



LOS ANGELES UNIFIED SCHOOL DISTRICT

Board of Education Report

Report Number:	126-10/11
Date:	January 4, 2011
Subject:	Denial of the Charter Petition for Marell's Preparatory Academy
Responsible Staff:	
Name	José J. Cole-Gutiérrez, Director, Charter Schools
Office/Division	Innovation and Charter Schools Division
Telephone No.	(213) 241-2487

BOARD REPORT

Action Proposed: Staff recommends the following action:

Denial of the Charter Petition for Marell's Preparatory Academy.

Background:

Staff proposes that the Board of Education deny the charter petition for Marell's Preparatory Academy on the grounds that the petitioners are demonstrably unlikely to successfully implement the program, and the petition does not contain reasonably comprehensive descriptions of the required elements as set forth in Education Code section 47605(b)(5)(A)-(P). It is also recommended that the Board of Education adopt the Findings of Fact supporting the recommendation on file in the Innovation and Charter Schools Division and attached to this board report.

On November 1, 2010, a petition was resubmitted to establish Marell's Preparatory Academy with 150 students in grades 7-8 and expanding to 450 students in grades 7-12 with the school's proposed location in the 90746 zip code near Curtiss Middle School and Banning High School, in Local District 8, Board District 7. The Innovation and Charter Schools Division reviewed the charter petition, performed due diligence, and found that the petitioners are demonstrably unlikely to successfully implement the program and the petition lacked reasonably comprehensive descriptions of elements set forth in Education Code section 47605(b)(5)(A)-(P).

Education Code section 47605(b) sets forth grounds for denying a charter petition:

"The governing board of the school district shall not deny a petition for the establishment of a charter school unless it



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makes written factual findings, specific to the particular petition, setting forth specific facts to support one or more of the following findings:

- (1) The charter school presents an unsound educational program for the pupils to be enrolled in the charter school;
- (2) The petitioners are demonstrably unlikely to successfully implement the program set forth in the petition;
- (3) The petition does not contain the number of signatures required by subdivision 47605(a).
- (4) The petition does not contain an affirmation of each of the conditions described in subdivision (d) of section 47605; or
- (5) The petition does not contain reasonably comprehensive descriptions of all of the sixteen elements set forth in section 47605(b)(5).

Subsequent to the petitioner's request for a public hearing before the Board of Education, elements 1-3 were reviewed by staff of the Innovation and Charter Schools Division and elements 4-16 were reviewed by the Superintendent's Advisory Committee and the Office of General Counsel. Elements 1,2,4,7,8,10, and 11 were found to be not reasonably comprehensive. The petition is not reasonably comprehensive in these areas for multiple issues including conflicts of interest, noncompliance with the Brown Act, and lack of comprehensive suspension and expulsion procedures. The budget for the proposed charter school was reviewed by the Innovation and Charter Schools Division's fiscal staff. Petitioners fail to present a viable budget and realistic financial and operational plan for the successful implementation of the proposed charter school.

Detailed reviews of the charter petition and budget are submitted in the Findings of Fact accompanying this Board Report.

The petition is available for perusal in the Innovation and Charter Schools Division.

Expected Outcomes: Denial will prevent the establishment of Marell's Preparatory Academy as an LAUSD authorized charter school at this time.



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Board Options and Consequences: “Yes” – The approval of the denial of the charter of Marell’s Preparatory Academy would prevent the establishment of Marell’s Preparatory Academy as a charter school, unless Marell’s Preparatory Academy appeals the denial and the appeal is granted by the Los Angeles County Board of Education or California State Board of Education.

“No” – The failure to deny the charter of Marell’s Preparatory Academy could allow Marell’s Preparatory Academy to operate as a LAUSD authorized charter school.

Policy Implications: The Policy for Charter Schools adopted in 2010.

Budget Impact: State Revenue Limit income and various other income sources to the District are reduced when current District students enroll at a charter school, and comparable or offsetting expenditure savings may not occur in such cases. Under Education Code section 47604(c), a school district that grants a charter to or operates a charter school that is formed as a non-profit public benefit corporation is not held liable for the charter school’s debts or obligations as long as the school district complies with all oversight responsibilities. The District will continue to have monitoring and supervisory responsibility for charter school finances, as specified in the Charter Schools Act. Any modifications to the charter school’s petition or operations with significant financial implications would require District approval prior to implementation. Petition approval is also contingent upon adequate liability insurance coverage.

Issues and Analysis: Issues are outlined above and in more detail in the attached Findings of Fact for the Denial of Marell’s Preparatory Academy Charter Petition pursuant to Education Code sections 47605(b).

Attachments:

Informative

Desegregation
Impact Statement



LOS ANGELES UNIFIED SCHOOL DISTRICT

Board of Education Report

Respectfully submitted,

APPROVED BY:

RAMON C. CORTINES
Superintendent of Schools

MICHELLE KING
Chief of Staff

APPROVED & PRESENTED BY:

REVIEWED BY:

JOSÉ J. COLE-GUTIÉRREZ
Director, Charter Schools
Innovation and Charter Schools Division

DAVID HOLMQUIST
General Counsel

Approved as to form.

YUMI TAKAHASHI
Budget Director

Approved as to budget impact statement.

FINAL PETITION

The final petition is available for perusal in the Innovation and Charter Schools Division at 333 South Beaudry Avenue, 25th Floor Los Angeles, CA 90017 (213) 241-2487



ASSUMPTION WORKSHEET

School Name: **MARELL'S PREP ACADEMY**

Worksheet Contains the Following Calculators:

- 1) Enrollment
- 2) Certificated Staff
- 3) Classified Staff
- 4) Benefits
- 5) Books & Supplies

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Enter Projected Enrollment

Enter Target ADA %
Default = 95%

Enter No. of English Language Learners

Enter No. of Economically Disadvantaged (i.e. below federal poverty line)

Enter No. of Free/Reduced Lunch Students

Enrollment

YEAR ONE

	Enrollment	ADA %	ADA #	EL #	ED#	FRL #
Grades K-3		95%	0.00	-	-	-
Grades 4-6	-	95%	0.00	-	-	-
Grades 7-8	150	95%	142.50	15	113	113
Grades 9-12	-	95%	0.00	-	-	-
TOTAL	150	95%	142.50	15	113	113

Students Per Teacher

K - 3
25.00 4 - 12

YEAR TWO

	Enrollment	ADA %	ADA #	EL #	ED#	FRL #
Grades K-3		95%	0.00	-	-	-
Grades 4-6	-	95%	0.00	-	-	-
Grades 7-8	150	95%	142.50	15	113	113
Grades 9-12	75	95%	71.25	8	56	56
TOTAL	225	95%	213.75	23	169	169

Students Per Teacher

K - 3
25.00 4 - 12

YEAR THREE

	Enrollment	ADA %	ADA #	EL #	ED#	FRL #
Grades K-3		95%	0.00	-	-	-
Grades 4-6	-	95%	0.00	-	-	-
Grades 7-8	150	95%	142.50	15	113	113
Grades 9-12	150	95%	142.50	15	113	113
TOTAL	300	95%	285.00	30	226	226

Students Per Teacher

K - 3
25.00 4 - 12

YEAR FOUR

	Enrollment	ADA %	ADA #	EL #	ED#	FRL #
Grades K-3		95%	0.00	-	-	-
Grades 4-6	-	95%	0.00	-	-	-
Grades 7-8	150	95%	142.50	15	113	113
Grades 9-12	225	95%	213.75	23	169	169
TOTAL	375	95%	356.25	38	282	282

Students Per Teacher

K - 3
25.00 4 - 12

YEAR FIVE

	Enrollment	ADA %	ADA #	EL #	ED#	FRL #
Grades K-3		95%	0.00	-	-	-
Grades 4-6	-	95%	0.00	-	-	-
Grades 7-8	150	95%	142.50	15	113	113
Grades 9-12	300	95%	285.00	30	225	225
TOTAL	450	95%	427.50	45	338	338

Students Per Teacher

K - 3
25.00 4 - 12

Salaries

COLA 1.0%

Certificated Staff Salaries

1000	<u>Teachers</u>			<u>Aides</u>			<u>Administrators</u>			Total Certificated
	# Teachers	Avg. Salary	Teacher Total	# Aides	Avg. Salary	Aides Total	# Admin	Avg. Salary	Admin Total	
Year One	6	44,000	\$ 264,000		\$ -	\$ -	1.0	\$ 84,000	\$ 84,000	\$ 348,000
Year Two	9	\$ 44,440	\$ 399,960		\$ -	\$ -	1.0	\$ 84,840	\$ 84,840	\$ 484,800
Year Three	12	\$ 44,884	\$ 538,613		\$ -	\$ -	1.0	\$ 85,688	\$ 85,688	\$ 624,301
Year Four	15	\$ 45,333	\$ 679,999		\$ -	\$ -	1.0	\$ 86,545	\$ 86,545	\$ 766,544
Year Five	18	\$ 45,787	\$ 824,158		\$ -	\$ -	1.0	\$ 87,411	\$ 87,411	\$ 911,569

Class Size Reduction Funding

	# of Teachers K-3	# of Half-Day Kindergarten Students
Year One		-
Year Two		-
Year Three		-
Year Four		-
Year Five		-

Classified Staff Salaries

2000	<u>Aides (Classified)</u>			<u>Support</u>		
	# Aides	Avg. Salary	Aides Total	# Support	Avg. Salary	Support Total
Year One	2.0	\$ 24,000	\$ 48,000	3.0	\$ 9,500	\$ 28,500
Year Two	3.0	\$ 24,240	\$ 72,720	3.0	\$ 9,595	\$ 28,785
Year Three	4.0	\$ 24,482	\$ 97,930	3.0	\$ 9,691	\$ 29,073
Year Four	5.0	\$ 24,727	\$ 123,636	3.0	\$ 9,788	\$ 29,364
Year Five	6.0	\$ 24,974	\$ 149,847	3.0	\$ 9,886	\$ 29,657

4 HOUR ASSTS. AND CAFETERIA WORKERS

2000	<u>Administrators</u>			<u>Clerical/Office</u>			<u>Other (e.g. IT)</u>			Total Classified
	# Admin	Avg. Salary	Admin Total	# Office	Avg. Salary	Office Total	# Other	Avg. Salary	Other Total	
Year One	-	\$ -	\$ -	1.0	\$ 32,000	\$ 32,000	1.5	\$ 18,000	\$ 27,000	\$ 135,500
Year Two	-	\$ -	\$ -	1.0	\$ 32,320	\$ 32,320	1.5	\$ 18,180	\$ 27,270	\$ 161,095
Year Three	1.0	\$ 62,000	\$ 65,000	2.0	\$ 32,643	\$ 65,286	2.0	\$ 18,362	\$ 36,724	\$ 294,012
Year Four	1.0	\$ 62,620	\$ 62,620	2.0	\$ 32,970	\$ 65,939	2.0	\$ 18,545	\$ 37,091	\$ 318,650
Year Five	1.0	\$ 63,246	\$ 63,246	2.0	\$ 33,299	\$ 66,599	2.0	\$ 18,731	\$ 37,462	\$ 346,811

ASST. PRINCIPAL

CUSTODIANS

Benefits

Staff Benefits and Health Plan

3000	Benefits	Health Plan Cost (\$/Person)	# employees	Health Plan Total	Total Benefits
Year One	\$ 58,355	\$ 7,000	11	\$ 77,000	\$ 135,355
Year Two	\$ 76,626	\$ 7,000	15	\$ 105,000	\$ 181,626
Year Three	\$ 113,279	\$ 8,000	22	\$ 176,000	\$ 289,279
Year Four	\$ 131,944	\$ 8,000	26	\$ 208,000	\$ 339,944

Year Five	\$ 151,487	\$ 8,000	31	\$ 248,000	\$ 399,487
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Books & Supplies (\$ Per Student)

4000	Textbooks	Other Books	Supplies	Equipment
Year One	\$ 250.00	\$ 50.00	\$ 150.00	\$ 200.00
Year Two	\$ 250.00	\$ 50.00	\$ 150.00	\$ 200.00
Year Three	\$ 250.00	\$ 50.00	\$ 150.00	\$ 200.00
Year Four	\$ 250.00	\$ 50.00	\$ 150.00	\$ 200.00
Year Five	\$ 250.00	\$ 50.00	\$ 150.00	\$ 150.00

General Purpose Entitlement Block Grant

Schools often receive ADA funding from two sources: the state and the local district (also known as "in-lieu of property tax" funding). The total amount is the same regardless of the source, however the timing of the payments varies slightly. Contact your charter authorizer to find out what percentage of the general purpose entitlement they fund. **If unknown, put 100% in the state portion below.**

8000	% from Source
State Portion	52%
Local District	48%
TOTAL	100%

Start-Up Budget

School Name: MARELL'S PREP ACADEMY

Operating Year: Start-up Year: SEPT 2011

Time Period:

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Category	Startup Cost	Guidelines
Enrollment Projections by Grade Level		
Projected Enrollment K-3	0	
Projected Enrollment 4-6	0	
Projected Enrollment 7-8	150	
Projected Enrollment 9-12	0	
Total Projected Enrollment	150	
Certificated Salaries:		
Certificated Teachers FTE	\$ 40,000	
Certificated Instructional Aides	\$ 10,000	
Certificated Administrations and Management	\$ 10,000	
Total Certificated Staffing Startup	\$ 60,000	
Classified Salaries		
Director	\$ -	2-6 months Admin Salary
Admin Support	\$ 6,000	2-6 months Admin support
Sub-total	\$ 6,000	
Benefits		
STRS/PERS/OASDI/Medicare (16.5% salaries)	\$ 10,890	
Health and Welfare Benefits	\$ -	
Unemployment Insurance	\$ 660	1% of total salaries
Workers' Compensation Insurance	\$ 3,960	6% of total salaries
Retiree Benefits	\$ -	
Other Employee Benefits	\$ -	
Sub-total	\$ 15,510	
Facilities		
Lease Deposit, prepaid rent & rent	\$ 30,000	Contingent on lease plus 2-3 months occupancy
Site preparation, Tenant Improvement	\$ 25,000	Contingent on lease, may be incorporated into lease.
Interior Decorating	\$ 10,000	Contingent on lease, may be incorporated into lease.
Network Wiring	\$ 5,000	Contingent on lease, may be incorporated into lease.
Power & ventilation for Computer Server	\$ -	Contingent on lease, may be incorporated into lease.
Sub-total	\$ 70,000	
Initial Staff Development		
Staff Orientation	\$ 5,000	Contingent on grades and classes, 5-10 teacher days per class grade @ \$150
Instructional Consultation	\$ 5,000	
Sub-total	\$ 10,000	
Furniture, Fixtures & Equipment		
Student Work Stations, Desks & Tables	\$ 5,000.00	Contingent on grades, classrooms & enrollment: 1desk/student @ \$135; 1 table/4 students @ \$100
Students Chairs	\$ 4,000.00	2 chairs per student @ \$20 - \$50 each
Staff Workstations, Desks & Chairs	\$ 6,000.00	Two chair(s)/one desk per staff or teacher @ \$300-500
Book shelves	\$ 2,000.00	One - Two per certificated teacher Mgmt/classified staff @ \$100
File Cabinets	\$ 2,000.00	One per certificated teacher & one per classified staff @ \$300-500
Fire Proof Storage Student Records & MIS Backup	\$ 500.00	One @ \$500-\$1000
Bulletin Boards, Dry Erase Boards	\$ 2,000.00	One - Two per certificated teacher \$150
Storage Cabinets	\$ 1,000.00	As needed
Sub-total	\$ 22,500	
Instructional Materials & Equipment		
Textbook(s) & Curriculum	\$ -	\$200-300 per student
Teacher/Students Computer(s)	\$ 15,000	One per every 10-20 students, One per certificated teacher @\$1500-2000
Classroom Printer(s)	\$ 3,000	One per every 5-7 Computers @ \$500-1000
Classroom Software License(s)	\$ 5,000	One license for each workstation utilized not to exceed site license authority. \$350-500/computer
Classroom Fax Machine(s)	\$ 200	One fax machine for instructional communications @ \$100 - \$500
Television(s)	\$ 400	One for every 5 certificated teachers @ \$350-\$500
VCR(s)/DVD(s)	\$ 300	One for every 5 certificated teachers @ \$150-\$200
Overhead Projector(s)	\$ 300	One for every 5 certificated teachers @ \$250-\$400
Video Display Projection System(s)	\$ -	One for every 5 certificated teachers @ \$1000-\$1500
Projection Screen(s)	\$ -	One for each classroom @ \$150

Start-Up Budget

School Name: MARELL'S PREP ACADEMY

Operating Year: Start-up Year: SEPT 2011

Time Period:

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Category	Startup Cost	Guidelines
Public Address System	\$ 750	One for the school @ \$750-1500
Sub-total	\$ 24,950	
Office Equipment & Supplies		
First Aid Kit(s)	\$ 300	One - Two per school @ \$300
Copier Lease or Purchase?	\$ 400	Assumption - Lease
Initial Office Supplies & Equipment	\$ 500	
Fire Extinguishers	\$ 300	As required by occupancy - assume one per classroom @ \$50
Cleaning Equipment/Supplies	\$ 200	
Telephone System	\$ 1,000	One for the school @ \$500-1500
Admin Computer(s)	\$ 1,000	One per admin staff @ \$1500
Admin Printer(s)	\$ 500	One public & one secure printer @ \$500-1000
Admin Software License(s)	\$ 500	One license for each workstation utilized not to exceed site license authority. \$350-500/computer
Admin Fax Machine(s)	\$ 400	One for admin communications @ \$350-\$750
Tool Kit	\$ 150	One for the school @ \$150-\$350
Misc	\$ -	
Sub-total	\$ 5,250	
Professional Services & Consultants		
Legal	\$ 5,000	Assumes contracts @ \$2500-\$7500
Testing, Accountability & Assessment	\$ -	Assumes contracts @ \$2500-\$7500
Finance & Operations	\$ -	Assumes contracts @ \$2500-\$7500
Special Education	\$ -	Assumes contracts @ \$2500-\$7500
Technology	\$ -	Assumes contracts @ \$2500-\$7500
Sub-total	\$ 5,000	
TOTAL	\$ 219,210	



CHARTER SCHOOL PLANNING BUDGET

School Name: MARELL'S PREPARATORY ACADEMY

Operating Years: Startup - Year 5

Time Period: SEPT. 11

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COLA	1.0%
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Object Code	Description	Startup	2010-11	2011-12	2012-13	2013-14	2014-15
REVENUES							
Revenue Limit Sources							
8015	General Purpose Entitlement Block Grant	2010-2011					
	Grades K - 3	\$4,769	\$ -	\$ -	\$ -	\$ -	\$ -
	Grades 4 - 6	\$4,841	\$ -	\$ -	\$ -	\$ -	\$ -
	Grades 7 - 8	\$4,980	\$ 709,650	\$ 716,747	\$ 723,914	\$ 731,153	\$ 738,465
	Grades 9 - 12	\$5,781	\$ -	\$ 416,015	\$ 840,351	\$ 1,273,131	\$ 1,714,484
	Total, Revenue Limit Sources		\$ 709,650	\$ 1,132,762	\$ 1,564,265	\$ 2,004,284	\$ 2,452,948
Federal Revenues							
8290	No Child Left Behind (Title I)		\$ 55,596	\$ 83,148	\$ 111,192	\$ 138,744	\$ 166,296
8110	CDE PCS Grant		\$ -	\$ 250,000	\$ 200,000	\$ 150,000	\$ -
8190	EESA/Math & Science		\$ -	\$ -	\$ -	\$ -	\$ -
8220	Child Nutrition - Federal		\$ 87,435	\$ 130,765	\$ 174,870	\$ 218,200	\$ 261,531
8260-8299	Other Federal Revenues		\$ -	\$ -	\$ -	\$ -	\$ -
	Total, Federal Revenues		\$ 393,031	\$ 413,913	\$ 436,062	\$ 356,944	\$ 427,827
Other State Revenue							
8480	Categorical Block Grant	\$400	\$ 57,000	\$ 86,355	\$ 116,291	\$ 146,818	\$ 177,943
8321	Special Education - State	\$ 829.63	\$ 11,822	\$ 177,333	\$ 236,445	\$ 295,556	\$ 345,667
8556	State Lottery	\$121	\$ -	\$ 17,243	\$ 26,122	\$ 35,178	\$ 44,412
8536	Class Size Reduction	\$1,070	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
8584	EIA	\$318	\$ 40,704	\$ 61,667	\$ 83,044	\$ 104,843	\$ 126,739
8536	All Other State Revenues	\$ 750.00	\$ 106,875	\$ 160,313	\$ 213,750	\$ 267,188	\$ 320,625
	Total, Other State Revenues		\$ 216,401	\$ 502,910	\$ 675,653	\$ 849,583	\$ 1,015,387
Other Local Revenue							
8600	Transfers from Sponsoring LEA		\$ -	\$ -	\$ -	\$ -	\$ -
8660	Interest		\$ -	\$ -	\$ -	\$ -	\$ -
8699	Fundraising		\$ -	\$ 10,000	\$ 10,000	\$ 15,000	\$ 20,000
8700	Other Grants		\$ -	\$ 50,000	\$ -	\$ -	\$ -
8710	All Other Local Revenues		\$ -	\$ -	\$ -	\$ -	\$ -
8979	Loan Financing (e.g. Charter School Revolving Loan)		\$ 250,000	\$ -	\$ -	\$ -	\$ -
	Total, Local Revenues		\$ 250,000	\$ 60,000	\$ 10,000	\$ 15,000	\$ 20,000
	TOTAL REVENUES		\$ 250,000	\$ 1,379,082	\$ 2,059,585	\$ 2,690,980	\$ 3,225,812
EXPENDITURES							
Certificated Salaries							
1100	Teacher Salaries		\$ 264,000	\$ 399,960	\$ 538,613	\$ 679,999	\$ 824,158
1170	Substitute Teacher Salaries (4% of Teacher Salaries)		\$ 10,560	\$ 15,998	\$ 21,545	\$ 27,200	\$ 32,966
1200	Certificated Pupil Support/Teacher Aide Salaries		\$ -	\$ -	\$ -	\$ -	\$ -
1300	Certificated Supervisor and Administrator Salaries		\$ 84,000	\$ 84,840	\$ 85,688	\$ 86,545	\$ 87,411
1900	Other Certificated Salaries		\$ -	\$ -	\$ -	\$ -	\$ -
	Total, Certificated Salaries		\$ 60,000	\$ 358,560	\$ 500,798	\$ 793,744	\$ 944,535
Classified (non-certificated) Salaries							
2100	Instructional Aide Salaries		\$ 48,000	\$ 72,720	\$ 97,930	\$ 123,636	\$ 149,847
2200	Non-certificated Support Salaries		\$ 28,500	\$ 28,785	\$ 29,073	\$ 29,364	\$ 29,657
2300	Non-certificated Supervisor and Administrator Salaries		\$ -	\$ -	\$ 65,000	\$ 62,620	\$ 63,246
2400	Clerical and Office Salaries		\$ 32,000	\$ 32,320	\$ 65,286	\$ 65,939	\$ 66,599
2900	Other Non-certificated Salaries (IT support, etc.)		\$ 27,000	\$ 27,270	\$ 36,724	\$ 37,091	\$ 37,462
	Total, Non-certificated Salaries		\$ 6,000	\$ 135,500	\$ 161,095	\$ 294,012	\$ 318,650
Employee Benefits							
3101-3302	STRS/PERS/OASDI/Medicare (10.2%-Certificated;16.87%-Classified)		\$ 58,355	\$ 76,626	\$ 113,279	\$ 131,944	\$ 151,487
3401-3402	Health and Welfare Benefits		\$ 77,000	\$ 105,000	\$ 176,000	\$ 208,000	\$ 248,000
3501-3502	Unemployment Insurance	1%	\$ 4,941	\$ 6,619	\$ 9,399	\$ 11,124	\$ 12,913
3601-3602	Workers' Compensation Insurance	4%	\$ 19,762	\$ 26,476	\$ 37,594	\$ 44,496	\$ 51,654
3701-3702	Retiree Benefits		\$ -	\$ -	\$ -	\$ -	\$ -
3901-3902	Other Employee Benefits		\$ -	\$ -	\$ -	\$ -	\$ -
	Total, Employee Benefits		\$ 15,510.00	\$ 160,058	\$ 214,721	\$ 336,272	\$ 395,563

Year 1 Expenses as % of Revenue

19%	Certificated Salaries
1%	Teacher Salaries
0%	Substitute Teacher Salaries (4% of Teacher Salaries)
0%	Certificated Pupil Support/Teacher Aide Salaries
6%	Certificated Supervisor and Administrator Salaries
0%	Other Certificated Salaries
26%	Total, Certificated Salaries
3%	Classified (non-certificated) Salaries
2%	Instructional Aide Salaries
0%	Non-certificated Support Salaries
2%	Non-certificated Supervisor and Administrator Salaries
2%	Clerical and Office Salaries
2%	Other Non-certificated Salaries (IT support, etc.)
10%	Total, Non-certificated Salaries
4%	Employee Benefits
6%	STRS/PERS/OASDI/Medicare (10.2%-Certificated;16.87%-Classified)
0%	Health and Welfare Benefits
0%	Unemployment Insurance
0%	Workers' Compensation Insurance
0%	Retiree Benefits
0%	Other Employee Benefits
12%	Total, Employee Benefits



CHARTER SCHOOL PLANNING BUDGET

School Name: MARELL'S PREPARATORY ACADEMY

Operating Years: Startup - Year 5

Time Period: SEPT. 11

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COLA	1.0%
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Object Code	Description	Startup	2010-11	2011-12	2012-13	2013-14	2014-15
Books and Supplies							
4100	Approved Textbooks and Core Curricula Materials		\$ 37,500	\$ 56,250	\$ 75,000	\$ 93,750	\$ 112,500
4200	Books and Other Reference Materials		\$ 7,500	\$ 11,250	\$ 15,000	\$ 18,750	\$ 22,500
4300	Materials and Supplies		\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
4400	Non-capitalized Equipment(computers, printers, servers)		\$ 20,000	\$ 20,000	\$ 25,000	\$ 30,000	\$ 32,000
4700	Food		\$ 59,515	\$ 99,273	\$ 139,030	\$ 158,788	\$ 198,454
	Total, Books and Supplies	\$ 30,200.00	\$ 139,515	\$ 201,773	\$ 269,030	\$ 316,288	\$ 380,454
Services and Other Operating Expenditures							
5200	Travel and Conferences		\$ 10,000	\$ 10,000	\$ 10,000	\$ 15,000	\$ 15,000
5300	Dues and Memberships		\$ 750	\$ 1,125	\$ 1,500	\$ 1,875	\$ 2,250
5400	Insurance		\$ 12,000	\$ 12,120	\$ 14,000	\$ 16,000	\$ 20,000
5500	Utilities and Housekeeping Services		\$ -	\$ 15,000	\$ 18,000	\$ 20,000	\$ 20,000
5600	Rentals, Leases, Repairs, and Noncap. Improvements		\$ 70,000.00	\$ 120,000	\$ 136,000	\$ 148,000	\$ 168,000
5800	Professional/Consulting Services and Operating Expend.		\$ 15,000.00	\$ 50,000	\$ 60,000	\$ 60,000	\$ 65,000
5900	Communications (Phones, ISP, Internet)		\$ -	\$ 10,000	\$ 12,000	\$ 14,000	\$ 18,000
	Total, Services/Other Operating	\$ 85,000.00	\$ 217,750	\$ 236,245	\$ 265,500	\$ 290,875	\$ 312,250
Capital Outlay							
6100-6170	Land and Land Improvements		\$ 50,000	\$ 50,000	\$ 60,000	\$ 60,000	\$ 70,000
6200	Buildings and Improvements of Buildings		\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
6300	Books and Media for New Libraries		\$ 5,000	\$ 6,000	\$ 6,000	\$ 7,000	\$ 7,000
6400	Equipment (computers, servers, etc. over \$5,000)		\$ 30,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
6490	Furniture		\$ 22,500.00	\$ 25,000	\$ 15,000	\$ 15,000	\$ 10,000
6500	Equipment Replacement		\$ 2,000	\$ 2,000	\$ 2,000	\$ 5,000	\$ 5,000
	Total, Capital Outlay	\$ 22,500.00	\$ 137,000	\$ 113,000	\$ 123,000	\$ 122,000	\$ 132,000
Other Outgo							
7110-7143	Tuition to Other Schools		\$ -	\$ -	\$ -	\$ -	\$ -
7221-7223SE	Transfers of Apportionment to Other LEAs (except SPED)		\$ -	\$ -	\$ -	\$ -	\$ -
7221	Transfers of Apportionment to LEAs (Special Ed)		\$ 70,934	\$ 106,400	\$ 141,867	\$ 177,334	\$ 212,801
7221-7223AO	All Other Transfers of Apportionments to Other LEAs		\$ -	\$ -	\$ -	\$ -	\$ -
7281	All Other Transfers		\$ -	\$ -	\$ -	\$ -	\$ -
7350	District Oversight (1%-3%) 1% set as default		\$ 7,667	\$ 12,191	\$ 16,806	\$ 21,511	\$ 26,309
7430	Loan Repayment		\$ -	\$ -	\$ 62,500	\$ 62,500	\$ 62,500
7438	Debt Interest		\$ -	\$ -	\$ 1,875	\$ 1,875	\$ 1,875
	Total, Other Outgo	\$ -	\$ 78,601	\$ 182,966	\$ 223,048	\$ 263,220	\$ 303,485
	TOTAL EXPENDITURES	\$ 219,210	\$ 1,226,983	\$ 1,610,599	\$ 2,156,707	\$ 2,500,340	\$ 2,883,589
	Cash Reserve Requirement (5% of Categorical and Block Grants)		\$ 38,333	\$ 60,956	\$ 84,028	\$ 107,555	\$ 131,545
	Excess of Revenues over Expenditures and Reserve	\$ 30,790	\$ 113,766	\$ 388,030	\$ 450,245	\$ 617,917	\$ 901,028
	Beginning Cash Balance (less reserves)	\$ -	\$ 30,790	\$ 144,556	\$ 532,586	\$ 982,831	\$ 1,600,748
	Net Cash Balance	\$ 30,790	\$ 144,556	\$ 532,586	\$ 982,831	\$ 1,600,748	\$ 2,501,775
	Cumulative Reserve Total	\$ 38,333	\$ 99,289	\$ 183,317	\$ 290,872	\$ 422,417	\$ 422,417
	Total Cash Balance Including Reserves	\$ 30,790	\$ 182,889	\$ 631,875	\$ 1,166,147	\$ 1,891,619	\$ 2,924,192

	Books and Supplies
3%	Approved Textbooks and Core Curricula Materials
1%	Books and Other Reference Materials
1%	Materials and Supplies
1%	Non-capitalized Equipment(computers, printers, servers)
4%	Food
10%	Total, Books and Supplies
	Services and Other Operating Expenditures
1%	Travel and Conferences
0%	Dues and Memberships
1%	Insurance
1%	Utilities and Housekeeping Services
9%	Rentals, Leases, Repairs, and Noncap. Improvements
4%	Professional/Consulting Services and Operating Expend.
1%	Communications (Phones, ISP, Internet)
16%	Total, Services/Other Operating
	Capital Outlay
4%	Land and Land Improvements
2%	Buildings and Improvements of Buildings
0%	Books and Media for New Libraries
2%	Equipment (computers, servers, etc. over \$5,000)
2%	Furniture
0%	Equipment Replacement
10%	Total, Capital Outlay
	Other Outgo
0%	Tuition to Other Schools
0%	Transfers of Apportionment to Other LEAs (except SPED)
5%	Transfers of Apportionment to LEAs (Special Ed)
0%	All Other Transfers of Apportionments to Other LEAs
0%	All Other Transfers
1%	District Oversight (1%-3%) 1% set as default
0%	Loan Repayment
0%	Debt Interest
6%	Total, Other Outgo
89%	TOTAL EXPENDITURES

\$497.78



CASH FLOW PROJECTION

School Name: **MARELL'S PREP ACADEMY**
 Operating Years: **Year 1 - Year 5**
 Time Period:

Enter Data in Yellow Boxes
Automatically Generated
Please Leave Gray Boxes Empty

Note: Your Fundraising, Grants, Local Revenue, and Loan Financing has not been automatically entered into this worksheet as each school will expect to receive this revenue at different times of the year. The amount you've allocated in your planning budget is noted in Column A. Please distribute this revenue throughout the year based on when you will receive the funds.

We have delayed State Aid funding by one month in this spreadsheet to reflect better when schools actually receive funds

Year 1 of Operations	MARELL'S PREP ACADEMY													Accrued Year 1	Total
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun			
BEGINNING CASH	\$ 10,790	\$ 18,370	\$ 26,885	\$ 71,248	\$ 35,114	\$ 45,500	\$ 44,183	\$ 22,513	\$ 30,619	\$ 36,188	\$ 30,995	\$ 36,040	\$ 42,596		
REVENUE															
Revenue Limit Sources															
General Purpose Entitlement Block Grant - State Aid Portion			\$ 103,325			\$ 99,635			\$ 27,676	\$ 27,676	\$ 27,676	\$ 27,676	\$ 55,353	\$ 369,018	
General Purpose Entitlement - Local Revenue (In Lieu of Property Tax)		\$ 20,438	\$ 40,876	\$ 27,251	\$ 27,251	\$ 27,251	\$ 27,251	\$ 27,251	\$ 47,688	\$ 23,844	\$ 23,844	\$ 23,844	\$ 23,844	\$ 340,632	
Federal Revenue															
Child Nutrition				\$ 8,744	\$ 8,744	\$ 8,744	\$ 8,744	\$ 8,744	\$ 8,744	\$ 8,744	\$ 8,744	\$ 8,744	\$ 8,744	\$ 87,435	
CDE PCS Grant	\$ -	\$ 50,000	\$ 30,000	\$ 120,000	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 250,000	
Other Federal Revenue									\$ 22,238		\$ 22,238		\$ 11,119	\$ 55,596	
Other State Revenue															
Categorical Block Grant			\$ 19,380			\$ 13,680			\$ 7,980	\$ 3,990	\$ 3,990	\$ 3,990	\$ 3,990	\$ 57,000	
Special Education Local Plan Area (SELPA)			\$ 5,911.00						\$ 5,911.00					\$ 11,822	
California Lottery (quarterly)															
Class Size Reduction					\$ -					\$ -			\$ -	\$ -	
Economic Impact Aid			\$ 13,839			\$ 9,769			\$ 5,699	\$ 2,849	\$ 2,849	\$ 2,849	\$ 2,849	\$ 40,704	
All Other State Revenues				\$ 27,499	\$ 6,883	\$ 6,883	\$ 11,906	\$ 10,538	\$ 6,274	\$ 6,274	\$ 6,274	\$ 24,346		\$ 106,875	
Other Local Revenue															
Transfers from LEAS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Fundraising (\$10,000.00 in budget)	\$ -	\$ -	\$ -	\$ -	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,000	
Grants (\$50,000.00 in budget)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,000	\$ -	\$ 25,000	\$ -	\$ -	\$ -	\$ 50,000	
All Other Local Revenue (\$00.00 in budget)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Loan Financing (e.g. Charter School Revolving Loan) (\$00.00 in budget)	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,000	
TOTAL REVENUE	\$ 20,000	\$ 70,438	\$ 213,331	\$ 183,493	\$ 132,877	\$ 165,961	\$ 107,900	\$ 101,532	\$ 132,210	\$ 103,377	\$ 114,615	\$ 101,449	\$ 105,899	\$ 1,399,082	
DISBURSEMENTS															
1000 Certificated Salaries	\$ -	\$ 16,135	\$ 31,130	\$ 31,130	\$ 31,130	\$ 31,130	\$ 31,130	\$ 31,130	\$ 31,130	\$ 31,130	\$ 31,130	\$ 31,130	\$ 31,130	\$ 358,560	
2000 Classified Salaries	\$ -	\$ 6,098	\$ 11,764	\$ 11,764	\$ 11,764	\$ 11,764	\$ 11,764	\$ 11,764	\$ 11,764	\$ 11,764	\$ 11,764	\$ 11,764	\$ 11,764	\$ 135,500	
3000 Employee Benefits	\$ -	\$ 7,203	\$ 13,896	\$ 13,896	\$ 13,896	\$ 13,896	\$ 13,896	\$ 13,896	\$ 13,896	\$ 13,896	\$ 13,896	\$ 13,896	\$ 13,896	\$ 160,058	
4000 Books and Supplies	\$ -	\$ 6,976	\$ 20,927	\$ 20,927	\$ 34,879	\$ 5,813	\$ 5,813	\$ 5,813	\$ 20,927	\$ 5,813	\$ 5,813	\$ 5,813	\$ 5,813	\$ 139,515	
5000 Services and Other Operating Expenditures	\$ 9,073	\$ 18,971	\$ 18,971	\$ 18,971	\$ 18,971	\$ 18,971	\$ 18,971	\$ 18,971	\$ 18,971	\$ 18,971	\$ 18,971	\$ 18,971	\$ 18,971	\$ 217,750	
6000 Capital Outlay	\$ -	\$ -	\$ 61,897	\$ 61,897	\$ 1,467	\$ 1,467	\$ 1,467	\$ 1,467	\$ 1,467	\$ 1,467	\$ 1,467	\$ 2,935	\$ 2,935	\$ 137,000	
7000 Other Outgo	\$ 3,347	\$ 3,347	\$ 7,191	\$ 7,191	\$ 7,191	\$ 7,191	\$ 7,191	\$ 7,191	\$ 7,191	\$ 7,191	\$ 7,191	\$ 7,191	\$ 7,191	\$ 78,601	
TOTAL EXPENDITURES	\$ 12,420	\$ 58,728	\$ 165,775	\$ 165,775	\$ 119,297	\$ 90,231	\$ 90,231	\$ 90,231	\$ 105,345	\$ 90,231	\$ 90,231	\$ 91,699	\$ 56,789	\$ 1,226,983	
REVENUE LESS EXPENDITURES	\$ 7,580	\$ 11,709	\$ 47,557	\$ 17,718	\$ 13,580	\$ 75,729	\$ 17,669	\$ 11,301	\$ 26,865	\$ 13,146	\$ 24,384	\$ 9,750	\$ 49,110	\$ 326,098	
Reserve Requirement	\$ -	\$ 3,194	\$ 3,194	\$ 3,194	\$ 3,194	\$ 3,194	\$ 3,194	\$ 3,194	\$ 3,194	\$ 3,194	\$ 3,194	\$ 3,194	\$ 3,194	\$ 38,333	
NET INCREASE (DECREASE)	\$ 7,580	\$ 8,515	\$ 44,362	\$ 14,524	\$ 10,386	\$ 72,535	\$ 14,474	\$ 8,106	\$ 23,670	\$ 9,951	\$ 21,189	\$ 6,556	\$ 45,915	\$ 287,766	
CASH BALANCE	\$ 18,370	\$ 26,885	\$ 71,248	\$ 85,772	\$ 45,500	\$ 118,035	\$ 58,657	\$ 30,619	\$ 54,290	\$ 46,139	\$ 52,184	\$ 42,596	\$ 88,511	\$ 88,511	
CASH BALANCE WITH RESERVES	\$ 18,370	\$ 30,080	\$ 77,636	\$ 95,355	\$ 108,935	\$ 184,664	\$ 202,333	\$ 213,634	\$ 240,499	\$ 253,644	\$ 278,028	\$ 287,779	\$ 336,888	\$ 336,888	

Year 2 of Operations (based on 2009-10 cash flow)

MARELL'S PREP ACADEMY

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Accrued Year 2	Total
BEGINNING CASH	\$ 88,511	\$ 31,490	\$ 40,105	\$ 9,985	\$ 10,818	\$ 153,560	\$ 143,875	\$ 147,633	\$ 224,468	\$ 319,194	\$ 330,083	\$ 361,280	\$ 382,754	
REVENUE														
Revenue Limit Sources														
General Purpose Entitlement Block Grant - State Aid Portion		\$ 3,469	\$ -	\$ 33,212	\$ 51,810	\$ 16,606	\$ 47,825	\$ 49,817	\$ 2,181	\$ 39,250	\$ 26,298	\$ 19,625	\$ 298,944	\$ 589,036
General Purpose Entitlement - Local Revenue (In Lieu of Property Tax)	\$ 20,438	\$ 40,876	\$ 27,251	\$ 27,251	\$ 27,251	\$ 27,251	\$ 27,251	\$ 115,386	\$ 57,693	\$ 57,693	\$ 57,693	\$ 57,693	\$ 57,693	\$ 543,726
Federal Revenue														
Child Nutrition				\$ 13,077	\$ 13,077	\$ 13,077	\$ 13,077	\$ 13,077	\$ 13,077	\$ 13,077	\$ 13,077	\$ 13,077	\$ 13,077	\$ 130,785
CDE PCS Grant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Federal Revenue									\$ 33,259		\$ 33,259		\$ 16,630	\$ 83,148
Other State Revenue														
Categorical Block Grant		\$ 3,420	\$ 6,840	\$ 4,560	\$ 4,560	\$ 4,560	\$ 4,560	\$ 4,560	\$ 19,285	\$ 9,643	\$ 9,643	\$ 9,643	\$ 5,083	\$ 86,355
Special Education Local Plan Area (SELPA)			\$ 88,666.50						\$ 88,666.50					\$ 177,333
California Lottery (quarterly)			\$ 4,311			\$ 4,311			\$ 4,311			\$ 4,311		\$ 17,243
Class Size Reduction					\$ -					\$ -			\$ -	\$ -
Economic Impact Aid		\$ 2,442	\$ 4,884	\$ 3,256	\$ 3,256	\$ 3,256	\$ 3,256	\$ 3,256	\$ 13,772	\$ 6,886	\$ 6,886	\$ 6,886	\$ 3,629	\$ 61,667
All Other State Revenues				\$ 41,249	\$ 10,324	\$ 10,324	\$ 17,859	\$ 15,807	\$ 9,410	\$ 9,410	\$ 9,410	\$ 36,519		\$ 160,313
Other Local Revenue														
Transfers from LEAS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fundraising (\$10,000.00 in budget)	\$ -	\$ -	\$ -	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,000
Grants (\$00.00 in budget)	\$ -	\$ 75,000	\$ 75,000	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000
All Other Local Revenue (\$00.00 in budget)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Loan Financing (e.g. Charter School Revolving Loan) (\$00.00 in budget)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUE	\$ 20,438	\$ 125,207	\$ 206,952	\$ 207,604	\$ 170,278	\$ 130,384	\$ 128,827	\$ 201,903	\$ 241,653	\$ 135,959	\$ 156,265	\$ 147,753	\$ 337,362	\$ 2,210,586
DISBURSEMENTS														
1000 Certificated Salaries	\$ -	\$ 41,733	\$ 41,733	\$ 41,733	\$ 41,733	\$ 41,733	\$ 41,733	\$ 41,733	\$ 41,733	\$ 41,733	\$ 41,733	\$ 41,733	\$ 41,733	\$ 500,798
2000 Classified Salaries	\$ -	\$ 13,425	\$ 13,425	\$ 13,425	\$ 13,425	\$ 13,425	\$ 13,425	\$ 13,425	\$ 13,425	\$ 13,425	\$ 13,425	\$ 13,425	\$ 13,425	\$ 161,095
3000 Employee Benefits	\$ -	\$ 17,893	\$ 17,893	\$ 17,893	\$ 17,893	\$ 17,893	\$ 17,893	\$ 17,893	\$ 17,893	\$ 17,893	\$ 17,893	\$ 17,893	\$ 17,893	\$ 214,721
4000 Books and Supplies	\$ -	\$ 10,089	\$ 30,266	\$ 30,266	\$ 50,443	\$ 8,407	\$ 8,407	\$ 8,407	\$ 30,266	\$ 8,407	\$ 8,407	\$ 8,407	\$ 8,407	\$ 201,773
5000 Services and Other Operating Expenditures	\$ 9,844	\$ 20,582	\$ 20,582	\$ 20,582	\$ 20,582	\$ 20,582	\$ 20,582	\$ 20,582	\$ 20,582	\$ 20,582	\$ 20,582	\$ 20,582	\$ 20,582	\$ 236,245
6000 Capital Outlay	\$ -	\$ -	\$ 51,053	\$ 51,053	\$ 1,210	\$ 1,210	\$ 1,210	\$ 1,210	\$ 1,210	\$ 1,210	\$ 1,210	\$ 2,421	\$ -	\$ 113,000
7000 Other Outgo	\$ 7,791	\$ 7,791	\$ 16,738	\$ 16,738	\$ 16,738	\$ 16,738	\$ 16,738	\$ 16,738	\$ 16,738	\$ 16,738	\$ 16,738	\$ 16,738	\$ 16,738	\$ 182,966
TOTAL EXPENDITURES	\$ 17,634	\$ 111,512	\$ 191,691	\$ 191,691	\$ 162,025	\$ 119,989	\$ 119,989	\$ 119,989	\$ 141,848	\$ 119,989	\$ 119,989	\$ 121,200	\$ 73,051	\$ 1,610,599
REVENUE LESS EXPENDITURES	\$ 2,804	\$ 13,694	\$ 15,261	\$ 15,913	\$ 8,253	\$ 10,395	\$ 8,838	\$ 81,914	\$ 99,806	\$ 15,969	\$ 36,276	\$ 26,554	\$ 264,311	\$ 599,987
Reserve Requirement	\$ -	\$ 5,080	\$ 5,080	\$ 5,080	\$ 5,080	\$ 5,080	\$ 5,080	\$ 5,080	\$ 5,080	\$ 5,080	\$ 5,080	\$ 5,080	\$ 5,080	\$ 60,956
NET INCREASE (DECREASE)	\$ 2,804	\$ 8,615	\$ 10,181	\$ 10,833	\$ 3,173	\$ 5,315	\$ 3,758	\$ 76,835	\$ 94,726	\$ 10,890	\$ 31,196	\$ 21,474	\$ 259,231	\$ 539,031
CASH BALANCE	\$ 91,315	\$ 40,105	\$ 50,286	\$ 20,818	\$ 13,991	\$ 158,875	\$ 147,633	\$ 224,468	\$ 319,194	\$ 330,083	\$ 361,280	\$ 382,754	\$ 641,985	\$ 641,985
CASH BALANCE WITH RESERVES	\$ 339,692	\$ 353,386	\$ 368,647	\$ 384,560	\$ 392,813	\$ 403,208	\$ 412,046	\$ 493,960	\$ 593,766	\$ 609,735	\$ 646,011	\$ 672,565	\$ 936,875	\$ 936,875

TOTAL EXPENDITURES	\$ 23,328	\$ 178,027	\$ 277,648	\$ 277,648	\$ 255,464	\$ 189,570	\$ 189,570	\$ 189,570	\$ 223,835	\$ 189,570	\$ 189,570	\$ 190,877	\$ 125,663	\$ 2,500,340
REVENUE LESS EXPENDITURES	\$ 21,723	\$ 21,681	\$ 12,913	\$ 18,142	\$ 13,781	\$ 20,674	\$ 43,448	\$ 159,874	\$ 167,690	\$ 24,490	\$ 59,045	\$ 45,428	\$ 387,386	\$ 996,276
Reserve Requirement	\$ 8,963	\$ 8,963	\$ 8,963	\$ 8,963	\$ 8,963	\$ 8,963	\$ 8,963	\$ 8,963	\$ 8,963	\$ 8,963	\$ 8,963	\$ 8,963	\$ 8,963	\$ 107,555
NET INCREASE (DECREASE)	\$ 21,723	\$ 12,718	\$ 3,950	\$ 9,179	\$ 4,818	\$ 11,711	\$ 34,485	\$ 150,911	\$ 158,727	\$ 15,527	\$ 50,082	\$ 36,465	\$ 378,423	\$ 888,721
CASH BALANCE	\$ 1,113,964	\$ 1,036,682	\$ 990,632	\$ 959,811	\$ 924,629	\$ 886,340	\$ 920,825	\$ 1,071,736	\$ 1,230,464	\$ 1,245,991	\$ 1,296,073	\$ 1,332,537	\$ 1,710,961	\$ 1,710,961
CASH BALANCE WITH RESERVES	\$ 1,687,971	\$ 1,709,652	\$ 1,722,565	\$ 1,740,708	\$ 1,754,489	\$ 1,775,163	\$ 1,818,611	\$ 1,978,485	\$ 2,146,175	\$ 2,170,665	\$ 2,229,710	\$ 2,275,138	\$ 2,662,524	\$ 2,662,524

Year 5 of Operations

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Accrued Year 5	Total
BEGINNING CASH	\$ 1,710,961	\$ 1,616,751	\$ 1,616,700	\$ 1,610,881	\$ 1,441,510	\$ 1,421,302	\$ 1,433,725	\$ 1,498,286	\$ 1,693,882	\$ 1,886,347	\$ 1,922,667	\$ 1,996,538	\$ 2,052,875	
REVENUE														
Revenue Limit Sources														
General Purpose Entitlement Block Grant - State Aid Portion		\$ 9,797	\$ -	\$ 93,801	\$ 14,633	\$ 46,900	\$ 135,073	\$ 140,701	\$ 4,877	\$ 87,780	\$ 58,812	\$ 43,890	\$ 639,270	\$ 1,275,533
General Purpose Entitlement - Local Revenue (In Lieu of Property Tax)	\$ 57,723	\$ 115,447	\$ 76,965	\$ 76,965	\$ 76,965	\$ 76,965	\$ 76,965	\$ 206,474	\$ 103,237	\$ 103,237	\$ 103,237	\$ 103,237	\$ 1,177,415	\$ 1,177,415
Federal Revenue														
Child Nutrition				\$ 26,153	\$ 26,153	\$ 26,153	\$ 26,153	\$ 26,153	\$ 26,153	\$ 26,153	\$ 26,153	\$ 26,153	\$ 26,153	\$ 261,531
CDE PCS Grant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Federal Revenue								\$ 66,518		\$ 66,518			\$ 33,259	\$ 166,296
Other State Revenue														
Categorical Block Grant		\$ 8,809	\$ 17,618	\$ 11,745	\$ 11,745	\$ 11,745	\$ 11,745	\$ 11,745	\$ 34,845	\$ 17,422	\$ 17,422	\$ 17,422	\$ 5,677	\$ 177,943
Special Education Local Plan Area (SELPA)			\$ 172,833.50						\$ 172,833.50					\$ 345,667
California Lottery (quarterly)			\$ 11,103			\$ 11,103			\$ 11,103			\$ 11,103		\$ 44,412
Class Size Reduction					\$ -					\$ -			\$ -	\$ -
Economic Impact Aid		\$ 6,291	\$ 12,581	\$ 8,387	\$ 8,387	\$ 8,387	\$ 8,387	\$ 8,387	\$ 24,773	\$ 12,386	\$ 12,386	\$ 12,386	\$ 3,999	\$ 126,739
All Other State Revenues				\$ 82,497	\$ 20,648	\$ 20,648	\$ 35,718	\$ 31,614	\$ 18,821	\$ 18,821	\$ 18,821	\$ 73,038		\$ 320,625
Other Local Revenue														
Transfers from LEAS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fundraising (\$20,000.00 in budget)	\$ -	\$ -	\$ -	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,000
Grants (\$00.00 in budget)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
All Other Local Revenue (\$00.00 in budget)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Loan Financing (e.g. Charter School Revolving Loan) (\$00.00 in budget)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUE	\$ 57,723	\$ 240,343	\$ 341,100	\$ 329,548	\$ 328,532	\$ 241,902	\$ 294,041	\$ 425,075	\$ 463,160	\$ 265,799	\$ 303,350	\$ 287,230	\$ 708,358	\$ 4,286,162
DISBURSEMENTS														
1000 Certificated Salaries	\$ -	\$ 78,711	\$ 78,711	\$ 78,711	\$ 78,711	\$ 78,711	\$ 78,711	\$ 78,711	\$ 78,711	\$ 78,711	\$ 78,711	\$ 78,711	\$ 78,711	\$ 944,535
2000 Classified Salaries	\$ -	\$ 28,901	\$ 28,901	\$ 28,901	\$ 28,901	\$ 28,901	\$ 28,901	\$ 28,901	\$ 28,901	\$ 28,901	\$ 28,901	\$ 28,901	\$ 28,901	\$ 346,811
3000 Employee Benefits	\$ -	\$ 38,671	\$ 38,671	\$ 38,671	\$ 38,671	\$ 38,671	\$ 38,671	\$ 38,671	\$ 38,671	\$ 38,671	\$ 38,671	\$ 38,671	\$ 38,671	\$ 464,054
4000 Books and Supplies	\$ -	\$ 19,023	\$ 57,068	\$ 57,068	\$ 95,114	\$ 15,852	\$ 15,852	\$ 15,852	\$ 15,852	\$ 15,852	\$ 15,852	\$ 15,852	\$ 15,852	\$ 380,454
5000 Services and Other Operating Expenditures	\$ 13,010	\$ 27,204	\$ 27,204	\$ 27,204	\$ 27,204	\$ 27,204	\$ 27,204	\$ 27,204	\$ 27,204	\$ 27,204	\$ 27,204	\$ 27,204	\$ 27,204	\$ 312,250
6000 Capital Outlay	\$ -	\$ -	\$ 59,638	\$ 59,638	\$ 1,414	\$ 1,414	\$ 1,414	\$ 1,414	\$ 1,414	\$ 1,414	\$ 1,414	\$ 1,414	\$ 2,828	\$ 132,000
7000 Other Outgo	\$ 12,922	\$ 12,922	\$ 27,764	\$ 27,764	\$ 27,764	\$ 27,764	\$ 27,764	\$ 27,764	\$ 27,764	\$ 27,764	\$ 27,764	\$ 27,764	\$ 27,764	\$ 303,485
TOTAL EXPENDITURES	\$ 25,933	\$ 205,432	\$ 317,957	\$ 317,957	\$ 297,778	\$ 218,517	\$ 218,517	\$ 218,517	\$ 259,733	\$ 218,517	\$ 218,517	\$ 219,931	\$ 146,283	\$ 2,883,589
REVENUE LESS EXPENDITURES	\$ 31,791	\$ 34,911	\$ 23,143	\$ 11,591	\$ 30,754	\$ 23,385	\$ 75,524	\$ 206,557	\$ 203,427	\$ 47,282	\$ 84,833	\$ 67,299	\$ 562,075	\$ 1,402,572
Reserve Requirement	\$ 10,962	\$ 10,962	\$ 10,962	\$ 10,962	\$ 10,962	\$ 10,962	\$ 10,962	\$ 10,962	\$ 10,962	\$ 10,962	\$ 10,962	\$ 10,962	\$ 10,962	\$ 131,545
NET INCREASE (DECREASE)	\$ 31,791	\$ 23,949	\$ 12,181	\$ 629	\$ 19,792	\$ 12,423	\$ 64,562	\$ 195,595	\$ 192,465	\$ 36,320	\$ 73,871	\$ 56,337	\$ 551,113	\$ 1,271,027
CASH BALANCE	\$ 1,742,751	\$ 1,666,700	\$ 1,628,881	\$ 1,611,510	\$ 1,461,302	\$ 1,433,725	\$ 1,498,286	\$ 1,693,882	\$ 1,886,347	\$ 1,922,667	\$ 1,996,538	\$ 2,052,875	\$ 2,603,988	\$ 2,603,988
CASH BALANCE WITH RESERVES	\$ 2,694,315	\$ 2,729,226	\$ 2,752,369	\$ 2,763,960	\$ 2,794,714	\$ 2,818,099	\$ 2,893,623	\$ 3,100,180	\$ 3,303,607	\$ 3,350,889	\$ 3,435,722	\$ 3,503,021	\$ 4,065,096	\$ 4,065,096

5000 Series Breakdown Services and Other Operating Expense

This an **optional** worksheet created to assist you in thinking about some of the specific expenses in each sub-category of the 5000 series. Please feel free to not enter expenses in some line items and to add additional line items for expenses specific to your school.

Line Item	Year 1	Year 2	Year 3	Year 4	Year 5
Travel and Conferences					
Teacher Conference Fees	\$ -	\$ -	\$ -	\$ -	\$ -
Teacher Travel	\$ -	\$ -	\$ -	\$ -	\$ -
Administration Conference Fees	\$ -	\$ -	\$ -	\$ -	\$ -
Adminstration Travel	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL 5200	\$ -	\$ -	\$ -	\$ -	\$ -
Dues and Membership					
California Charter Schools Assoc Membership	\$ 750	\$ 1,125	\$ 1,500	\$ 1,875	\$ 2,250
Other Membership Dues	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL 5300	\$ 750	\$ 1,125	\$ 1,500	\$ 1,875	\$ 2,250
Insurance					
General Liability Insurance (Including D & O)	\$ -	\$ -	\$ -	\$ -	\$ -
Other Insurance	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL 5400	\$ -	\$ -	\$ -	\$ -	\$ -
Utilites and Housekeeping					
Power/Electricity	\$ -	\$ -	\$ -	\$ -	\$ -
Water	\$ -	\$ -	\$ -	\$ -	\$ -
Sewer Hookup	\$ -	\$ -	\$ -	\$ -	\$ -
Trash/Recyclinig	\$ -	\$ -	\$ -	\$ -	\$ -
Custodial Service	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL 5500	\$ -	\$ -	\$ -	\$ -	\$ -
Rentals, Leases, Repairs					
Facility Lease	\$ -	\$ -	\$ -	\$ -	\$ -
Facility Repairs	\$ -	\$ -	\$ -	\$ -	\$ -
Copier Lease & Repair Contract	\$ -	\$ -	\$ -	\$ -	\$ -
Phone System	\$ -	\$ -	\$ -	\$ -	\$ -
Other Leases/Contracts	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL 5600	\$ -	\$ -	\$ -	\$ -	\$ -
Professional/Consulting Services					
Third Party Certification (e.g. WASC)	\$ -	\$ -	\$ -	\$ -	\$ -
Advertising	\$ -	\$ -	\$ -	\$ -	\$ -
Legal Expenses	\$ -	\$ -	\$ -	\$ -	\$ -
Education Consulting Services	\$ -	\$ -	\$ -	\$ -	\$ -
Fundraising/Marketing Consulting Services	\$ -	\$ -	\$ -	\$ -	\$ -
Business Services	\$ -	\$ -	\$ -	\$ -	\$ -
IT Services	\$ -	\$ -	\$ -	\$ -	\$ -
Website Development	\$ -	\$ -	\$ -	\$ -	\$ -
Workshops for Teacher Development	\$ -	\$ -	\$ -	\$ -	\$ -
Workshops for Students	\$ -	\$ -	\$ -	\$ -	\$ -
Student Field Trips	\$ -	\$ -	\$ -	\$ -	\$ -
Athletics Fees/Use Contracts	\$ -	\$ -	\$ -	\$ -	\$ -
Other Services	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL 5800	\$ -	\$ -	\$ -	\$ -	\$ -
Communications					
Postage & Postage Meter Rental	\$ -	\$ -	\$ -	\$ -	\$ -
Landline Phone Service and Long Distance	\$ -	\$ -	\$ -	\$ -	\$ -
Cell Phone Service	\$ -	\$ -	\$ -	\$ -	\$ -
Website Hosting	\$ -	\$ -	\$ -	\$ -	\$ -
Internet Service Provider	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL 5900	\$ -	\$ -	\$ -	\$ -	\$ -

Charter School Facilities Worksheet

The facilities needs of each charter school are unique and vary widely based on the mission of the school and the students that the school serves. However, many charter developers and operators have asked for some rules of thumb as they begin their search. This template will provide general guidelines on size of building and what you may be able to afford to pay in rent or in mortgage payments.

Before you begin the facilities search, the Association recommends you speak with experts in your area or the Association's Director of Facilities, Jo Ann Koplin (joannk@charterassociation.org). NCB Capital Impact has also created a helpful guide on charter school facilities entitled *The Answer Key*. [Click here to download a copy of The Answer Key](#).

Lease Payments

Determine How Much Total Space You Can Afford for Lease Payments

Contact Local Brokers to Get an Estimate on Commercial Prices in Your Target Neighborhood

\$ - \$ Sq./Ft.

	Year 1	Year 2	Year 3	Year 4	Year 5
ADA	143	214	285	356	428
Ongoing Revenue	\$ 926,051	\$ 1,635,672	\$ 2,239,918	\$ 2,853,868	\$ 3,468,335
% Budget to Facilities	0%	0%	0%	0%	0%
Annual Lease Payment	\$ -	\$ -	\$ -	\$ -	\$ -

Sq Feet Can Afford	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Sq/Ft Per ADA	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!

Increase Student Population by 25%

ADA	178	267	356	445	534
Ongoing Revenue	\$ 1,157,564	\$ 2,044,590	\$ 2,799,897	\$ 3,567,335	\$ 4,335,419
% Budget to Facilities	0%	0%	0%	0%	0%
Annual Lease Payment	\$ -	\$ -	\$ -	\$ -	\$ -

Sq Feet Can Afford	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Sq/Ft Per ADA	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!

Increase Student Population by 50%

ADA	214	321	428	534	641
Ongoing Revenue	\$ 1,389,077	\$ 2,453,508	\$ 3,359,877	\$ 4,280,802	\$ 5,202,503
% Budget to Facilities	0%	0%	0%	0%	0%
Annual Lease Payment	\$ -	\$ -	\$ -	\$ -	\$ -

Sq Feet Can Afford	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Sq/Ft Per ADA	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!

Increase Student Population by 100%

ADA	285	428	570	713	855
Ongoing Revenue	\$ 1,852,102	\$ 3,271,344	\$ 4,479,836	\$ 5,707,736	\$ 6,936,670
% Budget to Facilities	0%	0%	0%	0%	0%
Annual Lease Payment	\$ -	\$ -	\$ -	\$ -	\$ -

Sq Feet Can Afford	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Sq/Ft Per ADA	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!

Mortgage Payments

After two years of operations, a charter school may be able to borrow funds to acquire or renovate a facility. Please fill out the model below based on your long term strategic plan. This will provide you with a ballpark figure on what you may be able to borrow and what the total project size you could afford.

School Information

Number of Students (ADA)	-	How many students will you have in your permanent facility?
Revenue Per ADA	\$ -	
Budget % to Pay for Facilities Loan Debt	0%	Association recommends between 12% and 15% for debt service
Cash Available for Down Payment	\$ -	

Loan Terms

Interest Rate (Annual)	0.00%	Call lenders for current figures
Amortization (Years)	-	20 - 25 years for acquisition loans; 10 - 20 years for tenant improvements
Loan to Value	0%	80 - 90% is common for charter schools

Loan Amount

Annual Affordable Loan Payments	\$ -
Loan Amount	\$ -
Cash Needed	#DIV/0!
TOTAL POSSIBLE PROJECT SIZE	#DIV/0!

INTEROFFICE CORRESPONDENCE
Los Angeles Unified School District

TO: T.R. Porter

DATE: November 29, 2010

FROM: Portia Ilagan

SUBJECT: BUDGET REVIEW – MARRELL PREPARATORY ACADEMY

Items that must be addressed prior to approval:

1. Page 7 – Source/Core of Money
Personal Loan -Provide documentation that the funds are now with Marrell's school account
Revolving loan for charter schools- not allowed as start up funds. New schools do not usually receive the cash in time to be used as start up funding.
Documentation from CDE that the funds will be received in time to be used as start up funding
2. Page 15 – Students to be served
Revise graph to show correct school year
3. Page 38 – Saturday School
Indicate in the budget costs associated with Saturday School.
4. Page 42 – Summer Training
Indicate in the budget costs associated with Summer Training
5. Page 267 – Hold Harmless/Indemnification Provision
Missing portion of the LAUSD Required Language
6. Page 268 – Facilities
Include in the start-up budget
7. Page 274 – Fiscal
Include the following language
“The following reports will be submitted to LAUSD, in the required format and within timelines to be specified by LAUSD each year”:
 - a. Provisional Budget – Spring prior to operating fiscal year
 - b. Final Budget – July of the budget fiscal year
 - c. First Interim Projections – November of operating fiscal year
 - d. Second Interim Projections – February of operating fiscal year
 - e. Unaudited Actuals – July following the end of the fiscal year
 - f. Audited Actuals – December 15 following the end of the fiscal year
 - g. Classification Report – monthly according to school's Calendar
 - h. Statistical Report – monthly according to school's Calendar of ReportsIn addition:
 - P1, first week of January
 - P2, first week of April
 - i. Instructional Calendar – annually five weeks prior to first day of instruction
 - j. Other reports as requested by the District*Provide assurances that the school will be a direct funded charter school.*

Budget Plan

8. *Budget for computers seems low. It appears 1 computer only per classroom. Does not match with the statement in the petition that says “The visitor is struck not only by the amount of technology in the classrooms ….”*
9. Page 249 – Student Information System
Indicate in the budget costs associated with Student Information System
10. Budget summaries and cash flows not matching
11. Delete \$10,000 fundraising. School has no history of fundraising
12. Delete \$20,000 revolving loan
13. Provide documentation for the \$50,000 Other local revenue- grants.

Informational Comments: These items are informational but need to be reviewed and possibly sent to the unit listed for additional review. These items could very well be fatal flaws in the petition when examined by another unit.

14. Evelyn Gladney Wright – *Verify if there may be a conflict of interest. This board of director owns a Special Education private school.*
15. Special Education Program – *Verify if petitioner does not need to include second part of the LAUSD Required Language*
16. *Replace any reference to “charter school” to Marrell Preparatory Academy where applicable*
17. Page 268 – Facilities
Delete strikethrough language “After contacting Alan Wendell, the Charter School Division representative in Los Angeles Building and Safety Department.....”
18. Page 280 – Retirement Programs and Staff Issues
Verify language with legal counsel “Prior to any changes in the retirement benefit packages, MPA agrees to provide written notification to all employees. If MPA opts to participate in outside retirement benefit programs for its full-time employees, these programs will be reviewed with the staff and decided upon annually.” It is my understanding that once an employee becomes a member of STRS, all qualified should become members also. At no point that the school could opt out of STRS.

c. Aaron Airleywine

**Marell's Preparatory Academy Charter Petition
Findings of Fact for Denial of Petition
By the Los Angeles Unified School District
2010**

The charter review process requires the authorizer to evaluate whether the charter petition meets the criteria for approval.

Education Code Section 47605 (b) states the required petition Element #s and conditions for denial.

Education Code Section 47605 outlines additional petition criteria.

The Petition of Marell's Preparatory Academy ("Charter School") does not meet the criteria under Education Code section 47605(b).

Education Code section 47605(b) states: A school district governing board shall grant a charter for the operation of a school under this part if it is satisfied that granting the charter is consistent with sound educational practice. Education code section 47605(b) provides that the governing board shall not deny a petition for the establishment of a charter school unless it makes written factual findings, specific to the particular petition, setting forth specific facts to support one or more of the following findings:

- (1) The charter school presents an unsound educational program for the pupils to be enrolled in the charter school.
- (2) The petitioners are demonstrably unlikely to successfully implement the program set forth in the petition.
- (3) The petition does not contain the number of signatures required by subdivision (a) of Education Code 47605.
- (4) The petition does not contain an affirmation of each of the conditions described in subdivision (d) of Education Code 47605.
- (5) The petition does not contain a reasonably comprehensive description of all required Element #s.

LAUSD's analysis of the charter petition submitted on or about November 1, 2010, to LAUSD by Marell's Preparatory Academy indicates:

Regarding #2 above:

The petitioners are demonstrably unlikely to successfully implement the program set forth in the petition:

- The revenue sources relied upon by the charter school in its start-up Budget Plan have not been secured. The school is relying on receipt of a Public School Grant Program award from the State, but has not been awarded a grant at this time. Additionally, the start-up budget includes funds from the Revolving Loan for Charter Schools. Although the school is eligible to apply, due to limited funds, there is no guarantee that the loan will be approved. Petitioners do not have proof of securing any other source of start-up funds. Accordingly, petitioners fail to present a viable budget and realistic financial and operational plan for the successful implementation of the proposed charter school.
- The petitioner did not provide evidence that funds from the \$50,000 Personal Loan identified in the budget plan have been secured. Lack of secured funds negatively impacts the petitioner's ability to successfully implement the program.

Regarding #4 above:

The petition does not contain an affirmation of each of the conditions described in subdivision (d) of Education Code 47605.

Charter petition does not comply with California Education Code section 47605(d)(1) which requires a charter to affirm that it would not discriminate against any pupil on the basis of the characteristics listed in Education Code section 220 – disability, gender, nationality, race or ethnicity, religion, sexual orientation, or any other characteristic that is contained in the definition of hate crimes set forth in Section 422.55 of the Penal Code. The charter petition only affirms that it would admit pupils without regard to “ethnicity, race, or national origin.”

Regarding #5 above:

The petition does not contain a reasonably comprehensive description of all of the Elements required in EC § 47605 (b) based on the following findings of fact:

Description of the School's Educational Program (Element # 1)

The petition does not contain a reasonably comprehensive description of the charter school's educational program.

- Daily schedules do not depict course offerings for every grade at times/periods specified .

Measurable Student Outcomes (Element # 2)

The petition does not contain a reasonably comprehensive description of the charter school's measureable student outcomes.

- Performance indicators and “skills, knowledge and attitudes” are not clearly described or defined in the proposed School Accountability Plan.
- The APIs listed for comparison schools are not accurate

Governance (Element # 4)

The petition does not contain a reasonably comprehensive description of the charter school’s governance.

- The charter contains statements indicating that financially interested persons may serve on the governing board of the charter school as long as the interested person discloses the conflict and abstain from participating in the transaction. Any transaction entered into with a financially interested person would be in violation of Government Code section 1090 and would render such transaction void.
- The charter contains statements regarding the governing board’s responsibilities but does not sufficiently explain who will have the authority to approve contracts and purchases of \$10,000 or less without board approval. It also does not describe what checks and balances will be in place to guard against potential abuses of this policy.

Bylaws

a. Brown Act

- (1) Article 5.1 of the Bylaws describes a potential Brown Act conflict that exists regarding “Place of Meetings” that may conflict with Government Code section 54954(b) which requires, subject to the exceptions listed in that statute, that all regular and special meetings be held within the boundaries of the territory over which the Board has jurisdiction.
- (2) Article 5.6(1) of the charter school’s Bylaws, under the heading "Notices" provides that the board’s Annual Meetings and Regular Meetings may be held "without notice.” The Brown Act requires that the Board provide at least 72 hours advance notice of a regular meeting, along with an agenda. The agenda shall specify the time and location of the regular meeting and shall be posted in a location that is freely accessible to members of the public. (Gov. Code § 54954.2.) Since the allowable procedure under Article 5.6 may violate the notice requirements of the Brown Act, we recommend that LAUSD advise the charter school to revise this section so notice of board meetings is required.
- (3) Additionally, Article 5.6(1) conflicts with 5.6(3) which states that agendas for regular board meetings will be posted 72 hours in advance of the meeting.
- (4) Article 5.6(2) of the Bylaws, regarding notice of special meetings, only addresses notice to directors of the Board and not the public. While the Brown Act does allow special meetings to be called at any time, notice of the meeting must be given to the public at least 24 hours before the special meeting.

(5) Article 6.2 provides that if a quorum is initially present [but less than a quorum become present], the Board may continue to transact business as long as any action taken is “approved by at least a majority of the quorum required.” Per the California Attorney General (Brown Act publication 2003), when there is less than a quorum present at a noticed meeting, the body may either (1) meet as a committee, or (2) adjourn to a future date. The presence of a quorum is necessary to take action. (Govt. Code §§ 54952.6; 54955; 54955.1.)

b. Conflict of Interest

(1) The charter school’s Bylaws Article 4.4, under “Election,” states the MPA Principal shall be a non-voting member of the Board. Government Code section 1090 *et seq.* precludes a charter school Principal (assuming he/she is a paid employee of the charter school) from also serving on the charter school’s Board of Directors, regardless of whether he/she is a non-voting member. His/her presence on the charter school’s governing board prohibits the governing board from taking action.

(2) Article 4.5 of the Bylaws, allows up to 49% of the corporate Board members to be "interested persons." Article 14.2(1) defines an “interested person” as a director, etc. who has a direct or indirect financial interest. Article 14.2(2)(c) states: “A financial interest is not necessarily a conflict of interest” and Article 14.3 allows the Board to take action even if a conflict exists. Under Government Code section 1090, a Board may not take action if an interested person serves on the Board. The bylaws accordingly as stated may run afoul of Government Code 1090.

(3) Article 14.5 states: “*A voting member of the government board who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member’s compensation.*” This Bylaw allows board members to receive compensation for services provided they do not participate in the vote regarding their compensation. Not only does Article 14.5 conflict with Article 4.11 which states: “Board Members shall serve without compensation,” but since Board member compensation is a material financial interest, there may be a Section 1090 violation.

Government Code section 1090 *et seq.* prohibits governing board members from being financially interested in any contract made by them in their official capacity, or by the board of which they are members. A conflict of interest in a contract/transaction per Section 1090 results in a void contract and the steps the board may take per the Bylaw Sections will not cure that conflict. An interested board member is conclusively presumed to have “made” the contract for purposes of Section 1090 because he/she is on the board, resulting in a void contract.

Racial and Ethnic Balance (Element # 7)

The petition does not contain a reasonably comprehensive description of the charter school’s racial and ethnic balance provisions.

- Statement in Element 7 does not comply with California Education Code section 47605(d)(1) which requires a charter to affirm that it would not discriminate against any

pupil on the basis of the characteristics listed in Education Code section 220 – disability, gender, nationality, race or ethnicity, religion, sexual orientation, or any other characteristic that is contained in the definition of hate crimes set forth in Section 422.55 of the Penal Code. The charter petition only states that it would admit pupils without regard to “ethnicity, race, or national origin.”

- The racial and ethnic content does not sufficiently describe how the charter *will* attain a racial and ethnic balance reflective of LAUSD including a written plan that provides dates and locations of meetings and events.

Admission Requirements (Element # 8)

The petition does not contain a reasonably comprehensive description of the charter school’s admission requirements provisions.

- The lottery procedure described in the charter petition does not comport with Ed. Code 47605(d)(2)(B) which requires a public random drawing process if the number of those students who wish to attend the charter school exceeds the school’s “capacity.” The charter petition incorrectly states that a lottery will be implemented if it exceeds capacity or “attendance.”
- The admission requirements content does not describe efforts to recruit academically low achieving, economically disadvantaged and special needs students.

Suspension and Expulsion Procedures (Element # 10)

The petition does not contain a reasonably comprehensive description of the charter school’s suspension and expulsion procedures provisions.

- The petition lists grounds for which a student may be suspended or expelled without differentiating discretionary vs. non-discretionary offenses. Furthermore, the petition confusingly includes in its list of causes for which a student “may” be suspended or expelled, several offenses which require mandatory expulsion recommendations under Section 48915. Failure to differentiate mandatory suspension and expulsion recommendations for the more serious offenses listed in Section 48915 calls into question whether the proposed procedures will provide adequate safety for students and staff of the school.
- Under “Suspension Procedures,” the petition states that “a school employee” shall make a reasonable effort to contact the parent/guardian at time of student’s suspension. The charter school needs to specifically identify the individual who is responsible to ensure that this procedure is followed. Furthermore, the petition states that the notice “may also state” the date and time of when the student may return to school. Providing this information should not be discretionary to ensure proper notification and due process to parents and students.
- The petition fails to state that a student may appeal an expulsion order and the procedures in filing an appeal and what panel would hear the appeal. Failure to include expulsion appeal process in the petition does not ensure due process for students.

- The petition fails to describe what occurs after the expulsion hearing takes place, including notice of expulsion with information to the parent and student on reason for expulsion, term of expulsion, rehabilitation plan, reinstatement date, options for enrollment, and information on how to obtain pupil records.

Retirement Programs (Element # 11)

The petition does not contain a reasonably comprehensive description of the charter school's retirement programs provisions.

- The charter school has not identified staff responsible for ensuring appropriate arrangements for STRS, PERS, or Social Security coverage procedures.