

**MINUTES OF A MEETING OF
THE BOARD OF DIRECTORS OF
THE LOS ANGELES LEADERSHIP ACADEMY**

Wednesday, November 16, 2016

The following members of the Board of Directors (the “Board”) of The Los Angeles Leadership Academy (the “Academy”), pursuant to notice duly given or waived, attended the meeting at 2670 Griffin Avenue, Los Angeles, California, and constituted a quorum for the transaction of business in accordance with the California Nonprofit Public Benefit Corporation Law and the bylaws of the Academy:

Mary Atwater James
Eric Barron
Mona Field
Martin Frank
Rohan Gupta
David Nickoll
Diane Prins Sheldahl
Allan Rudnick
Christian Sarabia

The following members of the Board were absent from the meeting:

Sally Chou
Carol Ann Leif
Roger Lowenstein
Daniel Provencio
Rick Rosen

Also in attendance at the invitation of the Board were: (i) Arina Goldring-Ravin, Executive Director; (ii) Kristin Dietz, Chief Financial Officer; (iii) Cynthia Cuprill, High School Principal; (iv) Marvin Jacobo, Middle School Principal; (v) Antonio Sanchez, Primary School Principal; (vi) Marina Pilyavskaya, Director of Finance; (vii) Liz Perez-LoPresti and Jonathan Torres, each a director nominee; and (viii) Jonathan Lee and Sebastian Bacon of Proskauer Rose LLP, outside counsel.

The meeting was called to order by Mr. Nickoll at approximately 4:40 p.m. Pacific time. Mr. Bacon acted as secretary for purposes of the meeting.

Introductory Remarks

Mr. Nickoll began the meeting by describing the Board’s open communications procedures to the members of the public in attendance. Mr. Nickoll noted that members of the public who wish to address the Board may do so by indicating on the comment cards made available at the meeting whether they intend to address either (i) a specific agenda item, which comments would be heard at the time the Board addresses such item, or (ii) a non-agenda item,

which comments would be heard during the period reserved for open communications. Mr. Nickoll also noted that addresses by members of the public on any item would be limited to two minutes.

Open Communications

Mr. Nickoll invited members of the public in attendance to address the Board on non-agenda items. Carol Coleski, a member of the public, spoke about California Dance Institute, a program targeted toward low-income students that uses dance to develop cognitive control of behavior. Ms. Coleski performed a demonstration with primary and middle school students from the Academy. Discussion ensued, and Ms. Coleski answered questions from the Board.

The Board collected no comment cards from members of the public in attendance with respect to specific agenda items.

Approval of Minutes

Mr. Nickoll made a presentation regarding the minutes of the meeting of the Board held on September 20, 2016 (the "Minutes"). The Minutes were approved as read.

Executive Director Report

Ms. Goldring-Ravin made a presentation regarding, among other things, (i) the successful renewal of the middle school and high school charter, (ii) the student achievement benchmarks applicable under the renewed charter, (iii) the oversight visit by the Los Angeles Unified School District ("LAUSD") to the Academy's primary school, and (iv) the status of bargaining negotiations with the Academy's teachers union. The Board asked questions and engaged in discussion during and following Ms. Goldring-Ravin's presentation, and Ms. Goldring-Ravin answered questions from the Board.

Student Leadership Council Report

Rachel Hernandez, the middle school's leadership advisor, introduced two members of the middle school's leadership council who made a presentation regarding a variety of topics, including academic assistance, red ribbon week, an upcoming school dance, college field trips, as well as other upcoming events. Discussion ensued, and Ms. Hernandez answered questions from the Board.

Jose Lobo, a primary school student leadership coordinator, then introduced the recently elected members of the primary school's leadership council and described the election process. Discussion ensued, and Mr. Lobo answered questions from the Board.

Moses Gonzalez, the high school's student body president, then made a presentation regarding the leadership class at the high school and the leadership council's finances, a tutoring program, a college application assistance program, a blood drive, various fundraising events, as well as upcoming events. Discussion ensued, and Mr. Gonzalez answered questions from the Board.

Ms. Atwater James then left the meeting.

Parents in Action Report

Josie Vargas made a presentation regarding recent activity of the parent council, Parents in Action. Ms. Vargas reported that the parents recently took a trip to California State University, Northridge to help familiarize the parents with the school and with college in general. Ms. Vargas also mentioned that middle school and high school parents had recently been invited to the Academy's campus so that members of the Academy's administration could thank them for their support in the charter renewal process. Discussion ensued, and Ms. Vargas answered questions from the Board.

Curriculum Council Report

Ms. Goldring-Ravin discussed the curriculum council report, a copy of which was distributed to the Board prior to the meeting. Tina Butler, the Academy's Director of Student Support Services, spoke about the adoption of the Achieve 3000 curriculum, a program designed to help students learn English, and the early results of the program. Discussion ensued, and Ms. Butler answered questions from the Board.

Principals Reports

Mr. Sanchez made a presentation regarding the Academy's primary school, including, among other things, (i) an update regarding enrollment, (ii) an update regarding attendance, (iii) student achievement data, (iv) parent/community involvement and (v) upcoming events. Discussion ensued, including with respect to the primary school's dual immersion program, and Mr. Sanchez answered questions from the Board.

Mr. Jacobo then made a presentation regarding the Academy's middle school, including, among other things, (i) an update regarding enrollment, (ii) an update regarding attendance and (iii) student achievement data. Discussion ensued, and Mr. Jacobo answered questions from the Board.

Ms. Cuprill then made a presentation regarding the Academy's high school, including, among other things, (i) an update regarding the high school's enrollment, including information about students who had fallen behind their classmates in terms of credits, (ii) a new academic goal for the high school students, (iii) comparisons of student performance by grade, (iv) student achievement data, (v) graduation progress, (vi) parent engagement, (vii) curriculum/instruction, (viii) professional development and (ix) college and career readiness. Discussion ensued, and Ms. Cuprill answered questions from the Board.

Committee Reports

Ms. Dietz made a presentation regarding the Academy's budget and finances, including a review of September, the revised budget for the 2016-17 school year and a spending plan for the College Readiness Block Grant. Discussion ensued, and Ms. Goldring-Ravin answered questions from the Board.

Mr. Frank then made a presentation regarding a recent meeting of the Nominating Committee of the Board (the “Nominating Committee”). Mr. Frank expressed the committee’s desire to find additional directors who would diversify the composition of the Board.

Election of Directors

Mr. Frank made a presentation regarding the proposed election of Liz Perez-LoPresti and Jonathan Torres as directors of the Academy. Discussion ensued, including with respect to Ms. Perez-LoPresti’s and Mr. Torres’ respective credentials, backgrounds and positive references, and Mr. Frank answered questions from the Board. After discussion, upon motion duly made and seconded, the Board unanimously adopted the resolutions attached hereto as Exhibit A.

In Favor (8): Eric Barron, Mona Field, Martin Frank, Rohan Gupta, David Nickoll, Diane Prins Sheldahl, Allan Rudnick, Christian Sarabia

Opposed (0): None.

Abstentions (0): None.

Approval of 2016-2017 Revised Budget

Ms. Dietz made a presentation regarding a proposed revised budget for the Academy’s 2016-2017 fiscal year, a draft of which had been distributed to the Board prior to the meeting. Ms. Dietz described certain changes to the budget since the version that was previously approved by the Board. Discussion ensued, and Ms. Dietz answered questions from the Board. After discussion, upon motion duly made and seconded, the Board unanimously adopted the resolutions attached hereto as Exhibit B.

In Favor (10): Eric Barron, Mona Field, Martin Frank, Rohan Gupta, David Nickoll, Liz Perez-LoPresti, Diane Prins Sheldahl, Allan Rudnick, Christian Sarabia, Jonathan Torres

Opposed (0): None.

Abstentions (0): None.

Approval of the Deloitte Engagement Letter

Mr. Nickoll made a presentation regarding the Academy’s proposed approval of the Deloitte Engagement Letter. Discussion ensued and the Board determined that, pursuant to Section 5233(d)(2) of the California Corporations Code: (1) the Academy was entering into this transaction for its own benefit, (2) the transaction was fair and reasonable as to the Academy at the time the transaction would be entered into, (3) the Board had knowledge of all the material facts relating to the transaction and the interested director’s interest in the transaction, and (4) the Academy could not have obtained a more advantageous arrangement with reasonable effort under the circumstances. Following discussion, upon motion duly made and seconded, the Board unanimously approved the resolutions attached hereto as Exhibit C.

In Favor (10): Eric Barron, Mona Field, Martin Frank, Rohan Gupta, David Nickoll, Liz Perez-LoPresti, Diane Prins Sheldahl, Allan Rudnick, Christian Sarabia, Jonathan Torres

Opposed (0): None.

Abstentions (0): None.

Brown Act Training

Mr. Bacon gave a presentation regarding the Brown Act.

* * *

There being no further business to come before it, the meeting was, upon motion duly made and seconded, adjourned at approximately 6:45 p.m. Pacific time.

Respectfully submitted,



Sebastian Bacon
Secretary of the Meeting

Approved:

David Nickoll
Chairman of the Meeting

Mr. Bacon gave a presentation regarding the Brown Act.

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There being no further business to come before it, the meeting was, upon motion duly made and seconded, adjourned at approximately 6:45 p.m. Pacific time.

Respectfully submitted,

Sebastian Bacon
Secretary of the Meeting

Approved:



David Nickoll
Chairman of the Meeting

EXHIBIT A

Election of Liz Perez-LoPresti as Director

WHEREAS, the Board deems it advisable and in the best interests of the Academy to elect Liz Perez-LoPresti as a director of the Academy; and

WHEREAS, the Bylaws of the Academy (the "Bylaws") provide that directors shall be elected in staggered terms.

NOW, THEREFORE, BE IT RESOLVED, that Liz Perez-LoPresti be, and she hereby is, elected to the Board to serve for a term starting November 16, 2016 and ending at the first meeting of the Board to be held in 2020.

Election of Jonathan Torres as Director

WHEREAS, the Board deems it advisable and in the best interests of the Academy to elect Jonathan Torres as a director of the Academy; and

WHEREAS, the Bylaws provide that directors shall be elected in staggered terms.

NOW, THEREFORE, BE IT RESOLVED, that Jonathan Torres be, and he hereby is, elected to the Board to serve for a term starting November 16, 2016 and ending at the first meeting of the Board to be held in 2020.

EXHIBIT B

Approval of 2016-2017 Revised Budget

WHEREAS, the Board previously reviewed and approved the budget for the Academy's 2016-2017 school year (the "Budget");

WHEREAS, the Board has been presented with and reviewed certain proposed revisions to the Budget, a summary of which is attached hereto as Annex B-I (the "Revised Budget"); and

WHEREAS, the Board deems it advisable and in the best interests of the Academy to approve the Revised Budget.

NOW, THEREFORE, BE IT RESOLVED, that the Revised Budget be, and it hereby is, approved, with such changes, additions, deletions, amendments or modifications as any of the Executive Director or the Director of Finance of the Academy (the "Officers") deem necessary, proper or advisable; and

RESOLVED FURTHER, that the Officers be, and each of them hereby is, authorized, empowered and directed to do or cause to be done all other things and acts, to execute and deliver or cause to be executed and delivered all other instruments, documents and certificates and to pay or cause to be paid all costs, fees and taxes as may be, in such Officer's sole judgment, necessary, proper or advisable in order to carry out and comply with the purposes and intent of the foregoing resolutions; and that all of the acts and deeds of each of the Officers and each of the directors of the Academy that are consistent with the purposes and intent of such resolutions be and hereby are, in all respects, approved, confirmed, ratified and adopted as the respective acts and deeds of the Academy.

Annex B-I
Revised Budget

Los Angeles Leadership Academy

July – September
Financial Update

edtec
Business and Development Specialists
for Charter Schools

11/10/16

Kristin Dietz & Kelsey Wrobel



Agenda

- ❖ 2016/17 Forecast Update
- ❖ Cash Flow Forecast
- ❖ Exhibits
 - ❖ Budget vs. Actual Detail

Financial Summary

Forecasted Operating Income of \$290K after depreciation,
a decrease of \$39K from the Approved Budget

	Current Forecast Total	Approved Budget	Variance (Approved Budget vs. Current Forecast)
Revenue			
General Block Grant	8,922,555	8,865,408	57,147
Federal Revenue	1,294,439	1,290,592	3,847
Other State Revenues	1,869,632	1,628,744	240,888
Local Revenues	845,298	840,486	4,812
Fundraising and Grants	42,500	-	42,500
Total Revenue	12,974,424	12,625,230	349,194
Expenses			
Compensation and Benefits	7,641,617	7,360,284	(281,333)
Books and Supplies	1,768,808	1,631,817	(136,990)
Services and Other Operating Expenditures	3,074,499	3,072,563	(1,936)
Depreciation	199,478	231,294	31,816
Total Expenses	12,684,401	12,295,958	(388,444)
Operating Income	290,023	329,272	(39,249)
Fund Balance			
Beginning Balance (Unaudited)	9,286,368	8,954,200	
Operating Income	290,023	329,272	
Ending Fund Balance	9,576,391	9,283,472	
Ending Fund Balance as a % of Expense	75%	76%	

Addition of one-time funds & College Readiness Grant

Compensation & Benefits: New counselor, new project coordinator, increase in instructional aides & office staff + addition of prior-year payments of \$51K resulting from salary audit

Books & Supplies: Computer purchase added to LALA HS. Purchase funded by prior-year Gala funds that were carried in school reserves from last year

Enrollment & ADA

Update through school Month 2

	Actual Through Month 2	Current Forecast	Board Approved Budget
LALA			
Enrollment	539	539	550
ADA	510.5	512.1	522.5
% ADA	94.7%	95.0%	95.0%
LALPA			
Enrollment	423	414	415
ADA	409.1	397.4	394.3
% ADA	96.7%	96.0%	95.0%

- LALA's ADA is down 12 from budget and 1.6 from Current Forecast
- LALPA's ADA is up 15 from budget and 11.6 from Current Forecast
- LALPA's enrollment as of Nov 10 is 414, equal to the current forecast
- In FY15-16, average attendance was **94.7%** across both schools through P-2.

2016-17 Forecast -- LALA

Forecasted Operating Income of \$47K,
a decrease of \$27K from the Approved Budget.

	Variance (Budget vs. Current Forecast)		
	Actual YTD	Approved Budget	Current Forecast
Revenue			
LCFF Entitlement	767,595	5,162,515	5,123,143
Federal Revenue	25,305	761,638	726,856
Other State Revenues	73,889	925,587	1,093,150
Local Revenues	-	10,000	10,000
Fundraising and Grants	6,059	-	40,000
Total Revenue	872,848	6,859,741	6,993,149
			133,409
Expenses			
Compensation and Benefits	810,730	4,061,409	4,122,381
Books and Supplies	452,774	852,875	989,680
Services and Other Operating Expenditures	325,746	1,726,249	1,707,053
Depreciation	-	144,932	127,417
Total Expenses	1,589,251	6,785,465	6,946,531
			(161,066)
Operating Income	(716,403)	74,275	46,618
			(27,658)
Fund Balance			
Beginning Balance (Audited)		5,669,380	5,669,380
Operating Income	(716,403)	74,275	46,618
Ending Fund Balance	(716,403)	5,743,655	5,715,998
Total Enrolled	550	539	(11)
Average ADA %	95%	95%	0%
Total ADA	522.5	512.1	(10)

- LCFF below budget due to lower enrollment
- Decrease in Federal Revenue is due to decrease in Title I
- State Aid increase is the addition of one-time funds of \$210 per prior-year ADA and the College Readiness Block Grant of \$75K
- \$40K in donation revenue added for music program (\$30K) and student activities donations(\$10K)

- Compensation & Benefits: 50% of a new counselor & \$25K in prior-year adjustment pay added to forecast
- Books & Supplies: HS computers purchased with Gala funds were added to forecast

2016-17 Forecast – LALA Primary

Forecasted Operating Income of \$243K after depreciation, a decrease of \$12K from the Approved Budget.

	Actual YTD	Approved Budget	Current Forecast	Variance (Budget vs. Current Forecast)
Revenue				
LCFF Entitlement	479,425	3,702,893	3,799,412	96,519
Federal Revenue	16,524	528,954	567,583	38,629
Other State Revenues	48,250	703,157	776,482	73,325
Local Revenues	-	5,000	5,000	-
Fundraising and Grants	-	-	2,500	2,500
Total Revenue	544,199	4,940,004	5,150,977	210,974
Expenses				
Compensation and Benefits	485,978	2,609,607	2,825,341	(215,734)
Books and Supplies	290,055	778,942	778,942	-
Services and Other Operating Expenditures	198,442	1,210,096	1,231,227	(21,132)
Depreciation	-	86,362	72,061	14,301
Total Expenses	974,474	4,685,007	4,907,572	(222,565)
Operating Income	(430,275)	254,997	243,405	(11,592)
Fund Balance				
Beginning Balance (Unaudited)		-	3,615,585	
Operating Income	(430,275)	254,997	243,405	
Ending Fund Balance	(430,275)	254,997	3,858,990	
Total Enrolled				
		415	414	(1)
Average ADA %				
		95%	96%	0
Total ADA				
		394.3	397.4	3

- LCFF greater than budget due to higher ADA % and higher than projected district unduplicated %
- Increase in Federal Revenue is due to increase in Title I per CDE
- State Aid increase is the addition of one-time funds of \$210 per prior-year ADA and an increase in facilities reimbursement due to forecasted rent increase
- \$2.5K in donation revenue added for student activities donations

- Compensation & Benefits: Special Project Coordinator added, 2 additional classroom aides, one additional office clerk, and greater % of shared staff allocated due to growing student population
- Services & Operating Expenses: Greater share of home office expenses due to ADA decrease at LALA, \$2.5K in student activities expenses added, offset by revenue

2016-17 Forecast – Home Office

No material change in Home Office Forecast

	Actual YTD	Variance (Budget vs. Current Forecast)	
		Approved Budget	Current Forecast
Revenue			
Local Revenues	1	825,486	830,298
Fundraising and Grants	-	-	-
Total Revenue	1	825,486	830,298
			4,812
Expenses			
Compensation and Benefits	190,362	689,268	693,895
Books and Supplies	185	-	185
Services and Other Operating Expenditures	33,517	136,218	136,218
Depreciation	-	-	-
Total Expenses	224,065	825,486	830,298
			(4,812)
Operating Income	(224,063)	-	-
Fund Balance			
Beginning Balance (Unaudited)	(224,063)	-	1,404
Operating Income	(224,063)	-	-
Ending Fund Balance	(224,063)	-	1,404

Cash Flow Forecast

LALA is expected to be cash flow positive for all months of the 16-17 school year.

- Total Cash Balance at 9/30/16 was \$2,487,540:
 - ▣ PacWest - \$806,011
 - ▣ 1st Century - \$1,486,767
 - ▣ Chase Fundraising accounts - \$194,763
- LALA is expected to end the year with cash of approximately \$3.3M

Cash Flow Forecast

9/30/16

	2016/17												Forecast	AP/AR	
	Actual & Projected														
	Jul Actual	Aug Actual	Sep Actual	Oct Projected	Nov Projected	Dec Projected	Jan Projected	Feb Projected	Mar Projected	Apr Projected	May Projected	Jun Projected			
Beginning Cash	\$3,029,358	3,194,655	2,847,254	2,487,540	2,247,310	2,435,722	2,339,048	2,776,278	2,692,929	2,756,113	3,330,036	3,309,496	3,309,496		
Revenue															
LCFF Entitlement	96,683	466,760	683,577	570,095	621,021	621,021	902,292	654,048	776,819	1,097,189	730,363	730,363	8,922,555	972,325	
Federal Income	9,653	19,306	12,870	227,612	76,877	76,877	164,038	86,386	83,756	165,275	78,114	78,114	1,294,439	215,561	
Other State Income	28,186	56,372	37,581	47,526	366,054	120,312	316,538	111,357	136,037	226,622	86,146	86,146	45,605	1,869,632	291,297
Local Revenues	0	0	0	2,999	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	845,298	830,298
Fundraising and Grants	1,059	-	5,000	2,442	4,250	4,250	4,250	4,250	4,250	4,250	4,250	4,250	4,250		
Total Revenue	135,580	542,438	739,029	850,672	1,069,702	823,960	1,388,618	857,541	1,002,362	1,494,835	900,373	859,832	12,974,424	2,309,481	
Expenses															
Compensation & Benefits	245,978	594,244	646,848	728,156	642,055	642,055	667,898	645,285	645,285	635,300	635,300	635,300	630,904	7,641,617	282,307
Books & Supplies	299,849	209,853	233,312	91,297	105,911	105,911	103,851	103,851	103,851	103,851	103,851	103,851	103,851	1,768,808	99,569
Services & Other Operating Expenses	131,372	190,100	236,233	189,404	180,595	180,595	179,639	191,753	190,042	181,761	181,761	181,761	181,761	3,074,499	859,481
Capital Outlay	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenses	677,199	994,198	1,116,393	1,008,857	928,561	928,561	951,388	940,889	939,178	920,912	920,912	916,516	12,484,923	1,241,357	
Operating Cash Inflow (Outflow)	(\$41,618)	(451,760)	(377,363)	(158,185)	141,140	(104,601)	437,230	(83,349)	63,184	573,923	(20,539)	(56,684)	489,501	1,068,123	
Revenues - Prior Year Accruals	972,447	75,204	99,436	113,872	47,272	7,927	-	-	-	-	-	-	-	-	-
Expenses - Prior Year Accruals	(39,759)	-	-	(195,918)	-	-	-	-	-	-	-	-	-	-	-
Accounts Payable - Current Year	(249,728)	29,155	(81,786)	-	-	-	-	-	-	-	-	-	-	-	-
Loans Payable (Long Term)	7,955	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Balance Sheet Changes	16,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ending Cash	3,194,655	2,847,254	2,487,540	2,247,310	2,435,722	2,339,048	2,776,278	2,692,929	2,756,113	3,330,036	3,309,496	3,252,812			

Los Angeles Leadership Academy - LALA
Budget vs. Actuals

	Actual YTD	Approved Budget	Current Forecast	Variance (Budget vs. Current Forecast)		Forecast Remaining	% of Forecast Spent
				Current Forecast	Forecast		
Revenue							
LCFF Entitlement	767,595	5,162,515	5,123,143	(39,372)	4,356,548	15%	
Federal Revenue	25,305	761,638	726,856	(34,782)	701,551	3%	
Other State Revenues	73,889	925,587	1,093,150	167,563	1,019,261	7%	
Local Revenues	-	10,000	10,000	-	10,000	0%	
Fundraising and Grants	6,059	-	40,000	40,000	33,942	15%	
Total Revenue	872,848	6,859,741	6,993,149	133,409	6,120,301	12%	
Expenses							
Compensation and Benefits	810,730	4,061,409	4,122,361	(60,972)	3,311,651	20%	
Books and Supplies	452,774	852,875	989,680	(136,805)	536,906	46%	
Services and Other Operating Expenditures	325,746	1,726,249	1,707,053	19,196	1,381,307	19%	
Depreciation	-	144,932	127,417	17,515	127,417	0%	
Total Expenses	1,589,251	6,785,465	6,946,531	(161,066)	5,357,281	23%	
Operating Income	(716,403)	74,275	46,618	(27,658)	763,021	-1537%	
Fund Balance							
Beginning Balance (Audited)	(716,403)	5,669,380	5,669,380			0%	
Operating Income		74,275	46,618				
Ending Fund Balance	(716,403)	5,743,655	5,715,998				
Total Enrolled		550	539	(11)			
Average ADA %		95%	95%	0%			
Total ADA		522.5	512.1	(10)			

Los Angeles Leadership Academy - LALA

Budget vs. Actuals

	Actual YTD	Approved Budget		Current Forecast		Variance (Budget vs. Current Forecast)		Forecast Remaining	% of Forecast Spent
		Budget	Forecast	Current Forecast	Forecast	Current Forecast	Forecast		
REVENUE									
LCFF Entitlement									
8011 Charter Schools LCFF - State Aid	336,550	3,423,857	3,419,258	(4,599)	3,082,708	10%			
8012 Education Protection Account Entitlement	177,592	746,457	731,527	(14,929)	553,935	24%			
8096 Charter Schools in Lieu of Property Taxes	253,453	992,201	972,357	(19,844)	718,904	26%			
SUBTOTAL - LCFF Entitlement	767,595	5,162,515	5,123,143	(39,372)	4,355,548	15%			
8100 Federal Revenue									
8181 Special Education - Entitlement	25,305	100,513	98,749	(1,764)	73,444	26%			
8220 Child Nutrition Programs	-	426,670	426,670	-	426,670	0%			
8291 Title I	-	231,861	198,333	(33,528)	198,333	0%			
8292 Title II	-	2,594	2,377	(217)	2,377	0%			
8293 Title III	-	-	727	727	727	0%			
SUBTOTAL - Federal Income	25,305	761,638	726,856	(34,782)	701,551	3%			
8300 Other State Revenues									
8381 Special Education - Entitlement (State)	73,889	296,132	288,346	(7,787)	214,456	26%			
8520 Child Nutrition - State	-	36,236	36,238	2	36,238	0%			
8545 School Facilities Apportionments	-	391,875	384,038	(7,838)	384,038	0%			
8550 Mandated Cost Reimbursements	-	13,949	119,929	105,980	119,929	0%			
8560 State Lottery Revenue	-	94,573	96,777	2,205	96,777	0%			
8590 All Other State Revenue	-	92,822	167,822	75,000	167,822	0%			
SUBTOTAL - Other State Income	73,889	925,587	1,093,150	167,563	1,019,261	7%			
8600 Other Local Revenue									
8699 All Other Local Revenue	-	10,000	10,000	-	10,000	0%			
SUBTOTAL - Local Revenues	-	10,000	10,000	-	10,000	0%			
8800 Donations/Fundraising									
8802 Donations - Private	6,059	-	40,000	40,000	33,942	15%			
SUBTOTAL - Fundraising and Grants	6,059	-	40,000	40,000	33,942	15%			
TOTAL REVENUE	872,848	6,859,741	6,993,149	133,409	6,120,301	12%			

Los Angeles Leadership Academy - LALA
Budget vs. Actuals

	Actual YTD	Approved Budget	Current Forecast	Variance (Budget vs. Current Forecast)		Forecast Remaining	% of Forecast Spent
				Current Forecast	Forecast		
EXPENSES							
Compensation & Benefits							
1000	340,474	2,091,017	2,032,356	58,662	1,691,882	17%	
1100	113,797	523,295	424,913	98,382	311,116	27%	
1300	34,632	-	154,205	(154,205)	119,573	22%	
1900	-	-	24,701	(24,701)	24,701	0%	
1950	-	-	-	-	-	-	
SUBTOTAL - Certificated Employees	488,903	2,614,312	2,636,174	(21,863)	2,147,271	19%	
2000 Classified Salaries							
2100	56,688	199,365	223,114	(23,750)	166,426	25%	
2400	29,114	97,668	105,200	(7,532)	76,086	28%	
2900	2,864	20,256	18,528	1,728	15,664	15%	
2930	44,266	142,503	145,087	(2,584)	100,821	31%	
SUBTOTAL - Classified Employees	132,933	459,792	491,929	(32,137)	358,996	27%	
3000 Employee Benefits							
3100	61,190	328,629	331,631	(3,002)	270,440	18%	
3300	20,961	73,486	75,990	(2,504)	55,029	28%	
3400	94,617	468,994	468,994	-	374,377	20%	
3500	6,434	48,689	34,768	13,921	28,334	19%	
3600	5,692	67,507	82,895	(15,387)	77,203	7%	
SUBTOTAL - Employee Benefits	188,894	987,306	994,278	(6,972)	805,384	19%	
4000 Books & Supplies							
4100	67,010	72,375	72,375	-	5,365	93%	
4200	7,213	10,000	10,000	-	2,787	72%	
4315	4,387	20,157	20,157	-	15,770	22%	
4320	46,171	37,083	46,171	(9,088)	-	100%	
4325	27,552	23,659	28,659	(5,000)	1,106	96%	
4330	27,130	43,990	43,990	-	16,860	62%	
4350	5,386	12,360	12,360	-	6,974	44%	
4352	17,711	92,822	92,822	-	75,111	19%	
4400	157,718	30,000	157,718	(127,718)	-	100%	
4410	3,470	10,000	5,000	5,000	1,530	69%	
4710	89,015	497,771	497,771	-	408,756	18%	
4720	12	2,658	2,658	-	2,646	0%	
SUBTOTAL - Books and Supplies	452,774	852,875	989,680	(136,805)	536,906	46%	

Los Angeles Leadership Academy - LALA
Budget vs. Actuals

	Actual YTD	Approved Budget	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
5000 Services & Other Operating Expenses						
5200 Travel & Conferences	4,578	20,000	20,000	-	15,422	23%
5300 Dues & Memberships	3,520	11,493	11,493	-	7,973	31%
5400 Insurance	28,519	67,866	67,866	-	39,347	42%
5605 Equipment Leases	10,615	53,080	53,080	-	42,465	20%
5610 Rent	132,000	528,000	528,000	-	396,000	25%
5615 Repairs and Maintenance - Building	77	11,115	11,115	-	11,038	1%
5805 Administrative Fees	-	479,893	467,464	12,429	467,464	0%
5807 Family Outreach	116	7,431	7,431	-	7,315	2%
5809 Banking Fees	-	444	444	-	444	0%
5813 College Readiness Expense	9,321	16,636	16,636	-	7,315	56%
5815 Consultants - Instructional	6,133	35,000	35,000	-	28,868	18%
5820 Consultants - Non Instructional	950	15,330	15,330	-	14,380	6%
5824 District Oversight Fees	12,221	51,625	51,231	394	39,011	24%
5836 Fingerprinting	630	247	630	(383)	0	100%
5845 Legal Fees	6,687	22,000	15,000	7,000	8,313	45%
5851 Marketing and Student Recruiting	831	5,366	2,500	2,866	1,669	33%
5860 Printing and Reproduction	10	6,551	6,551	-	6,541	0%
5863 Professional Development	13,952	64,000	64,000	-	50,048	22%
5866 Van Expenses	312	3,448	3,448	-	3,136	9%
5869 Special Education Contract Instructors	35,046	85,000	85,000	-	49,954	41%
5872 Special Education Encroachment	19,839	79,329	77,419	1,910	57,580	26%
5875 Staff Recruiting	(181)	1,697	1,697	-	1,878	-11%
5877 Student Activities	6,877	-	10,000	(10,000)	3,123	89%
5878 Student Assessment	-	10,128	10,128	-	10,128	0%
5881 Student Information System	1,613	4,352	4,352	-	2,739	37%
5884 Substitutes	15,006	64,972	64,972	-	49,966	23%
5887 Technology Services	15,595	57,357	57,357	-	41,762	27%
5893 Transportation - Student	-	477	477	-	477	0%
5900 Communications	1,462	14,550	14,550	-	13,087	10%
5915 Postage and Delivery	18	3,883	3,883	-	3,865	0%
SUBTOTAL - Services & Other Operating Exp.	325,746	1,726,249	1,707,053	19,196	1,381,307	19%
6900 Total Depreciation (includes Prior Years)	-	144,932	127,417	17,515	127,417	0%
TOTAL EXPENSES including Depreciation	1,589,251	6,785,465	6,946,531	(161,066)	5,357,281	23%

Los Angeles Leadership Academy - LALPA
Budget vs. Actuals

	Actual YTD	Approved Budget	Current Forecast	Variance (Budget vs. Current Forecast)		Forecast Remaining	Forecast Spent	% of Forecast Spent
				Current Forecast	Forecast			
Revenue								
LCFF Entitlement	479,425	3,702,893	3,799,412	96,519	3,319,987	13%		
Federal Revenue	16,524	528,954	567,583	38,629	551,059	3%		
Other State Revenues	48,250	703,157	776,482	73,325	728,232	6%		
Local Revenues	-	5,000	5,000	-	5,000	0%		
Fundraising and Grants	-	-	2,500	2,500	2,500	0%		
Total Revenue	544,199	4,940,004	5,150,977	210,974	4,606,778	11%		
Expenses								
Compensation and Benefits	485,978	2,609,607	2,825,341	(215,734)	2,339,363	17%		
Books and Supplies	290,055	778,942	778,942	-	488,888	37%		
Services and Other Operating Expenditures	198,442	1,210,096	1,231,227	(21,132)	1,032,786	16%		
Depreciation	-	86,362	72,061	14,301	72,061	0%		
Total Expenses	974,474	4,685,007	4,907,572	(222,565)	3,933,098	20%		
Operating Income	(430,275)	254,997	243,405	(11,592)	673,680	-177%		
Fund Balance								
Beginning Balance (Unaudited)	#####	-	3,615,585			0%		
Operating Income	#####	254,997	243,405			-177%		
Ending Fund Balance	(430,275)	254,997	3,858,990			-11%		
Total Enrolled		415	414		(1)	0%		
Average ADA %		95%	96%		0	0%		
Total ADA		394.3	397.4		3	0%		

Los Angeles Leadership Academy - LALPA

Budget vs. Actuals

	Actual YTD	Approved Budget	Current Forecast	Variance (Budget vs. Current Forecast)		Forecast Remaining	% of Forecast Spent
				Current Forecast	Forecast		
REVENUE							
LCFF Entitlement							
8011 Charter Schools LCFF - State Aid	210,240	2,450,676	2,537,063	86,387	2,326,823	8%	
8012 Education Protection Account Entitlement	103,680	503,556	507,630	4,074	403,950	20%	
8096 Charter Schools In Lieu of Property Taxes	165,505	748,661	754,719	6,058	589,213	22%	
SUBTOTAL - LCFF Entitlement	479,425	3,702,893	3,799,412	96,519	3,319,987	13%	
8100 Federal Revenue							
8181 Special Education - Entitlement	16,524	75,842	76,646	804	60,122	22%	
8220 Child Nutrition Programs	-	343,730	343,730	-	343,730	0%	
8291 Title I	-	96,058	128,309	32,251	128,309	0%	
8292 Title II	-	1,210	1,539	329	1,539	0%	
8293 Title III	-	12,114	17,359	5,245	17,359	0%	
SUBTOTAL - Federal Income	16,524	528,964	567,583	38,629	551,059	3%	
8300 Other State Revenues							
8381 Special Education - Entitlement (State)	48,250	223,445	223,806	361	175,557	22%	
8520 Child Nutrition - State	-	28,670	28,671	2	28,671	0%	
8545 School Facilities Apportionments	-	262,500	262,500	-	262,500	0%	
8550 Mandated Cost Reimbursements	-	4,683	73,888	69,205	73,888	0%	
8560 State Lottery Revenue	-	71,359	75,116	3,757	75,116	0%	
8590 All Other State Revenue	-	112,500	112,500	-	112,500	0%	
SUBTOTAL - Other State Income	48,250	703,157	776,482	73,325	728,232	6%	
8600 Other Local Revenue							
8699 All Other Local Revenue	-	5,000	5,000	-	5,000	0%	
SUBTOTAL - Local Revenues	-	5,000	5,000	-	5,000	0%	
8800 Donations/Fundraising							
8802 Donations - Private	-	-	2,500	2,500	2,500	0%	
SUBTOTAL - Fundraising and Grants	-	-	2,500	2,500	2,500	0%	
TOTAL REVENUE	544,199	4,940,004	5,150,977	210,974	4,606,778	11%	

Los Angeles Leadership Academy - LALPA
Budget vs. Actuals

	Actual YTD	Approved Budget	Current Forecast	Variance		Forecast Remaining	% of Forecast Spent
				(Budget vs. Current Forecast)	(Current Forecast)		
EXPENSES							
Compensation & Benefits							
1000 Certificated Salaries							
1100 Teachers Salaries	190,918	1,344,676	1,355,330	(10,654)	1,164,412	14%	
1300 Certificated Supervisor & Administrator Salaries	52,780	236,219	204,289	31,930	151,509	26%	
1900 Certificated Other Salaries	4,996	-	29,975	(29,975)	24,979	17%	
1960 Other Cert - Prior Year Salary Audit	-	-	16,531	(16,531)	16,531	0%	
SUBTOTAL - Certificated Employees	248,694	1,580,895	1,606,125	(25,230)	1,357,431	15%	
2000 Classified Salaries							
2100 Classified Instructional Aide Salaries	30,956	100,862	148,346	(47,484)	117,390	21%	
2400 Classified Clerical & Office Salaries	23,363	82,295	106,320	(24,026)	82,957	22%	
2900 Classified Other Salaries	32,193	78,691	189,262	(110,570)	157,068	17%	
2930 Other Classified - Maintenance/grounds	26,811	119,599	101,945	17,654	75,134	26%	
SUBTOTAL - Classified Employees	113,324	381,447	545,873	(164,426)	432,549	21%	
3000 Employee Benefits							
3100 STRS	32,052	198,877	202,050	(3,174)	169,998	16%	
3300 OASDI-Medicare-Alternative	12,652	52,389	65,118	(12,729)	52,466	19%	
3400 Health & Welfare Benefits	72,484	322,456	322,456	-	249,972	22%	
3500 Unemployment Insurance	4,074	30,422	26,691	3,731	22,617	15%	
3600 Workers Comp Insurance	2,698	43,121	57,028	(13,907)	54,330	5%	
SUBTOTAL - Employee Benefits	123,960	647,265	673,344	(26,079)	549,384	18%	
4000 Books & Supplies							
4100 Approved Textbooks & Core Curricula Materials	84,154	90,000	90,000	-	5,846	94%	
4200 Books & Other Reference Materials	-	7,735	7,735	-	7,735	0%	
4315 Custodial Supplies	1,937	8,124	8,124	-	6,187	24%	
4320 Educational Software	6,144	12,000	12,000	-	5,856	51%	
4325 Instructional Materials & Supplies	1,987	32,039	32,039	-	30,053	6%	
4330 Office Supplies	18,174	35,000	35,000	-	16,826	52%	
4350 Uniforms	1,025	1,545	1,545	-	520	66%	
4352 ASES	19,479	112,500	112,500	-	93,021	17%	
4400 Noncapitalized Equipment	63,576	79,429	73,038	6,391	9,462	87%	
4410 Classroom Furniture, Equipment & Supplies	22,112	15,720	22,112	(6,391)	-	100%	
4710 Student Food Services	71,468	384,849	384,849	-	313,381	19%	
SUBTOTAL - Books and Supplies	290,055	778,942	778,942	(0)	488,888	37%	

Los Angeles Leadership Academy - LALPA
Budget vs. Actuals

	Actual YTD	Approved Budget	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
5000 Services & Other Operating Expenses						
5200 Travel & Conferences	2,212	10,000	10,000	-	7,788	22%
5300 Dues & Memberships	1,152	5,736	5,736	-	4,584	20%
5400 Insurance	14,260	36,543	36,543	-	22,283	39%
5605 Equipment Leases	2,077	17,614	17,614	-	15,537	12%
5610 Rent	80,000	350,000	350,000	-	270,000	23%
5615 Repairs and Maintenance - Building	-	13,545	13,545	-	13,545	0%
5805 Administrative Fees	-	345,592	362,834	(17,241)	362,834	0%
5807 Family Outreach	-	3,727	3,727	-	3,727	0%
5809 Banking Fees	-	117	117	-	117	0%
5820 Consultants - Non Instructional	700	7,957	7,957	-	7,257	9%
5824 District Oversight Fees	7,607	37,029	37,994	(965)	30,387	20%
5836 Fingerprinting	374	37	374	(337)	-	100%
5848 Licenses and Other Fees	-	1,200	1,200	-	1,200	0%
5851 Marketing and Student Recruiting	267	3,713	3,713	-	3,446	7%
5860 Printing and Reproduction	-	4,901	4,901	-	4,901	0%
5861 Prior Yr Exp (not accrued)	-	187	187	-	187	0%
5863 Professional Development	4,662	53,000	53,000	-	48,338	9%
5866 Van Expenses	312	1,857	1,857	-	1,545	17%
5869 Special Education Contract Instructors	42,902	175,100	175,100	-	132,198	25%
5872 Special Education Enrichment	12,955	59,857	60,091	(233)	47,136	22%
5875 Staff Recruiting	-	1,273	1,273	-	1,273	0%
5877 Student Activities	1,659	-	2,500	(2,500)	841	66%
5878 Student Assessment	638	9,096	9,096	-	8,458	7%
5881 Student Information System	806	2,343	2,343	-	1,537	34%
5884 Substitutes	13,865	31,312	31,312	-	17,447	44%
5887 Technology Services	10,894	29,454	29,454	-	18,560	37%
5893 Transportation - Student	-	212	212	-	212	0%
5900 Communications	1,091	7,275	7,275	-	6,184	15%
5915 Postage and Delivery	9	1,273	1,273	-	1,264	1%
SUBTOTAL - Services & Other Operating Exp.	198,442	1,210,096	1,231,227	(21,132)	1,032,786	16%
TOTAL EXPENSES including Depreciation	974,474	4,685,007	4,907,572	(222,565)	3,933,098	20%

Los Angeles Leadership Academy - Home
Budget vs. Actuals

	Actual YTD	Approved Budget	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
Revenue						
Local Revenues	1	825,486	830,298	4,812	830,296	0%
Fundraising and Grants	-	-	-	-	-	-
Total Revenue	1	825,486	830,298	4,812	830,296	0%
Expenses						
Compensation and Benefits	190,362	689,268	693,895	(4,627)	503,533	27%
Books and Supplies	185	-	185	(185)	-	100%
Services and Other Operating Expenditures	33,517	136,218	136,218	-	102,701	25%
Depreciation	-	-	-	-	-	-
Total Expenses	224,065	825,486	830,298	(4,812)	606,233	27%
Operating Income	(224,063)	-	-	-	224,063	
Fund Balance						
Beginning Balance (Unaudited)	(224,063)	-	1,404			0%
Operating Income						
Ending Fund Balance	(224,063)	-	1,404			-15962%
Capital Outlay						
8600 Other Local Revenue	-	-	-			
8660 Interest	1	-	-		(1)	
8781 CMO Shared Management Fee	-	825,486	830,298	4,812	830,298	0%
SUBTOTAL - Local Revenues	1	825,486	830,298	4,812	830,296	0%
TOTAL REVENUE	1	825,486	830,298	4,812	830,296	0%
EXPENSES						
Compensation & Benefits						
1000 Certificated Salaries	60,332	197,789	187,789	10,000	127,457	32%
1300 Certificated Supervisor & Administrator Salaries	-	-	10,000	(10,000)	10,000	0%
1950 Other Cert - Prior Year Salary Audit	60,332	197,789	197,789	0	137,457	31%
SUBTOTAL - Certificated Employees	60,332	197,789	197,789	0	137,457	31%

Los Angeles Leadership Academy - Home
Budget vs. Actuals

	Actual YTD	Approved Budget	Current Forecast	Variance		Forecast Remaining	% of Forecast Spent
				(Budget vs. Current Forecast)	(Current Forecast)		
2000 Classified Salaries							
2300 Classified Supervisor & Administrator Salaries	48,746	165,000	171,560	(6,560)	122,814	28%	
2400 Classified Clerical & Office Salaries	33,700	132,600	127,400	5,200	93,700	26%	
2900 Classified Other Salaries	18,750	67,600	70,200	(2,600)	51,450	27%	
SUBTOTAL - Classified Employees	101,196	365,200	369,160	(3,960)	267,964	27%	
3000 Employee Benefits							
3100 STRS	6,731	24,882	24,882	-	18,151	27%	
3300 OASDI - Medicare-Alternative	4,407	30,849	31,144	(294)	26,737	14%	
3400 Health & Welfare Benefits	15,695	52,750	52,750	-	37,055	30%	
3500 Unemployment Insurance	1,272	5,426	3,147	2,280	1,874	40%	
3600 Workers Comp Insurance	729	12,371	15,024	(2,653)	14,295	5%	
3900 Other Employee Benefits	0	-	-	-	(0)		
SUBTOTAL - Employee Benefits	28,834	126,279	126,946	(667)	98,112	23%	
4000 Books & Supplies							
4330 Office Supplies	185	-	185	(185)	-	100%	
SUBTOTAL - Books and Supplies	185	-	185	(185)	-	100%	
5000 Services & Other Operating Expenses							
5200 Travel & Conferences	1,162	10,000	10,000	-	8,838	12%	
5300 Dues & Memberships	-	1,736	1,736	-	1,736	0%	
5803 Accounting Fees	10,000	20,600	20,600	-	10,600	49%	
5809 Banking Fees	70	1,910	1,910	-	1,840	4%	
5812 Business Services	15,210	61,200	61,200	-	45,990	25%	
5820 Consultants - Non Instructional	-	1,244	1,244	-	1,244	0%	
5845 Legal Fees	1,282	5,000	5,000	-	3,718	26%	
5857 Payroll Fees	5,034	19,570	19,570	-	14,536	26%	
5863 Professional Development	-	10,000	10,000	-	10,000	0%	
5866 Van Expenses	-	67	67	-	67	0%	
5900 Communications	759	4,845	4,845	-	4,086	16%	
5915 Postage and Delivery	-	46	46	-	46	0%	
SUBTOTAL - Services & Other Operating Exp.	33,517	136,218	136,218	-	102,701	25%	
TOTAL EXPENSES including Depreciation	224,065	825,486	830,298	(4,812)	606,233	27%	

EXHIBIT C

Approval of the Deloitte Engagement Letter

WHEREAS, the Board has considered the proposal by Deloitte Advisory (the “Advisor”) to provide an assessment of the Academy’s basic control environment based on the already existing fiscal policy and client-selected IT processes (the “Services”);

WHEREAS, in connection with the performance of the Services, the Board deems it advisable and in the best interests of the Academy to approve and adopt the Engagement Letter; and

WHEREAS, the Board has previously discussed the relationships between the Advisor and the Academy that may impact the independence of the Advisor.

NOW, THEREFORE, BE IT RESOLVED, that the engagement of the Advisor to provide the Services and the Engagement Letter be, and each of them hereby is, authorized, approved, ratified, confirmed and adopted in all respects, in the case of the Engagement Letter, with such changes, additions, deletions, amendments or modifications thereto as may be determined necessary, advisable or appropriate by the Executive Director; and

RESOLVED, FURTHER, that based on the information presented to the Board by representatives of the Advisor, the Board finds no reason to believe that the Advisor is not independent.