

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

Wednesday, October 1, 2014

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 Amended and Restated Bylaws of the Academy (the “Bylaws”):

Eric Barron
Mona Field
Martin Frank
David Nickoll
Carol Leif
Diane Prins Sheldahl
Daniel Provencio
Rob Santos
Deborah Stoff
Bill Urick

Also in attendance at the invitation of the Board were: (i) Arina Goldring-Ravin, Executive Director; (ii) Cynthia Cuprill, High School Principal; (iii) Mercedes Ibarra, Primary School Principal; (iv) Kristin Dietz, Chief Financial Officer, (v) Roger Lowenstein, director nominee; (vi) certain of the Academy’s student, parents, teachers and administrators; and (vii) Chris Ahn of Proskauer Rose LLP, counsel to the Academy.

The meeting was called to order by Mr. Nickoll at approximately 6:30 p.m. Pacific time. Mr. Ahn acted as secretary for purposes of the meeting.

Chairperson Introductory Remarks

Mr. Nickoll began the meeting by making introductory remarks to the students, parents, teachers, administrators and directors in attendance. The directors in attendance then introduced themselves.

Open Communications

Mr. Nickoll invited members of the public in attendance to address the Board. A parent of certain students of the Academy addressed the Board to express concerns about morning traffic flow at the Academy’s schools. Discussion ensued.

Executive Director Report

Ms. Goldring-Ravin made a presentation regarding recent and upcoming events at the Academy, including, among others, the LAUSD Charter Division oversight visit scheduled for

October 15, 2014, the status of the Academy's charter school compliance monitoring certification for the 2014-2015 school year and recent grants, including a \$250,000 grant from The Walton Family Foundation. Discussion ensued, and Ms. Goldring-Ravin answered questions from the Board.

Principals Reports

Prior to the meeting, written reports regarding each of the Academy's primary, middle and high schools were distributed to the Board. Mses. Ibarra and Cuprill made presentations regarding recent and upcoming events at the Academy's primary school and high school, respectively, including, among other things, enrollment, capital expenditures, certain student programs, professional development and upcoming events. Discussion ensued, and Mses. Ibarra and Cuprill answered questions from the Board.

Parents in Action Council Report

Rosa Garcia, a parent of certain students of the Academy, made a presentation regarding the Academy's Parents in Action Council, including with respect to, among other things, its recent recruitment of a parent representative from each grade and its efforts to increase parent involvement. Discussion ensued, and Ms. Garcia answered questions from the Board.

Primary School Parent-Teacher Council Report

Josie Vargas, a parent of certain students of the Academy, made a presentation regarding the Academy's Primary School Parent-Teacher Council, including with respect to, among other things, its efforts to increase parent involvement, planned events for the 2014-2015 school year and fundraising goals. Discussion ensued, and Ms. Vargas answered questions from the Board.

Student Council Report

Certain representatives of the Academy's student council made a presentation regarding, among other things, the student body's views on the new administration, the high school student body's complaints regarding new uniform policies, and certain planned events and fundraising activities, including a fundraising program through McDonald's restaurant and a student store. Discussion ensued, and the students answered questions from the Board.

Finance Committee Report

Prior to the meeting, a report regarding the Academy's financials prepared by edtec was distributed to the Board, a copy of which is attached hereto as Annex A. Ms. Dietz made a presentation regarding the Academy's finances, including its income and expenses versus budget, cash flow forecast and balance sheet. Discussion ensued, and Ms. Dietz answered questions from the Board.

Mr. Lowenstein then made a presentation regarding property taxes assessed against 2670 Griffin Education Center, Inc., the owner of the Academy's primary and middle school property ("2670 Griffin"). Mr. Lowenstein reported that 2670 Griffin is engaging in discussions with tax authorities and the State Board of Equalization. Discussion ensued, and Mr. Lowenstein

answered questions from the Board.

Nominating Committee Report

Prior to the meeting, a list of proposed duties and responsibilities of directors was distributed to the Board. Mr. Frank made a presentation regarding the meeting of the Nominating Committee of the Board held on September 22, 2014, and the new process to be implemented for finding and vetting proposed new directors. Discussion ensued, and Mr. Frank answered questions from the Board.

Electon of Director

Mr. Frank made a presentation to the Board regarding the proposed election of Mr. Lowenstein as a director of the Academy. After discussion, upon motion duly made and seconded, the Board unanimously adopted the following resolution:

WHEREAS, the Board deems it advisable and in the best interests of the Academy to elect Roger Lowenstein 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 Roger Lowenstein be, and he hereby is, elected to the Board to serve for a term starting October 1, 2014 and ending at the first meeting of the Board to be held in 2017.

Policies

Prior to the meeting, drafts of the following proposed policies were distributed to the Board: Public Records Act Request Policy, Policy Against Unlawful Harassment, Uniform Complaint Policy and Procedures and Complaints against Personnel Policy (collectively, the "Policies"). Ms. Goldring-Ravin made a presentation regarding the Policies. Discussion ensued, and Ms. Goldring-Ravin answered questions from the Board. After discussion, upon motion duly made and seconded, the Board unanimously adopted the following resolutions:

WHEREAS, the Board has previously been presented with and has reviewed each of the Policies; and

WHEREAS, the Board deems it advisable and in the best interests of the Academy to adopt each of the Policies.

NOW, THEREFORE, BE IT RESOLVED, that the Policies be, and each of them hereby is, authorized, ratified, approved, confirmed and adopted in all respects, with such changes therein, deletions therefrom or additions thereto, any of the officers of the Academy (the "Officers"), acting in good faith, shall approve, the execution and delivery thereof to be conclusive evidence of the approval thereof by such Officer; 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 resolution; 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 resolution be and hereby are, in all respects, approved, confirmed, ratified and adopted as the respective acts and deeds of the Academy.

Ratify Election of Ms. Goldring-Ravin

After discussion, upon motion duly made and seconded, the Board unanimously adopted the following resolutions:

WHEREAS, Ms. Goldring-Ravin was elected as the Academy's President and Executive Director.

NOW, THEREFORE, BE IT RESOLVED, the election of Ms. Goldring-Ravin as President and Executive Director of the Academy be, and it hereby is, authorized, ratified, approved, confirmed and adopted in all respects.

RESOLVED FURTHER, that, in her capacity as President and Executive Director of the Academy, Ms. Goldring-Ravin be, and hereby is, authorized, empowered and directed to execute any document or authorize any transaction in connection with any deposit or other account of the Academy, and 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 her sole judgment, necessary, proper or advisable in order to carry out and comply with the purposes and intent of this resolution; and that all of the acts and deeds that are consistent with the purposes and intent of this resolution be and hereby are, in all respects, approved, confirmed, ratified and adopted as the respective acts and deeds of the Academy.

RESOLVED FURTHER, that neither Michelle Tubbs nor Mr. Lowenstein shall be authorized to execute any document or authorize any transaction in connection with any deposit or other account of the Academy.

RESOLVED FURTHER, that all acts and things previously done by each of the Officers, on or prior to the date hereof, in the name and on behalf of the Academy in connection with the foregoing resolutions are in all respects authorized, ratified, approved, confirmed and adopted as the acts and deeds by and on behalf of the Academy.

Approval of Minutes

Mr. Ahn made a presentation regarding the minutes of the meetings of the Board held on May 7, 2014 and June 19, 2014 (the "Minutes"). After discussion, upon motion duly made and seconded, the Board unanimously approved the Minutes, with a change to reflect that Ms. Stoff

was elected as a director at the meeting of the Board held on May 7, 2014.

Restated Articles

Messrs. Ahn and Lowenstein made a presentation regarding proposed changes to the Academy's Articles of Incorporation to update its exempt purpose. After discussion, upon motion duly made and seconded, the Board unanimously adopted the following resolutions:

WHEREAS, the Board deems it advisable and in the best interests of the Academy to restate the Articles of Incorporation of the Academy in accordance with Section 5819 of the Nonprofit Corporation Law of the State of California by adopting and approving the Restated Articles of Incorporation (the "Restated Articles") in the form presented to the Board and attached hereto as Annex B.

NOW, THEREFORE, BE IT RESOLVED, that the Restated Articles be, and they hereby are, authorized, ratified, approved, confirmed and adopted in all respects.

RESOLVED FURTHER, that the Officers be, and each of them hereby is, authorized, empowered and directed, in the name and on behalf of the Academy, to execute, deliver and file the Restated Articles with the Secretary of State of the State of California, with such changes therein, deletions therefrom or additions thereto, any of the Officers, acting in good faith, shall approve, the execution and delivery thereof to be conclusive evidence of the approval thereof by such Officer.

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 resolution be and hereby are, in all respects, approved, confirmed, ratified and adopted as the respective acts and deeds of the Academy.


Closed Session

Following an announcement to the public, the Board entered into a closed session to discuss certain employee matters. Following the closed session, the Board reconvened into open session and announced that no resolutions had been adopted by the Board during closed session.

* * *

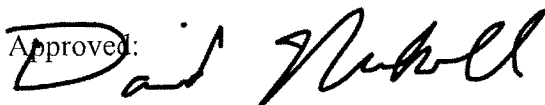
There being no further business to come before it, the meeting was, upon motion duly made and seconded, adjourned at approximately 8:30 p.m. Pacific time.

Respectfully submitted,



Chris Ahn
Secretary of the Meeting

Approved:



David Nickoll
Chairman of the Meeting

Annex A

Financial Update

Los Angeles Leadership Academy

Financial Update



October 1, 2014

Kristin Dietz

Agenda



- **State Budget Update**
- **14-15 Financial Update as of August 31**
- **Cash Flow Forecast**
- **Balance Sheet Summary as of August 31**
- **Exhibits**
 - July & August Check Registers

State Budget Update

2014-15 State Budget Update

State Legislature passed the 2014-15 budget on June 15th, and the Governor signed it on June 20th.



Local Control Funding Formula (LCFF)

- May Revise included \$4.5B for LCFF implementation in 14-15, which would allow elimination of 28% of the gap between current and target funding
- Adopted budget includes an additional \$250M to further accelerate LCFF implementation in 14-15
 - This equates to a 14-15 implementation rate of **29.56%**

STRS

- The May Revise proposed an increase in employer contributions from 8.25% to 9.5% in 14-15
- The adopted budget includes less of an increase, from 8.25% to **8.88%** in 14-15, 10.44% in 15-16, and 14% in 16-17

Common Core Implementation

- Adopted budget includes **\$65** per 13-14 ADA for Common Core Implementation

Mandated Block Grant

- This is included once again at **\$14** per 13-14 ADA (\$42 for grades 9-12)

Deferrals

- May Revise proposed no deferrals in 14-15
- Adopted budget includes \$1B in deferrals (**June** apportionment deferred to July)

2014-15 Advance Apportionment

The CDE certified the advance apportionment on July 17, which confirmed a positive outlook for school funding in 14-15.



- The advance apportionment includes monthly payments of state aid (*not* including Property Tax or EPA) for the first seven months of the school year

Reminder: **Total State Aid (LCFF)** = **Prop Tax** + **EPA** + **State Aid**

- As expected, the CDE certified a 29% implementation of the LCFF (meaning schools will move 29% closer to their target rates) and a 0.85% increase to base grant rates
- Keep in mind that while advance apportionment *funding rates* have increased, the payments are still based on **13-14 ADA**; 14-15 ADA will not be recognized until the next apportionment
- As always, funding rates can change with each certified apportionment; while the outlook is positive, final 14-15 funding rates will not be certified until P2
- As expected, there are **no Fall deferrals** included in the certified payment schedule

2014-15 Financial Update

Forecast vs. Budget

Overall, Forecasted Net Income is unfavorable compared to the Board Approved Budget



- **Forecasted Revenues have been adjusted for:**
 - Adjusted Title I to agree with CDE preliminary entitlements
 - Added Common Core funding (\$46k)
 - Updated enrollment and ADA based on current assumptions, result is increase of +7 ADA overall
 - Adjustment of LCFF to agree with final State approved budget rates
 - Added Walton Grant revenue to Primary Academy (\$250k)

- **Forecasted Expenses have been adjusted for:**
 - Latest Salaries per Master Salary Schedule and contracts (9/6/14)
 - Addition of Development person at \$40k
 - Addition of Walton grant expenses not previously included (Primary only)
 - Moved shared operating costs from locations to Home Office Location – will allocate as Shared Management Fee to sites (per ADA) – shifts expense to Other Operating Costs on the schools

Forecast vs. Budget

Overall forecast is unfavorable compared to board approved budget by - \$86k

- **LALA Primary (ES) – net unfavorable by \$2k**
 - Revenues ahead of budget by +\$342k (Walton, Common Core, LCFF)
 - Expenses unfavorable compared to budget by -\$344k

- **LALA MS – net favorable by +\$173k**
 - Revenues ahead of budget by +\$399k (Common core, proper allocation of LCFF)
 - Expenses unfavorable compared by budget by -\$222k (salaries, management fees)

- **LALA HS – net unfavorable by - \$256k**
 - Revenues unfavorable compared to budget by -\$303k (proper allocation of LCFF)
 - Expenses favorable compared by budget by +\$43k

July/August Actuals - Consolidated

Overall Net Loss to date as of August is -\$126k – consistent with expectations at this point in the year due to timing of revenues



- **Year-to-Date Revenues Totaled \$1,043,000**
 - Overall, 10% of Annual Budget received to date – consistent with expectations

- **Year-to-Date Expenses Totaled \$1,169,000**
 - Overall, 12% of Annual Budget spent to date - OK

2014-15 YTD Actuals - Consolidated

Year-To-Date Net Loss is -\$126k, which is expected at this point in the year with two months completed

	Actual		Actual YTD	Approved Budget	Current Forecast	(Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
	Jul	Aug						
SUMMARY								
Revenue								
General Block Grant	63,679	313,093	376,772	5,967,419	6,099,686	132,267	5,722,914	6%
Federal Revenue	14,800	16,931	31,731	1,105,707	1,091,973	(13,734)	1,060,242	3%
Other State Revenues	31,577	218,327	249,904	1,404,866	1,474,756	69,890	1,224,852	17%
Local Revenues	374,890	4,313	379,203	599,299	1,044,664	445,365	665,461	36%
Fundraising and Grants	-	5,807	5,807	210,000	460,000	250,000	454,193	1%
Total Revenue	484,946	558,470	1,043,417	9,287,290	10,171,079	883,788	9,127,662	10%
Expenses								
Compensation and Benefits	172,216	395,297	567,512	5,023,814	5,346,617	(322,803)	4,779,105	11%
Books and Supplies	166,764	25,921	192,685	1,231,896	1,415,858	(183,962)	1,223,173	14%
Services and Other Operating Expenditures	177,707	231,035	408,742	2,272,634	2,735,515	(462,881)	2,326,773	15%
Capital Outlay	-	-	-	-	-	-	-	
Total Expenses	516,687	652,253	1,168,939	8,528,345	9,497,990	(969,645)	8,329,051	12%
Operating Income (excluding Depreciation)	(31,741)	(93,782)	(125,523)	758,946	673,088	(85,857)	798,611	
<i>Operating Income (including Depreciation)</i>	<i>(31,741)</i>	<i>(93,782)</i>	<i>(125,523)</i>	<i>276,446</i>	<i>190,588</i>	<i>(85,857)</i>	<i>316,111</i>	
Fund Balance								
Beginning Balance (Unaudited)	8,041,545	8,009,804	8,041,545	8,041,545	8,041,545			
Operating Income (including Depreciation)	(31,741)	(93,782)	(125,523)	276,446	190,588			
Ending Fund Balance (including Depreciation)	8,009,804	7,916,022	7,916,022	8,317,991	8,232,133			

Enrollment & ADA

Overall, enrollment and ADA are on target with board approved budget

	Current	Per Forecast	Variance
LALA - ES			
Enrollment	283	284	(1)
ADA	271	269	2
% ADA	96%	95%	1%
LALA - MS			
Enrollment	301	300	1
ADA	293	285	8
% ADA	97%	95%	2%
LALA - HS			
Enrollment	234	230	4
ADA	221	216	4
% ADA	94%	94%	0%
Total			
Enrollment	818	814	4
ADA	785	770	14
% ADA	96%	95%	1%

2014-15 YTD Actuals – LALA Primary

Year-To-Date Net Loss is -\$82K, and Current Forecast is unfavorable compared to Board Approved Budget by -\$2k



	Actual			Budget				
	Jul	Aug	Actual YTD	Approved Budget	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
SUMMARY								
Revenue								
General Block Grant	18,445	88,124	106,569	1,965,421	2,049,765	84,344	1,943,196	5%
Federal Revenue	2,452	4,904	7,356	363,495	328,065	(35,429)	320,710	2%
Other State Revenues	7,820	86,942	94,762	408,811	451,741	42,930	356,979	21%
Local Revenues	-	100	100	-	-	-	(100)	
Fundraising and Grants	-	-	-	-	250,000	250,000	250,000	0%
Total Revenue	28,717	180,070	208,787	2,737,726	3,079,572	341,845	2,870,785	7%
Expenses								
Compensation and Benefits	44,571	123,839	168,410	1,479,853	1,568,399	(88,545)	1,399,988	11%
Books and Supplies	962	3,191	4,154	359,256	522,316	(163,060)	518,162	1%
Services and Other Operating Expenditures	39,325	79,129	118,453	728,449	821,016	(92,567)	702,563	14%
Capital Outlay	-	-	-	-	-	-	-	
Total Expenses	84,859	206,159	291,018	2,567,559	2,911,731	(344,172)	2,620,714	10%
Operating Income (excluding Depreciation)	(56,142)	(26,089)	(82,231)	170,168	167,840	(2,327)	250,071	-49%
<i>Operating Income (including Depreciation)</i>	<i>(56,142)</i>	<i>(26,089)</i>	<i>(82,231)</i>	<i>68,668</i>	<i>66,340</i>	<i>(2,327)</i>	<i>148,571</i>	<i>-124%</i>
Fund Balance								
Beginning Balance (Unaudited)	2,792,160	2,736,018	2,792,160	2,792,160	2,792,160			
Operating Income (including Depreciation)	(56,142)	(26,089)	(82,231)	68,668	66,340			
Ending Fund Balance (including Depreciation)	2,736,018	2,709,929	2,709,929	2,860,828	2,858,500			

2014-15 YTD Actuals – LALA MS

Year-To-Date Net Income is \$315k, and current Forecast is favorable compared to Board Approved Budget by +\$173k



	Actual			Budget				% of Forecast Spent
	Jul	Aug	Actual YTD	Approved Budget	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	
SUMMARY								
Revenue								
General Block Grant	45,234	224,969	270,203	1,967,890	2,302,928	335,038	2,032,725	12%
Federal Revenue	12,348	12,027	24,375	397,978	425,479	27,501	401,104	6%
Other State Revenues	23,757	131,385	155,141	626,119	662,900	36,781	507,759	23%
Local Revenues	374,890	3,813	378,703	-	-	-	(378,703)	
Fundraising and Grants	-	-	-	5,000	5,000	-	5,000	0%
Total Revenue	456,229	372,193	828,422	2,996,987	3,396,308	399,321	2,567,886	24%
Expenses								
Compensation and Benefits	46,961	134,140	181,101	1,442,736	1,553,687	(110,951)	1,372,585	12%
Books and Supplies	162,042	11,964	174,006	540,460	573,182	(32,722)	399,176	30%
Services and Other Operating Expenditures	63,438	95,351	158,789	795,708	874,831	(79,123)	716,042	18%
Capital Outlay	-	-	-	-	-	-	-	
Total Expenses	272,441	241,455	513,896	2,778,904	3,001,699	(222,795)	2,487,803	17%
Operating Income (excluding Depreciation)	183,789	130,737	314,526	218,083	394,608	176,525	80,082	80%
<i>Operating Income (including Depreciation)</i>	183,789	130,737	314,526	94,130	266,666	172,536	(47,860)	118%
Fund Balance								
Beginning Balance (Unaudited)	3,108,729	3,292,518	3,108,729	3,108,729	3,108,729			
Operating Income (including Depreciation)	183,789	130,737	314,526	94,130	266,666			
Ending Fund Balance (including Depreciation)	3,292,518	3,423,255	3,423,255	3,202,859	3,375,395			

2014-15 YTD Actuals – LALA HS

Year-To-Date Net Loss is -\$280k, and current Forecast is unfavorable compared to Board Approved Budget by -\$256k



	Actual			Budget				% of Forecast Spent
	Jul	Aug	Actual YTD	Approved Budget	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	
SUMMARY								
Revenue								
General Block Grant	-	-	-	2,034,108	1,746,993	(287,115)	1,746,993	0%
Federal Revenue	-	-	-	344,234	338,428	(5,806)	338,428	0%
Other State Revenues	-	-	-	369,936	360,115	(9,821)	360,115	0%
Local Revenues	-	150	150	-	-	-	(150)	
Fundraising and Grants	-	-	-	5,000	5,000	-	5,000	0%
Total Revenue	-	150	150	2,753,278	2,450,536	(302,742)	2,450,386	0%
Expenses								
Compensation and Benefits	36,053	100,930	136,982	1,525,776	1,477,600	48,176	1,340,617	9%
Books and Supplies	3,760	10,765	14,526	332,180	320,360	11,820	305,834	5%
Services and Other Operating Expenditures	73,313	54,890	128,203	724,627	741,936	(17,309)	613,733	17%
Capital Outlay	-	-	-	-	-	-	-	
Total Expenses	113,126	166,585	279,711	2,582,583	2,539,896	42,687	2,260,185	11%
Operating Income (excluding Depreciation)	(113,126)	(166,435)	(279,561)	170,695	(89,360)	(260,055)	190,201	313%
<i>Operating Income (including Depreciation)</i>	<i>(113,126)</i>	<i>(166,435)</i>	<i>(279,561)</i>	<i>113,648</i>	<i>(142,418)</i>	<i>(256,066)</i>	<i>137,143</i>	<i>196%</i>
Fund Balance								
Beginning Balance (Unaudited)	2,140,656	2,027,530	2,140,656	2,140,656	2,140,656			100%
Audit Adjustment	-	-	-	-	-			
Beginning Balance (Audited)	2,140,656		2,140,656	2,140,656	2,140,656			100%
Operating Income (including Depreciation)	(113,126)	(166,435)	(279,561)	113,648	(142,418)			196%
Ending Fund Balance (including Depreciation)	2,027,530	1,861,095	1,861,095	2,254,304	1,998,238			93%

Cash Flow Forecast

LALA is expected to be cash flow positive for all months of the 14-15 school year.



- Cash balances remain strong at the end of August with ending cash totaling:
 - Unrestricted - \$1.5 million
 - Restricted - \$398k

- Month-by-month cash flows will be included in future presentations

Balance Sheet Summary

Balance sheet remains healthy, with strong cash balances, payables current, and large portion of prior year receivables have come in.



		Consolidated		
		8/31/2014	6/30/2014 Unaudited	YTD Change
Assets				
	Cash Balances	1,988,586	1,859,881	128,705
	Accounts Receivable	302,468	1,162,215	(859,747)
	Prepays and Other Assets	76,090	242,786	(166,696)
	Fixed Assets, Net	7,080,672	7,080,672	-
	Other loans receivable	500,000	500,000	-
				-
	Total Assets	9,947,816	10,845,554	(897,738)
Liabilities & Equity				
	Accrued Expenses	181,044	553,009	(371,965)
	Loans and other payables	900,000	1,300,000	(400,000)
	Other Notes payable	951,000	951,000	-
	Net Assets	7,915,772	8,041,545	(125,773)
	Total Liabilities & Equity	9,947,816	10,845,554	(897,738)

Exhibits

July & August Check Registers

Annex B

Restated Articles

**RESTATED ARTICLES OF INCORPORATION
OF
THE LOS ANGELES LEADERSHIP ACADEMY**

The undersigned certify that:

- (a) They are the President and Secretary, respectively, of The Los Angeles Leadership Academy, a California nonprofit public benefit corporation.
- (b) The Articles of Incorporation of this corporation are amended and restated as follows:

1. Name.

The name of this Corporation is **THE LOS ANGELES LEADERSHIP ACADEMY**.

2. Purposes.

2.1 This Corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the California Nonprofit Public Benefit Corporation Law exclusively for public, charitable and educational purposes. The property owned by this Corporation is irrevocably dedicated to charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, or the corresponding provision of any future United States internal revenue laws (the "Code").

2.2 The specific purposes of this Corporation are to (a) organize, operate, support, benefit and carry out the purposes of the Los Angeles Leadership Academy and the Los Angeles Leadership Primary Academy, both of which are public charter schools, (b) provide public education, and (c) perform and undertake any and all functions as may be proper in connection with any of the foregoing.

3. Limitation on Activities.

No substantial part of the activities of this Corporation shall consist of lobbying or propaganda, or otherwise attempting to influence legislation except as provided in Section 501(h) of the Code. The Corporation shall not participate or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. This Corporation shall not carry on any activities not permitted to be carried on by an organization exempt from federal income tax under Section 501(c)(3) of the Code, or by a corporation contributions to which are deductible under Section 170(c)(2) of the Code.

4. No Members.

This Corporation shall have no members.

5. Irrevocable-Dedication.

The property of this Corporation is irrevocably dedicated to the purposes set forth in Article 2, and no part of the net earnings of this Corporation shall ever inure to the benefit of, or be distributable to, any director, officer or any private person. Upon the dissolution or winding up of the Corporation, its assets remaining after payment, or provision for payment, of all debts and liabilities of this Corporation shall be distributed to one or more nonprofit funds, foundations, or corporations which

are organized and operated exclusively for charitable or educational purposes, and which have established their tax exempt status under Section 501(c)(3) of the Code.

- (c) The foregoing amendment and restatement of Articles of Incorporation has been duly approved by the board of directors.
- (d) The Corporation has no members.

We further declare under penalty of perjury under the laws of the State of California that the matters set forth in this certificate are true and correct of our own knowledge.

October __, 2014

Name:
Title: President

Name:
Title: Secretary