part A, Basic	3010	8290	37,553.00	37,553.00	10,656.00	42,623.00	5,070.00	13.5%
Title I, Part D, Local Delinquent Programs	3025	8290	0.00	0.00	0.00	0.00	0.00	0.0%
Title II, Part A, Supporting Effective Instruction	4035	8290	5,667.00	5,667.00	3,788.00	6,035.00	368.00	6.5%
Title III, Part A, Immigrant Student Program	4201	8290	0.00	0.00	0.00	0.00	0.00	0.0%
Title III, Part A, English Learner Program	4203	8290	0.00	0.00	0.00	0.00	0.00	0.0%
Public Charter Schools Grant Program (PCSGP)	4610	8290	0.00	0.00	0.04	48,946.83	48,946.83	New
Other NCLB / Every Student Succeeds Act	3020, 3040, 3041, 3045, 3060, 3061, 3150, 3155, 3180, 3181, 3182, 3185, 4124, 4126, 4127, 4128, 5510, 5530	8290	0.00	0.00	0.00	10,000.00	10,000.00	New
Career and Technical Education	3500-3599	8290	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Federal Revenue	All Other	8290	0.00	0.00	0.00	0.00	0.00	0.0%
<b>TOTAL FEDERAL REVENUE</b>			<b>110,016.00</b>	<b>110,016.00</b>	<b>16,758.74</b>	<b>183,951.98</b>	<b>73,935.98</b>	<b>67.2%</b>
<b>OTHER STATE REVENUE</b>								
Other State Apportionments								
Special Education Master Plan Current Year	6500	8311	128,616.00	128,616.00	7,050.00	150,051.80	21,435.80	16.7%
Prior Years	6500	8319	0.00	0.00	0.00	0.00	0.00	0.0%
All Other State Apportionments - Current Year	All Other	8311	0.00	0.00	0.00	0.00	0.00	0.0%
All Other State Apportionments - Prior Years	All Other	8319	0.00	0.00	0.00	0.00	0.00	0.0%
Child Nutrition Programs		8520	6,322.00	6,322.00	(171.75)	7,169.72	847.72	13.4%
Mandated Costs Reimbursements		8550	2,381.00	2,381.00	0.00	2,463.08	82.08	3.4%
Lottery - Unrestricted and Instructional Materials		8560	40,698.00	40,698.00	0.00	48,179.25	7,481.25	18.4%
After School Education and Safety (ASES)	6010	8590	0.00	0.00	0.00	0.00	0.00	0.0%

2019-20 First Interim  
Charter Schools Enterprise Fund  
Revenues, Expenses and Changes in Net Position

33 10330 0137851  
Form 621

Description	Resource Codes	Object Codes	Original Budget (A)	Board Approved Operating Budget (B)	Actuals To Date (C)	Projected Year Totals (D)	Difference (C - B & D) (E)	% Diff Column B & D (F)
Charter School Facility Grant	6030	8590	177,750.00	177,750.00	0.00	193,318.20	15,568.20	8.8%
Drug/Alcohol/Tobacco Funds	6690, 6695	8590	0.00	0.00	0.00	0.00	0.00	0.0%
California Clean Energy Jobs Act	6230	8590	0.00	0.00	0.00	0.00	0.00	0.0%
Career Technical Education Incentive Grant Program	6387	8590	0.00	0.00	0.00	0.00	0.00	0.0%
Specialized Secondary	7370	8590	0.00	0.00	0.00	0.00	0.00	0.0%
Quality Education Investment Act	7400	8590	0.00	0.00	0.00	0.00	0.00	0.0%
All Other State Revenue	All Other	8590	0.00	0.00	0.00	0.00	0.00	0.0%
<b>TOTAL, OTHER STATE REVENUE</b>			<b>355,787.00</b>	<b>355,787.00</b>	<b>6,878.25</b>	<b>401,181.85</b>	<b>45,414.85</b>	<b>12.8%</b>
<b>OTHER LOCAL REVENUE</b>								
Sales								
Sale of Equipment/Supplies		8631	0.00	0.00	0.00	0.00	0.00	0.0%
Sale of Publications		8632	0.00	0.00	0.00	0.00	0.00	0.0%
Food Service Sales		8634	0.00	0.00	660.00	660.00	660.00	New
All Other Sales		8639	0.00	0.00	0.00	0.00	0.00	0.0%
Leases and Rentals		8650	0.00	0.00	0.00	0.00	0.00	0.0%
Interest		8660	0.00	0.00	159.36	159.36	159.36	New
Net Increase (Decrease) in the Fair Value of Investments		8662	0.00	0.00	0.00	0.00	0.00	0.0%
Fees and Contracts								
Child Development Parent Fees		8673	0.00	0.00	0.00	0.00	0.00	0.0%
Transportation Fees From Individuals		8675	0.00	0.00	0.00	0.00	0.00	0.0%
Interagency Services		8677	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Fees and Contracts		8689	0.00	0.00	0.00	0.00	0.00	0.0%
Other Local Revenue								
All Other Local Revenue		8699	0.00	0.00	0.00	0.00	0.00	0.0%
Tuition		8710	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Transfers In		8781-8783	0.00	0.00	0.00	0.00	0.00	0.0%
Transfers of Apportionments								
Special Education SELPA Transfers								
From Districts or Charter Schools	6500	8791	0.00	0.00	0.00	0.00	0.00	0.0%
From County Offices	6500	8792	0.00	0.00	0.00	0.00	0.00	0.0%
From JPAs	6500	8793	0.00	0.00	0.00	0.00	0.00	0.0%
Other Transfers of Apportionments								
From Districts or Charter Schools	All Other	8791	0.00	0.00	0.00	0.00	0.00	0.0%
From County Offices	All Other	8792	0.00	0.00	0.00	0.00	0.00	0.0%
From JPAs	All Other	8793	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Transfers In from All Others		8799	0.00	0.00	0.00	0.00	0.00	0.0%
<b>TOTAL, OTHER LOCAL REVENUE</b>			<b>0.00</b>	<b>0.00</b>	<b>819.36</b>	<b>819.36</b>	<b>819.36</b>	<b>New</b>
<b>TOTAL, REVENUES</b>			<b>2,472,556.00</b>	<b>2,472,556.00</b>	<b>466,855.35</b>	<b>2,948,986.20</b>		

Description	Resource Codes	Object Codes	Original Budget (A)	Board Approved Operating Budget (B)	Actuals To Date (C)	Projected Year Totals (D)	Difference (C) (B & D) (E)	% Diff Column B & D (F)
<b>CERTIFICATED SALARIES</b>								
Certificated Teachers' Salaries		1100	672,227.00	672,227.00	158,475.95	701,368.04	(29,141.04)	-4.3%
Certificated Pupil Support Salaries		1200	0.00	0.00	0.00	0.00	0.00	0.0%
Certificated Supervisors and Administrators' Salaries		1300	100,000.00	100,000.00	25,000.02	100,000.00	0.00	0.0%
Other Certificated Salaries		1900	0.00	0.00	0.00	0.00	0.00	0.0%
<b>TOTAL, CERTIFICATED SALARIES</b>			<b>772,227.00</b>	<b>772,227.00</b>	<b>183,475.97</b>	<b>801,368.04</b>	<b>(28,141.04)</b>	<b>-3.8%</b>
<b>CLASSIFIED SALARIES</b>								
Classified Instructional Salaries		2100	118,548.10	118,548.10	63,562.84	272,848.90	154,300.80	-130.2%
Classified Support Salaries		2200	0.00	0.00	0.00	0.00	0.00	0.0%
Classified Supervisors and Administrators' Salaries		2300	170,000.00	170,000.00	74,375.00	166,456.33	3,543.67	2.1%
Clerical, Technical and Office Salaries		2400	14,560.00	14,560.00	3,734.00	16,214.00	(1,654.00)	-11.4%
Other Classified Salaries		2900	85,000.00	85,000.00	0.00	92,478.67	(7,478.67)	-8.8%
<b>TOTAL, CLASSIFIED SALARIES</b>			<b>388,108.10</b>	<b>388,108.10</b>	<b>141,571.84</b>	<b>547,997.90</b>	<b>(159,889.80)</b>	<b>-41.2%</b>
<b>EMPLOYEE BENEFITS</b>								
STRS		3101-3102	128,962.00	128,962.00	31,708.29	137,466.06	(8,504.06)	-6.6%
PERS		3201-3202	0.00	0.00	0.00	0.00	0.00	0.0%
QASDI/Medicare/Alternative		3301-3302	43,196.96	43,196.96	13,351.76	56,486.63	13,289.67	-30.8%
Health and Welfare Benefits		3401-3402	112,313.44	112,313.44	16,583.05	80,583.06	31,730.38	28.3%
Unemployment Insurance		3501-3502	9,783.50	9,783.50	2,777.08	13,753.07	(3,969.57)	-40.6%
Workers' Compensation		3601-3602	16,244.00	16,244.00	2,146.00	17,060.78	(816.78)	-5.0%
OPEB, Allocated		3701-3702	0.00	0.00	0.00	0.00	0.00	0.0%
OPEB, Active Employees		3751-3752	0.00	0.00	0.00	0.00	0.00	0.0%
Other Employee Benefits		3901-3902	0.00	0.00	0.00	0.00	0.00	0.0%
<b>TOTAL, EMPLOYEE BENEFITS</b>			<b>310,499.90</b>	<b>310,499.90</b>	<b>65,566.18</b>	<b>305,349.60</b>	<b>5,150.30</b>	<b>1.7%</b>
<b>BOOKS AND SUPPLIES</b>								
Approved Textbooks and Core Curricula Materials		4100	23,940.00	23,940.00	19,681.41	23,940.00	0.00	0.0%
Books and Other Reference Materials		4200	9,975.00	9,975.00	0.00	9,975.00	0.00	0.0%
Materials and Supplies		4300	24,458.00	49,458.00	15,621.84	38,147.08	11,310.92	22.9%
Noncapitalized Equipment		4400	30,000.00	30,000.00	23,451.19	30,000.00	0.00	0.0%
Food		4700	73,118.00	73,118.00	9,342.72	84,176.87	(11,058.87)	-15.1%
<b>TOTAL, BOOKS AND SUPPLIES</b>			<b>161,491.00</b>	<b>186,491.00</b>	<b>68,097.16</b>	<b>186,238.95</b>	<b>252.05</b>	<b>0.1%</b>
<b>SERVICES AND OTHER OPERATING EXPENSES</b>								
Subagreements for Services		5100	128,500.00	128,500.00	9,785.90	128,500.00	0.00	0.0%
Travel and Conferences		5200	8,000.00	8,000.00	1,017.33	8,000.00	0.00	0.0%
Dues and Memberships		5300	1,500.00	1,500.00	2,647.00	3,647.00	(2,147.00)	-143.1%
Insurance		5400-5450	37,500.00	37,500.00	22,214.15	47,214.15	(9,714.15)	-25.9%
Operations and Housekeeping Services		5500	51,000.00	18,500.00	141.80	26,941.80	(8,441.80)	-45.6%
Rentals, Leases, Repairs, and Noncapitalized Improvements		5600	258,500.00	258,500.00	118,602.76	276,680.99	(18,180.99)	-7.0%
Transfers of Direct Costs		5710	0.00	0.00	0.00	0.00	0.00	0.0%
Transfers of Direct Costs - Interfund		5750	0.00	0.00	0.00	0.00	0.00	0.0%
Professional/Consulting Services and Operating Expenditures		5800	150,442.00	157,942.00	24,243.10	178,911.17	(20,969.17)	-13.3%
Communications		5900	15,000.00	15,000.00	3,019.06	15,144.08	(144.08)	-1.0%
<b>TOTAL, SERVICES AND OTHER OPERATING EXPENSES</b>			<b>650,442.00</b>	<b>625,442.00</b>	<b>181,651.12</b>	<b>685,039.19</b>	<b>(59,597.19)</b>	<b>-9.5%</b>



2019-20 First Interim  
Charter Schools Enterprise Fund  
Revenues, Expenses and Changes in Net Position

33 10330 0137851  
Form 621

Description	Resource Codes	Object Codes	Original Budget (A)	Board Approved Operating Budget (B)	Actuals To Date (C)	Projected Year Totals (D)	Difference (Column B & D) (E)	% Diff Column B & D (F)
<b>DEPRECIATION</b>								
Depreciation Expense		6900	2,500.00	2,500.00	2,233.16	6,697.16	(4,197.16)	-167.9%
<b>TOTAL, DEPRECIATION</b>			2,500.00	2,500.00	2,233.16	6,697.16	(4,197.16)	-167.9%
<b>OTHER OUTGO (excluding Transfers of Indirect Costs)</b>								
Tuition								
Tuition for Instruction Under Interdistrict Attendance Agreements		7110	0.00	0.00	0.00	0.00	0.00	0.0%
Tuition, Excess Costs, and/or Deficit Payments		7141	0.00	0.00	0.00	0.00	0.00	0.0%
Payments to Districts of Charter Schools		7142	0.00	0.00	0.00	0.00	0.00	0.0%
Payments to County Offices		7143	0.00	0.00	0.00	0.00	0.00	0.0%
Payments to JPAs		7143	0.00	0.00	0.00	0.00	0.00	0.0%
Other Transfers Out								
All Other Transfers		7281-7283	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Transfers Out to All Others		7299	0.00	0.00	0.00	0.00	0.00	0.0%
Debt Service								
Debt Service - Interest		7438	22,726.00	22,726.00	25,817.00	45,177.00	(22,451.00)	-98.8%
<b>TOTAL, OTHER OUTGO (excluding Transfers of Indirect Costs)</b>			22,726.00	22,726.00	25,817.00	45,177.00	(22,451.00)	-98.8%
<b>OTHER OUTGO - TRANSFERS OF INDIRECT COSTS</b>								
Transfers of Indirect Costs		7310	0.00	0.00	0.00	0.00	0.00	0.0%
Transfers of Indirect Costs - Interfund		7350	0.00	0.00	0.00	0.00	0.00	0.0%
<b>TOTAL, OTHER OUTGO - TRANSFERS OF INDIRECT COSTS</b>			0.00	0.00	0.00	0.00	0.00	0.0%
<b>TOTAL, EXPENSES</b>			2,307,994.00	2,307,994.00	668,513.43	2,577,867.84		

2019-20 First Interim  
Charter Schools Enterprise Fund  
Revenues, Expenses and Changes in Net Position

33 10330 0137851  
Form 621

Description	Resource Codes	Object Codes	Original Budget (A)	Board Approved Operating Budget (B)	Actuals To Date (C)	Projected Year Totals (D)	Difference (Col B & D) (E)	% Diff Column B & D (F)
<b>INTERFUND TRANSFERS</b>								
<b>INTERFUND TRANSFERS IN</b>								
Other Authorized Interfund Transfers In		8919	0.00	0.00	0.00	0.00	0.00	0.0%
(a) TOTAL, INTERFUND TRANSFERS IN			0.00	0.00	0.00	0.00	0.00	0.0%
<b>INTERFUND TRANSFERS OUT</b>								
Other Authorized Interfund Transfers Out		7619	0.00	0.00	0.00	0.00	0.00	0.0%
(b) TOTAL, INTERFUND TRANSFERS OUT			0.00	0.00	0.00	0.00	0.00	0.0%
<b>OTHER SOURCES/USES</b>								
<b>SOURCES</b>								
Other Sources								
Transfers from Funds of Lapsed/Reorganized LEAs		8965	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Financing Sources		8979	0.00	0.00	0.00	0.00	0.00	0.0%
(c) TOTAL, SOURCES			0.00	0.00	0.00	0.00	0.00	0.0%
<b>USES</b>								
Transfers of Funds from Lapsed/Reorganized LEAs		7651	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Financing Uses		7699	0.00	0.00	0.00	0.00	0.00	0.0%
(d) TOTAL, USES			0.00	0.00	0.00	0.00	0.00	0.0%
<b>CONTRIBUTIONS</b>								
Contributions from Unrestricted Revenues		8980	0.00	0.00	0.00	0.00	0.00	0.0%
Contributions from Restricted Revenues		8990	0.00	0.00	0.00	0.00	0.00	0.0%
(e) TOTAL, CONTRIBUTIONS			0.00	0.00	0.00	0.00	0.00	0.0%
<b>TOTAL, OTHER FINANCING SOURCES/USES</b> (a - b + c - d + e)								
			0.00	0.00	0.00	0.00		

Resource	Description	2019/20 Projected Year Totals
Total, Restricted Net Position		0.00

Description	ESTIMATED FUNDED ADA Original Budget (A)	ESTIMATED FUNDED ADA Board Approved Operating Budget (B)	ESTIMATED P-2 REPORT ADA Projected Year Totals (C)	ESTIMATED FUNDED ADA Projected Year Totals (D)	DIFFERENCE (Col. D - B) (E)	PERCENTAGE DIFFERENCE (Col. E / B) (F)
<b>C. CHARTER SCHOOL ADA</b>						
Authorizing LEAs reporting charter school SACS financial data in their Fund 01, 09, or 62 use this worksheet to report ADA for those charter schools. Charter schools reporting SACS financial data separately from their authorizing LEAs in Fund 01 or Fund 62 use this worksheet to report their ADA.						
<b>FUND 01: Charter School ADA corresponding to SACS financial data reported in Fund 01.</b>						
1. Total Charter School Regular ADA	0.00	0.00	0.00	0.00	0.00	0%
2. Charter School County Program Alternative Education ADA						
a. County Group Home and Institution Pupils	0.00	0.00	0.00	0.00	0.00	0%
b. Juvenile Halls, Homes, and Camps	0.00	0.00	0.00	0.00	0.00	0%
c. Probation Referred, On Probation or Parole, Expelled per EC 48915(a) or (c) [EC 2574(c)(4)(A)]	0.00	0.00	0.00	0.00	0.00	0%
d. Total, Charter School County Program Alternative Education ADA (Sum of Lines C2a through C2c)	0.00	0.00	0.00	0.00	0.00	0%
3. Charter School Funded County Program ADA						
a. County Community Schools	0.00	0.00	0.00	0.00	0.00	0%
b. Special Education-Special Day Class	0.00	0.00	0.00	0.00	0.00	0%
c. Special Education-NPS/LCI	0.00	0.00	0.00	0.00	0.00	0%
d. Special Education Extended Year	0.00	0.00	0.00	0.00	0.00	0%
e. Other County Operated Programs: Opportunity Schools and Full Day Opportunity Classes, Specialized Secondary Schools	0.00	0.00	0.00	0.00	0.00	0%
f. Total, Charter School Funded County Program ADA (Sum of Lines C3a through C3e)	0.00	0.00	0.00	0.00	0.00	0%
4. TOTAL CHARTER SCHOOL ADA (Sum of Lines C1, C2d, and C3f)	0.00	0.00	0.00	0.00	0.00	0%
<b>FUND 09 or 62: Charter School ADA corresponding to SACS financial data reported in Fund 09 or Fund 62.</b>						
5. Total Charter School Regular ADA	146.03	232.75	232.75	232.75	0.00	0%
6. Charter School County Program Alternative Education ADA						
a. County Group Home and Institution Pupils	0.00	0.00	0.00	0.00	0.00	0%
b. Juvenile Halls, Homes, and Camps	0.00	0.00	0.00	0.00	0.00	0%
c. Probation Referred, On Probation or Parole, Expelled per EC 48915(a) or (c) [EC 2574(c)(4)(A)]	0.00	0.00	0.00	0.00	0.00	0%
d. Total, Charter School County Program Alternative Education ADA (Sum of Lines C6a through C6c)	0.00	0.00	0.00	0.00	0.00	0%
7. Charter School Funded County Program ADA						
a. County Community Schools	0.00	0.00	0.00	0.00	0.00	0%
b. Special Education-Special Day Class	0.00	0.00	0.00	0.00	0.00	0%
c. Special Education-NPS/LCI	0.00	0.00	0.00	0.00	0.00	0%
d. Special Education Extended Year	0.00	0.00	0.00	0.00	0.00	0%
e. Other County Operated Programs: Opportunity Schools and Full Day Opportunity Classes, Specialized Secondary Schools	0.00	0.00	0.00	0.00	0.00	0%
f. Total, Charter School Funded County Program ADA (Sum of Lines C7a through C7e)	0.00	0.00	0.00	0.00	0.00	0%
8. TOTAL CHARTER SCHOOL ADA (Sum of Lines C5, C6d, and C7f)	146.03	232.75	232.75	232.75	0.00	0%
9. TOTAL CHARTER SCHOOL ADA Reported in Fund 01, 09, or 62 (Sum of Lines C4 and C8)	146.03	232.75	232.75	232.75	0.00	0%

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First Interim  
2019-20 Actuals to Date  
Technical Review Checks

Julia Lee Performing Arts Academy  
Riverside County Office of Education

Riverside County

Following is a chart of the various types of technical review checks and related requirements:

- F - Fatal (Data must be corrected; an explanation is not allowed)
- W/WC - Warning/Warning with Calculation (If data are not correct, correct the data; if data are correct an explanation is required)
- O - Informational (If data are not correct, correct the data; if data are correct an explanation is optional, but encouraged)

### IMPORT CHECKS

### GENERAL LEDGER CHECKS

### SUPPLEMENTAL CHECKS

### EXPORT CHECKS

Checks Completed.

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First Interim  
2019-20 Board Approved Operating Budget  
Technical Review Checks

Julia Lee Performing Arts Academy  
Riverside County Office of Education

Riverside County

Following is a chart of the various types of technical review checks and related requirements:

- F - Fatal (Data must be corrected; an explanation is not allowed)
- W/WC - Warning/Warning with Calculation (If data are not correct, correct the data; if data are correct an explanation is required)
- O - Informational (If data are not correct, correct the data; if data are correct an explanation is optional, but encouraged)

IMPORT CHECKS

GENERAL LEDGER CHECKS

SUPPLEMENTAL CHECKS

EXPORT CHECKS

Checks Completed.

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33-10330-0137851

First Interim  
2019-20 Original Budget  
Technical Review Checks

Julia Lee Performing Arts Academy  
Riverside County Office of Education

Riverside County

Following is a chart of the various types of technical review checks and related requirements:

- F - Fatal (Data must be corrected; an explanation is not allowed)
- W/WC - Warning/Warning with Calculation (If data are not correct, correct the data; if data are correct an explanation is required)
- O - Informational (If data are not correct, correct the data; if data are correct an explanation is optional, but encouraged)

IMPORT CHECKS

GENERAL LEDGER CHECKS

SUPPLEMENTAL CHECKS

EXPORT CHECKS

Checks Completed.

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33-10330-0137851

First Interim  
2019-20 Projected Totals  
Technical Review Checks

Julia Lee Performing Arts Academy  
Riverside County Office of Education

Riverside County

Following is a chart of the various types of technical review checks and related requirements:

- F - Fatal (Data must be corrected; an explanation is not allowed)
- W/WC - Warning/Warning with Calculation (If data are not correct, correct the data; if data are correct an explanation is required)
- O - Informational (If data are not correct, correct the data; if data are correct an explanation is optional, but encouraged)

IMPORT CHECKS

GENERAL LEDGER CHECKS

SUPPLEMENTAL CHECKS

EXPORT CHECKS

Checks Completed.



*JULIA LEE PERFORMING ARTS ACADEMY.*  
**(A CALIFORNIA NON-PROFIT ORGANIZATION)**

**AUDITED FINANCIAL STATEMENTS**

*JUNE 30, 2019*

DRAFT

JULIA LEE PERFORMING ARTS ACADEMY

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**Clem Payne, Jr.**  
CERTIFIED PUBLIC ACCOUNTANT

**INDEPENDENT AUDITORS' REPORT**

Board of Directors  
Julia Lee Performing Arts Academy  
Lake Elsinore, California

**Report on the Financial Statements**

I have audited the accompanying financial statements of Julia Lee Performing Arts Academy (a nonprofit organization), which comprise the statement of financial position as of June 30, 2019, and the related statements of activities, functional expenses and cash flow for the fiscal year then ended, and the related notes to the financial statements.

**Management's Responsibility for the Financial Statements**

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

**Auditor's Responsibility**

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the 2018-2019 Guide for Annual Audits of K-12 Local Educational Agencies and State Compliance Reporting, issued by the California Education Audit Appeals Panel as regulations. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

## INDEPENDENT AUDITORS' REPORT

### Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Julia Lee Performing Arts Academy as of June 30, 2019, and the changes in its net assets and its cash flows for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

### Other Matters

#### Supplementary Information

My audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying additional supplementary information, as required by the 2018-2019 Guide for Annual Audits of K-12 Local Educational Agencies and State Compliance Reporting, published by the Education Audit Appeals Panel is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

#### Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, I have also issued my report dated December 3, 2019, on my consideration of Julia Lee Performing Arts Academy's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Julia Lee Performing Arts Academy's internal control over financial reporting and compliance.

Clem Payne, Jr., CPA  
Altadena, California  
December 3, 2019

# DRAFT

JULIA LEE PERFORMING ARTS ACADEMY  
STATEMENT OF FINANCIAL POSITION  
AS OF JUNE 30, 2019

## ASSETS

	<u>2019</u>
<b>CURRENT ASSETS</b>	
Cash and cash equivalents (Note 3)	\$ 5,938
Cash in county treasury	184,788
Accounts receivable (Note 4)	129,151
Less: Accounts receivable factoring	(14,600)
Total Current Assets	<u>305,277</u>
<b>PROPERTY AND EQUIPMENT - (Note 6)</b>	
Leasehold improvements	7,550
Equipment	18,371
Less: accumulated depreciation	(5,773)
Total property, equipment, and improvements	<u>20,148</u>
<b>Other Assets</b>	
Rental deposit	<u>13,000</u>
<b>Total Assets</b>	<b>\$ <u>338,425</u></b>

## LIABILITIES AND NET ASSETS

<b>CURRENT LIABILITIES</b>	
Accrued expenses	\$ 28,558
Notes payable - Current portion	125,000
Total Current Liabilities	<u>153,558</u>
<b>NONCURRENT LIABILITIES</b>	
Notes payable, net of current portion (Note 8)	125,000
Total Noncurrent Liabilities	<u>125,000</u>
<b>TOTAL LIABILITIES</b>	<u>278,558</u>
<b>NET ASSETS</b>	
Net assets with donor restrictions	59,867
Net assets without donor restrictions	-
Total Net Assets	<u>59,867</u>
<b>Total Liabilities and Net Assets</b>	<b>\$ <u>338,425</u></b>

See auditor's report and accompanying notes to financial statements

**JULIA LEE PERFORMING ARTS ACADEMY  
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS  
FOR THE YEAR ENDED JUNE 30, 2019**

**DRAFT**

**Revenue and support:**

	<b>Net Assets without donor restrictions</b>	<b>Net Assets with donor restrictions</b>	<b>Total</b>
Local Control Funding Formula	\$ 1,158,890	\$	\$ 1,158,890
Education Protection Account	29,218		29,218
In-lieu property taxes	256,180		256,180
State revenue	267,424		267,424
Federal revenue	354,671		354,671
Local income	847		847
Interest income	2,496		2,496
	<hr/>	<hr/>	<hr/>
Total revenue and support	\$ 2,069,726	\$ -	\$ 2,069,726

**Expenses**

Program services:			
Education	1,779,593		1,779,593
Support services			
Management and general	170,763		170,763
	<hr/>	<hr/>	<hr/>
Total expenses	1,950,356	-	1,950,356

<b>CHANGE IN NET ASSETS</b>	<hr/> 119,370 <hr/>	<hr/> - <hr/>	<hr/> 119,370 <hr/>
<b>Net Assets, beginning of year</b>	<hr/> (59,503) <hr/>	<hr/> - <hr/>	<hr/> (59,503) <hr/>
Prior period adjustments	<hr/>	<hr/>	<hr/>
<b>Net Assets, end of year</b>	\$ <hr/> 59,867 <hr/>	\$ <hr/> - <hr/>	<hr/> 59,867 <hr/>

See auditor's report and accompanying notes to financial statements

**JULIA LEE PERFORMING ARTS ACADEMY  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2019**

**DRAFT**

	<u>Program Services</u>	<u>Support Services Management &amp; General</u>	<u>Total</u>
<u>Expenses</u>	<u>Education</u>		
Certificated salaries	\$ 568,152	\$	\$ 568,152
Classified salaries	336,195	59,329	395,524
Fringe benefits	183,921	20,436	204,357
Books and supplies	166,374	5,146	171,520
Travel and conferences	3,585	0	3,585
Operation and housekeeping services	136,028	27,861	163,889
Occupancy	173,851	35,608	209,459
Contract services	141,476	15,720	157,196
Other operating expenses	16,800	1,264	18,064
Depreciation	5,658	115	5,773
Debt service expenses	47,553	5,284	52,837
 Total expenses	 \$ <u>1,779,593</u>	 \$ <u>170,763</u>	 \$ <u>1,950,356</u>

See auditor's report and accompanying notes to financial statements

**JULIA LEE PERFORMING ARTS ACADEMY**  
**STATEMENTS OF CASH FLOWS and CHANGE IN NET ASSETS**  
**FOR THE YEAR ENDED JUNE 30, 2019**

**DRAFT**

	<u>2019</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Change in net assets	\$ 133,970
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation expense	5,773
(Increase) decrease in assets:	
Accounts receivable	(210,531)
Others non-current assets	(3,000)
Increase (decrease) in liabilities:	
Accounts payable	(6,613)
Accrued expenses and deferred revenue	14,765
Current portion of non-current debt	125,000
<b>Net cash provided by (used in) operating activities</b>	<u>59,364</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Cash paid for purchase of fixed assets	(25,921)
<b>CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES</b>	<u>(25,921)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Proceeds on long term debt	<u>125,000</u>
<b>CASH PROVIDED BY (USED FOR) FINANCING ACTIVITIES</b>	<u>125,000</u>
<b>NET INCREASE (DECREASE) IN CASH</b>	158,443
<b>CASH AT BEGINNING OF YEAR</b>	<u>32,283</u>
<b>CASH AT END OF YEAR</b>	\$ <u><u>190,726</u></u>
<b>CASH PAID DURING THE YEAR FOR:</b>	
<b>INTEREST</b>	\$ <u><u>52,837</u></u>

See auditor's report and accompanying notes to financial statements.



# JULIA LEE PERFORMING ARTS ACADEMY

Notes to Financial Statements  
June 30, 2019

## **Note 1 - Nature of Activities**

Julia Lee Performing Arts Academy (a California not-for-profit corporation) is a charter school located in Lake Elsinore, CA 92530-6426 that provides kindergarten through fifth grade education. The School was created under the approval of the Riverside County Office of Education and the California State Board of Education, and receives public per-pupil funding to help support their operation. Julia Lee Performing Arts Academy (The Charter) is economically dependent on Federal and State funding.

Charter School number authorized by the State of California is 1988.

## **Note 2 - Summary of Significant Accounting Policies**

The summary of Significant Accounting Policies of The Charter is presented to assist in understanding the Charter's financial statements. The financial statements and notes are representations of The Charter's management, who are responsible for their integrity and objectivity.

### **Financial Statements Presentation**

These financial statements are prepared on the accrual basis of accounting. The accounts of the Charter are maintained in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) relevant to not-for-profit organizations.

The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

#### **Net assets without donor restrictions**

Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The Board has designated none of these net assets for operating reserves and future program development.

#### **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. As of June 30, 2019, the Charter had no net assets with donor restrictions.

# JULIA LEE PERFORMING ARTS ACADEMY

## Notes to Financial Statements June 30, 2019

### **Note 2 - Summary of Significant Accounting Policies, continued**

#### **Basis of Accounting**

The accompanying financial statements of the Charter are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

#### **Use of Estimates**

Management uses estimates and assumptions in preparing financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Accordingly, actual results could differ from those estimates.

#### **Income Taxes**

The Charter is exempt from federal and state income taxes under Section 501(c) (3) of the Internal Revenue Service Code and Section 23701(d) of the California Revenue and Taxation Code. It has been classified by the Internal Revenue Service as other than a private foundation and charitable contributions by donors are tax deductible. Accordingly, no provision has been made for income taxes. However, the information returns for fiscal 2018 and forward may be audited by regulatory agencies. The Charter is not aware of any such actions at this time.

#### **Cash and Cash Equivalents**

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

#### **Property, Equipment and Improvements**

Property, equipment and improvements are recorded at cost. All property, equipment and improvements with a value of \$1,000 or greater and a useful life of 1 year or more are capitalized. Property is depreciated under the straight-line method over the estimated useful life of 40 years. Improvements are depreciated under a straight-line method over their estimated useful lives of 20 years. Equipment is depreciated under straight-line method over the estimated useful life of five to seven years. The depreciation expense for the year ended June 30, 2019, is \$5,773. For additional information, refer to Note 5.

# JULIA LEE PERFORMING ARTS ACADEMY

Notes to Financial Statements  
June 30, 2019

## Note 2 - Summary of Significant Accounting Policies, continued

### Revenue Recognition

#### Contributions and Contributed Services

Gifts of cash and other assets received without donor stipulations are reported as unrestricted revenue and net assets. Gift received with a donor stipulation time or purpose restrictions is recorded as an increase in unrestricted net assets, if the restriction expires in the reporting period in which the revenue is recognized. Amounts received from the California Department of Education are recognized as revenue, earned based on the Charter's average daily attendance (ADA) of students. Revenue that is restricted is recorded as an increase in unrestricted net assets, if the restriction expires in the reporting period in which the revenue is recognized. School designated grants from governmental agencies are considered earned when expenditures have been incurred in accordance with contract specification.

No amounts have been reflected in the accompanying financial statements for donated services inasmuch as no objective basis was available to measure the value of such services; however, some volunteers have donated their time to the Charter.

#### Accounts Receivable

Accounts receivable consists primarily of noninterest-bearing amounts from government sources. Accounts receivable are stated at the amount management expects to collect from the outstanding balance. Management provides an analysis of the probable collection of the accounts through a provision for bad debt expense and an adjustment to a valuation allowance. At June 30, 2019, management had determined that all accounts receivable are fully collectible, and no allowance for bad debts has been established.

#### Prepaid Expenses

Prepaid expenses represent amounts paid in advance of receiving goods or services.

#### Functional Allocation of Expenses

Costs of providing the School's programs and other activities have been presented in the statement of functional expenses. During the year, such costs are accumulated into separate groupings as either direct or indirect. Indirect or shared costs are allocated among program and support services by a method that best measures the relative degree of benefit.

#### Fair Value Measurements

The Charter categorizes its assets and liabilities measured at fair value into a three level hierarchy based on the priority of the inputs to the valuation technique used to determine fair value in accordance with accounting standards.

# JULIA LEE PERFORMING ARTS ACADEMY

Notes to Financial Statements  
June 30, 2019

## **Note 2 - Summary of Significant Accounting Policies, continued**

### **CONCENTRATION OF CREDIT RISK**

The Charter maintains bank accounts at banks which are institutions insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per depositor. At June 30, 2019, the total uninsured cash balance totaled approximately \$190,728. The Charter manages deposit concentration risk by placing cash, money market accounts, and certificates of deposit with financial institutions believed by management to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. To date, the Charter has not experienced losses in any of these accounts. Credit risk associated with accounts receivable and promises to give is considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from board members, governmental agencies, and foundations supportive of the Charter's mission.

### **Reclassification**

Certain reclassifications have been made to the prior year financial statement presentation to correspond to current year's format. Total net assets and change in net assets are unchanged due to these reclassifications.

### **Subsequent Events**

In preparing these financial statements, the Charter has evaluated events and transactions for potential recognition or disclosure through December 4, 2019, the date the financial statements were available to be issued.

### **Recent Accounting Pronouncements**

In August 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2014-15, Disclosure of Uncertainties about an Entity's Ability to continue as a Going Concern (Subtopic 205-40). This ASU requires management to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the entity's ability to continue as a going concern, which is currently performed by the external auditors. Management is required to perform this assessment for annual reporting periods and must make certain disclosures if it concludes that substantial doubt exists. The guidance is effective for annual periods ending after December 15, 2016, and for annual periods thereafter. The adoption of this standard by management on July 1, 2016 did not have any effect on the financial statements.

# JULIA LEE PERFORMING ARTS ACADEMY

## Notes to Financial Statements June 30, 2019

### NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES - (continued)

In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842). Under the ASU, a lessee will be required to recognize right-to-use assets and liabilities on their statement of financial position for all leases with lease terms of more than twelve months. The ASU is effective for fiscal years beginning after December 15, 2019. Early application will be permitted for all organizations. The Charter is currently assessing the impact the adoption of this ASU will have on its financial statements.

In August 2016, the FASB issued ASU 2016-14, Not-For-Profit Entities (Topic 958): Presentation of Financial Statements of Not-For-Profit Entities. The amendments in this ASU are designed to improve the current net asset classification requirements and the information presented in the financial statements about a not-for-profit entity's liquidity, financial performance, and cash flows. The amendments in the ASU are effective for annual financial statements issued for fiscal years beginning after December 15, 2017. Early application of the ASU is permitted. The Charter is currently evaluating the impact of this pronouncement on its financial statements.

### NOTE 3 - CASH and CASH EQUIVALENTS

Cash at June 30, 2019 consisted of the following:

Cash on hand and in banks - Treasury	\$184,788
Cash on hand and in banks - Operating	<u>5,938</u>
Total cash on hand and in banks	<u>\$190,726</u>

### Pooled Funds- Cash in county treasury

The Riverside County Treasury maintains one Pooled Investment Fund for all local jurisdictions having funds on deposit in the County Treasury. State law requires that all operating moneys of the County, school districts, and certain special districts be held by the County Treasurer. The Charter's deposits are maintained in a recognized pooled investment fund under the care of a third party; the Charter's share of the pool does not consist of specific, identifiable investment securities owned by the Charter. No disclosure of the individual and investments or related custodial credit risk classifications is required.

In accordance with applicable state laws, the County Treasurer may invest in derivative securities with the State of California. However, at June 30, 2019 the County Treasurer has represented that the Pooled Investment Fund contained no derivatives or other investment with similar risk profiles.

# JULIA LEE PERFORMING ARTS ACADEMY

## Notes to Financial Statements June 30, 2019

### CASH and CASH EQUIVALENTS (continued)

The investments in the Treasurer's Pooled Investment Fund were as follows:

Federal Agency Securities	59.03%
Cash Equivalent & Money Market Funds	16.62%
Commercial Paper	47.48%
U.S. Treasury Securities	5.25%

### Fair Value Measurements

The Charter categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value. All assets have been valued using a market approach with quoted markets prices.

### Liquidity and Availability of Financial Assets

The Organization's financial assets available within one year of the Statement of Financial Position date for general expenditures are as follows:

Cash in county treasury	\$184,788
Cash in banks	5,938
Accounts receivable	<u>129,151</u>
Total financial assets available within one year	<u>\$319,877</u>

### NOTE 4 – ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2019, reported as follows:

Federal	\$ 74,798
Other State	<u>54,353</u>
Total accounts receivable	<u>\$129,152</u>

# JULIA LEE PERFORMING ARTS ACADEMY

Notes to Financial Statements  
June 30, 2019

## NOTE 5 – PROPERTY, EQUIPMENT AND IMPROVEMENTS

Below is the summary of the changes in fixed assets owned by Julia Lee Performing Arts Academy for the year ended June 30, 2019:

Description	Balance at 7/1/2018	Additions (deletions)	Balance at 6/30/19
Furniture & Equipment	\$	\$ 18,371	\$ 18,371
Leasehold improvements		7,550	7,550
Total fixed assets		25,921	25,921
Accumulated depreciation		(5,773)	(5,773)
Net fixed assets	\$	\$ 20,148	\$ 20,148

## NOTE 6 – COMMITMENTS

Julia Lee Performing Arts Academy entered into a twenty-two month lease agreement for educational facility located on 19740 Grand Ave. Lake Elsinore, CA 92530. The lease commenced on August 13, 2018, and will end on the 13th day of June 2020, with an option extend every two years until June 2026. The base monthly lease amount is \$20,874 per month, with an increase of 3% upon renewal. Payments lease made on the facility was \$208,740, for the year ended June 30, 2019.

The future minimum lease payments due for the next year are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2020	\$ 208,740

# JULIA LEE PERFORMING ARTS ACADEMY

Notes to Financial Statements  
June 30, 2019

## NOTE 7 – EMPLOYEE RETIREMENT PLANS

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

The risks of participating in these multi-employer defined benefit pension plans are different from single-employer plans because: (a) assets contributed to the multi-employer plan by one employer may be used to provide benefits to employees of other participating employers, (b) the required member, employer, and state contribution rates are set by the California Legislature, and (c) if the School chooses to stop participating in the multi-employer plan, it may be required to pay a withdrawal liability to the plan. The School has no plans to withdraw from this multi-employer plan.

### State Teachers' Retirement System (STRS)

#### **Plan Description**

The Charter contributes to the State Teachers' Retirement System (STRS), a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by STRS. The plan provides retirement, disability and survivor benefits to beneficiaries. Benefit provisions are established by State statutes, as legislatively amended, within the State Teachers' Retirement Law. STRS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the STRS annual financial report may be obtained from STRS, 7667 Folsom Boulevard, and Sacramento, California 95826.

#### **Funding Policy**

Active plan members are required to contribute 8.56% of their salary and the School is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by the STRS Teachers' Retirement Board. The required employer contribution rate for fiscal year 2018-19 is 16.28% of annual payroll. The contribution requirements of the plan members are established and may be amended by State statute.

The School's contributions to STRS for the year ended June 30, 2019 is as follows:

Year Ended	Required	Percent
<u>June 30,</u>	<u>Contribution</u>	<u>Contributed</u>
2019	\$80,479	100%



# JULIA LEE PERFORMING ARTS ACADEMY

## Notes to Financial Statements June 30, 2019

### Note 8 – Long-Term Debt

The Charter received a revolving loan from the California Department of Education (CDE) in the amount of \$250,000. The loan requires annual principal payments of \$50,000. The loan has a term of two years and carries an interest rate of 2.277%. Annual payments of principal and interest are deducted from the Charter's Apportionment.

The ending loan balance was \$250,000 at June 30, 2019.

### Note 9 - Sale of Receivables

The Charter sold to Charter School Capital, Inc. and transferred without recourse, various receivables applicable to the School's 2018-2019 fiscal year (July 1, 2018 through June 30, 2019). The School's receivable that were sold for the fiscal year, with associated cost, are as follows:

Receivable	Purchase	Purchase	Program	Total	Net funds	
<u>Face Value</u>	<u>Price</u>	<u>Discount</u>	<u>Fees</u>	<u>Cost</u>	<u>to School</u>	<u>Rate</u>
\$536,100	\$514,055	\$22,045	\$5,361	\$27,406	\$486,649	6.53%%

Face value represents the initial fair value of the receivables sold, while purchased price represents the discounted value provided to the school, less program fees.

As of June 30, 2019, the Charter paid Charter School Capital \$27,406 representing financing rate of 6.71 percent which is a ratio of total cost to net funds to the school.

The Charter sold to Charter Asset Management Fund, LP and transferred without recourse, various receivables applicable to the School's 2018-2019 fiscal year (July 1, 2018 through June 30, 2019). The School's receivable that were sold for the fiscal year, with associated cost, are as follows:

Receivable	Purchase	Purchase	Program	Total	Net funds	
<u>Face Value</u>	<u>Price</u>	<u>Discount</u>	<u>Fees</u>	<u>Cost</u>	<u>to School</u>	<u>Rate</u>
\$525,430	\$525,430	\$25,431	\$ -	\$25,431	\$500,000	5.09%

Face value represents the initial fair value of the receivables sold, while purchased price represents the discounted value provided to the school, less program fees.

As of June 30, 2019, the Charter Asset Management Fund, LP \$25,431 representing financing rate of 5.00 percent this is a ratio of total cost to net funds to the school.

# JULIA LEE PERFORMING ARTS ACADEMY .

Notes to Financial Statements  
June 30, 2019

**Note 10 - Reconciliation of Annual Financial Report with Audited Financial Statements**  
The schedule on page 20 was prepared by The School for the State of California.

DRAFT

JULIA LEE PERFORMING ARTS ACADEMY

SUPPLEMENTARY INFORMATION

DRAFT

**JULIA LEE PERFORMING ARTS ACADEMY**

Reconciliation of Annual Financial  
Report With Audited Financial Statements  
For the year ended June 30, 2019

**DRAFT**

	2018
June 30, 2018 Annual Financial Report	
Fund balances (Net assets)	\$ 66,787
Adjustments and Reclassifications:	
Increasing (Decreasing) the Fund Balance (Net Assets)	
Cash	(25,093)
Accounts receivable	(45,536)
Account payable and Accrued expenses	63,709
Net adjustments and reclassifications	
June 30, 2019 Audited Financial Statement Fund Balance	\$ 59,867

# **JULIA LEE PERFORMING ARTS ACADEMY**

## **SCHEDULE OF INSTRUCTIONAL MINUTES**

June 30, 2019

	<b>Requirement</b>	<b>Actual</b>	<b>Number of Days Traditional Calendar</b>	<b>Status</b>
Transitional Kindergarten	36,000	39,000	175	In compliance
Kindergarten	36,000	39,000	175	In compliance
Grade 1 through 3	50,400	63,190	175	In compliance
Grade 4 through 5	54,000	63,190	175	In compliance

**DRAFT**

# **JULIA LEE PERFORMING ARTS ACADEMY**

## **SCHEDULE OF AVERAGE DAILY ATTENDANCE**

June 30, 2019

# DRAFT

	Second Period		Annual	
	Report		Report	
	Classroom		Classroom	
	Based	Total	Based	Total
Transitional Kindergarten through :	120.03	120.03	119.8	119.8
Grade 4 through 6	26.06	26.06	26.05	26.05
ADA Totals	146.09	146.09	145.85	145.85

Note: Julia Lee Performing Arts Academy is 100% classroom-based and generates no ADA from a full-time independent study program.

Average daily attendance (ADA) is a measure of the number of pupils attending classes at Julia Lee Performing Arts Academy. 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 at various grade levels and in different programs.

**JULIA LEE PERFORMING ARTS ACADEMY**  
**NOTES TO SUPPLEMENTARY INFORMATION**  
**For the Year Ended June 30, 2019**

**NOTE 1: PURPOSE OF SCHEDULES**

**Local Education Agency Organization Structure**

This schedule provides information about the Charter School's operating members of the governing board, and members of the administration.

**Schedule of Instructional Time**

This schedule presents information on the amount of instructional time offered by the School and whether the School complied with the provisions of Education Code Sections 46200 through 46206.

**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 at various grade levels.

**Reconciliation of Annual Financial Report with Audited Financial Statements**

This schedule provides the information necessary to reconcile the net assets of the charter schools as reported on the Annual Financial Report form to the audited financial statements.

# **JULIA LEE PERFORMING ARTS ACADEMY**

## **ORGANIZATION STRUCTURE**

June 30, 2019

Julia Lee Performing Arts Academy, Inc. (JPLAA) was formed as charter pursuant to Education Code Section 47612 under an agreement with Riverside County School District granted in June 2018.

Charter Number: 1988

JLPAAS mission is to provide a high quality educational program for students in grades TK-6th. We aim to develop the whole person through curriculum that integrates both performing arts and college preparatory academics. The Julia Lee Performing Arts Academy strives to develop students academically, artistically and socially.

<u>Name</u>	<u>Term on Board Expires</u>	<u>Board Position</u>
Olivia Davis	June 30, 2019	Chairperson
William Frazier	June 30, 2019	Secretary/Treasurer
Edwin Rodriguez	June 30, 2019	Member
Jamie Schramm	June 30, 2019	Member
Andrea Strecker	June 30, 2019	Member
<u>Administration</u>		<u>Title</u>
Tanya Taylor		Executive Director

**DRAFT**



**Clem Payne, Jr.**  
CERTIFIED PUBLIC ACCOUNTANT

**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**

Board of Directors  
Julia Lee Performing Arts Academy  
Lake Elsinore, CA

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of Julia Lee Performing Arts Academy (the School), a nonprofit California public benefit corporation, which comprise the statement of financial position as of June 30, 2019, and the related statements of activities, functional expenses, and cash flows for the year then ended, the related notes to the financial statements, and have issued my report thereon dated December 3, 2019.

**Internal Control Over Financial Reporting**

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

My 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 my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**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**

**Compliance and Other Matters**

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

**Purpose of this Report**

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Clem Payne, Jr., CPA  
Altadena, California  
December 3, 2019

Clem Payne, Jr.  
CERTIFIED PUBLIC ACCOUNTANT

**REPORT OF INDEPENDENT AUDITORS ON STATE COMPLIANCE**

Board of Directors  
Julia Lee Performing Arts Academy  
Lake Elsinore, California

**Report on Compliance for Each State Program**

I have audited Julia Lee Performing Arts Academy's compliance with the types of compliance requirements described in the 2018-2019 Guide for Annual Audits of K-12 Local Educational Agencies, and State Compliance Reporting, published by the Education Audit Appeals Panel, that could have a direct and material effect on the JLPAA's state programs for the fiscal year ended June 30, 2019, as identified below.

**Management's Responsibility**

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

**Auditor's Responsibility**

My responsibility is to express an opinion on the JLPAA's compliance based on my audit the types of compliance requirements referred to below. I 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 2018-2019 Guide for Annual Audits of K-12 Local Educational Agencies, and State Compliance Reporting, published by the California Education Audit Appeals Panel. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to below has occurred. An audit includes examining, on a test basis, evidence about the JLPAA's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances.

I believe that my audit provides a reasonable basis for my opinion on state compliance. However, my audit does not provide a legal determination of the JLPAA's compliance with those requirements.

**Unmodified Opinion**

In my opinion, JLPAA complied in all material respects, with the types of compliance requirements referred to above that are applicable to the government programs noted below that were audited for the year ended June 30, 2019.

## Procedures Performed

In connection with the audit referred to above, I selected and tested transactions and records to determine the JLPPA's compliance with the laws and regulations applicable to the following items:

<u>School Districts, County Offices of Education, and Charter Schools:</u>	<u>Procedures Performed</u>
California Clean Energy Job Act	No
<u>After School Education and Safety Program:</u>	
General Requirements	Not applicable
After School	Not applicable
Before School	Not applicable
Proper Expenditure of Education Protection Account Fund	Yes
Unduplicated Local Control Funding Formula Pupil Counts	Yes
Local Control and Accountability Plan	Yes
Independent Study – Course Based	No
<u>Charter Schools:</u>	
Attendance	Yes
Mode of Instruction	Yes
Nonclassroom-based Instruction/Independent Study	No
Determination of Funding for Nonclassroom Based Instruction	No
Annual Instructional Minutes – Classroom Based	Yes
Charter School Facility Grant Program	Yes

The term "No" is used above to mean either that the School did not offer the program during the current fiscal year, or that the program applies only to a different type of local education agency.

Clem Payne, Jr., CPA  
Altadena, California  
December 3, 2019

**JULIA LEE PERFORMING ARTS ACADEMY**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

For the year ended June 30, 2019

**Summary of Auditors' Results**

**1. Financial Statements**

Type of auditors' report issued:

Unmodified

Internal control over financial reporting:

One or more material weaknesses identified?

Yes \_\_\_ No X

One or more significant deficiencies identified  
are not considered to be material weaknesses?

Yes \_\_\_ No X

Noncompliance material to financial statement  
noted?

Yes \_\_\_ No X

**2. State Awards**

Internal control over state programs.  
Material weaknesses identified?

Yes \_\_\_ No X

Significant deficiencies identified not considered  
to be material weaknesses?

Yes \_\_\_ No X

Type of auditor's report issued on compliance for  
same programs:

Unmodified

*JULIA LEE PERFORMING ARTS ACADEMY*  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**June 30, 2019**

None reported.

*JULIA LEE PERFORMING ARTS ACADEMY*  
**SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS**

**June 30, 2019**

None reported.

# Charter School Capital Client Portal

## To Start:

Watch our Client Portal video tutorial playlist (<https://www.youtube.com/playlist?list=PLB3cXu991TN0xucsdSTHh9AU9EdfIM8ur>)

## Need help?

Contact our Client Portal Concierge (<mailto:jday@charterschoolcapital.org?subject=ATTENTION: Client Portal User Request>) with any questions

View by Open Projects View by Item Completed Projects

PROJECT NAME	FUNDED DATE	FUNDED AMOUNT
<a href="#">FOF - Julia Lee Performing Arts Academy - 12/12/2019</a>	Dec 18	\$189,200.00
<a href="#">FOF - Julia Lee Performing Arts Academy - 11/11/2019</a>	Nov 21	\$215,100.00
<a href="#">FOF - Julia Lee Performing Arts Academy - 10/10/2019</a>	Oct 11	\$71,400.00
<a href="#">FOF - Julia Lee Performing Arts Academy - 9/9/2019</a>	Sep 13	\$149,100.00
<a href="#">FOF - Julia Lee Performing Arts Academy - 8/8/2019</a>	Aug 16	\$186,300.00
<a href="#">FOF - Julia Lee Performing Arts Academy - 3/3/2019</a>	Mar 18	\$131,400.00
<a href="#">FOF - Julia Lee Performing Arts Academy - 1/1/2019</a>	Jan 30	\$86,000.00
<a href="#">FOF - Julia Lee Performing Arts Academy - 12/12/2018</a>	Dec 7	\$87,800.00
<a href="#">Initial Funding - Julia Lee Performing Arts Academy - 11/11/2018</a>	Nov 9	\$230,900.00

I hereby certify that all information and documents submitted to Charter School Capital ("CSC") are true, correct and complete in all material respects as of the time of submission and that no important or material information has been omitted. I agree to promptly update any information to the extent such information becomes untrue, incorrect, outdated or misleading. I agree and acknowledge that CSC is relying on the information provided by me to complete CSC's underwriting and due diligence process in making a funding determination.

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## **Julia Lee Performing Arts Academy Fiscal Policies and Procedures**

2. The numbered PO is then logged into an Excel sheet which lists all issued PO's.
3. The printed PO is then given to the Executive Director, Head of School, or Principal for approval and signature.
4. The PO is then scanned and emailed to the vendor or copied and mailed. The original (or copy if original was mailed) is then placed in the Open PO folder.

### **Payment Authorization**

All original invoices will be forwarded to the Executive Director, Head of School, or Principal for approval.

1. The Executive Director, Head of School, or Principal will carefully review each invoice, attach all supporting documentation, and verify that the specified services and/or goods were received. When receiving tangible goods from a vendor, the person designated to receive deliveries should trace the merchandise to the packing list and note any items that were not in the shipment.
2. Once approved by the Executive Director, Head of School, or Principal, he/she will indicate approval manually or electronically on the invoice or in an email or other electronic communication and note the purpose for the specified expenditures. The invoice and supporting documentation will be sent to Charter Impact on at least a weekly basis (Executive Director, Head of School, or Principal should be aware of invoice due dates to avoid late payments). Charter Impact will then process the invoices with sufficient supporting documentation.
3. The Executive Director, Head of School, or Principal may authorize Charter Impact to pay recurring expenses (e.g. utilities) without the Executive Director, Head of School, or Principal's formal approval.
4. **The Executive Director, Head of school, or Principal may authorize selling receivables in the amount of \$25,000 and any amount over \$25,000 must be approved by Julia Lee Performing Arts Academy Governing Board.**

### **Accounts Payable Checks**

The Governing Board will approve, in advance, the list of authorized signers on the school account. The Executive Director, Head of School, or Principal and any other employee authorized by the Governing Board may sign bank checks within established limitations.

1. Charter Impact does not use pre-printed check stock to avoid the risk of theft.
2. When there is a need to generate a check, the Office Manager will send appropriate approved documentation to Charter Impact. This is usually an approved invoice or Check Request Form.